

LEGISLATIVE COUNCIL

Friday 19 November 1999

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)—

Ministerial Response to Report of Social Development Committee on Gambling.

Review of the Youth Affairs Council of South Australia.

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

City of Tea Tree Gully Heritage Plan Amendment—Report on the Interim Operation.

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

Australian Dance Theatre—Report 1998.

South Australian Country Arts Trust—Report, 1998-99.
Adelaide Festival of Arts—Report, 1 April 1999—30 June 1999.

SOCIAL DEVELOPMENT COMMITTEE, TREASURER'S RESPONSE

The **Hon. R.I. LUCAS (Treasurer)**: I lay upon the table my response to the report of the Social Development Committee on gambling, in accordance with section 19.3 of the Parliamentary Committees Act 1991, albeit a few days late, with my apologies.

LEGISLATIVE REVIEW COMMITTEE

The **Hon. A.J. REDFORD**: I lay upon the table the tenth report of the committee 1999-2000, and move:
That the report be read.

Motion carried.

The **Hon. A.J. REDFORD**: I lay on the table the 11th report of the committee 1999-2000.

RADIOACTIVE WASTE

The **Hon. R.I. LUCAS (Treasurer)**: I seek leave to table a copy of a ministerial statement made by the Premier in another place on the subject of radioactive waste.

Leave granted.

PALLIATIVE CARE

The **Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning)**: I seek leave to table a ministerial statement made in another place by the Minister for Human Services (Hon. Dean Brown) on the subject of a report to parliament on the care of people who are dying in South Australia.

Leave granted.

QUESTION TIME

ELECTRICITY, PRIVATISATION

The **Hon. CAROLYN PICKLES (Leader of the Opposition)**: I seek leave to make a brief explanation before

asking the Treasurer a question on the subject of ETSA consultants.

Leave granted.

The **Hon. CAROLYN PICKLES**: In his evidence to the Economic and Finance Committee given on 10 November, the Auditor-General says that the control structure for the contract is through various committees. He says:

That very significantly dilutes the accountability of people who are advisers—people who are being paid very considerable sums of money to provide professional advice. By having that advice communicated through a committee type structure it is virtually impossible to attribute accountability with respect to a particular course of action that might be taken. That may mean the government has no redress in the event that a course it takes turns out to be seriously flawed.

My questions are:

1. Can the Treasurer confirm that, while the state of South Australia may be vulnerable to litigation by one or more of the bidders for the ETSA privatisation, the highly paid consultants advising on the sales process may escape legal liability if their advice turns out to be faulty?

2. What is the government doing to ensure that the advisers on the power privatisation are accountable and liable for the quality and correctness of the advice they provide?

The **Hon. R.I. LUCAS (Treasurer)**: As I have said before, whilst we agree with the Auditor-General on many things, on this particular one we have a difference of opinion. My advice is that the government retains all its rights in relation to these issues. I know that as Treasurer through the 18 months or so of this process I have received advice from the individual legal or accounting firms which they do sign off, so I do not accept the proposition that all the advice that I am getting is coming through and signed off by a particular committee. Yes, it is true that advice comes through committees and is signed off by committees.

When you have a process as big as this, and when you have so many people involved, including public servants within my own department, crown law staff and consultants with various disciplines, the only way of managing it, in the real world of trying to manage a process such as this, is to ensure proper coordination. Otherwise, we would have a situation where every individual or individual company would sign off on separate advice on a particular issue and it would all arrive on my desk, not having been coordinated. That is just no way to run a major leasing process such as this. You must have coordination. You must see cooperation between the various advisers that you have.

There must be a process of being able to test the opinions of the lawyers against the accountants, the accountants against the bankers, the public servants second guessing and checking the views of the paid advisers, and crown law being there to check from a legal viewpoint from the Crown's viewpoint. These are necessary processes, and I know of no sensible way of managing a process as big and as important as this other than using a properly coordinated committee structure where ultimately advice must come through to me which has been agreed between the various advisers, or where there is disagreement—which, let me assure you, occasionally occurs. That disagreement is highlighted in the advice to me for me to make a final judgment on behalf of the government.

As I said, in this regard, the government does take a slightly different perspective on the issue. I do know that I get advice from committees. In relation to key issues, I have requested—indeed, the senior officers from the reform and

sales unit have requested—that either the lawyers, the accountants or the bankers—in terms of their commercial advice—sign off on behalf of themselves and the companies they represent regarding their advice. Whatever are the usual legal remedies available to governments—and I do not profess to be an expert on this: I will leave that to my learned colleague the Attorney-General should we ever have to get ourselves into a situation like that—those rights would remain with me as the Treasurer and with me representing the government in relation to this particular deal.

The Hon. P. HOLLOWAY: I seek leave to make a brief explanation before asking the Treasurer a question on the ETSA lease.

Leave granted.

The Hon. P. HOLLOWAY: During his evidence to the Economic and Finance Committee on 10 November, the Auditor-General stated:

There is a very significant issue associated with the advisers' contracts. The lead advisers' contracts include a success fee element. That means they have a proprietary interest in seeking completion of a deal probably as quickly as possible. We want to make sure that the completion of that deal is not inconsistent with public interest requirements.

In view of those comments, how can the Treasurer assure the public of South Australia that he has not rushed the privatisation process based on self-interested advice from his lead advisers?

The Hon. R.I. LUCAS: That is a naive question from the Deputy Leader of the Opposition. I am there on behalf of the government and the people of South Australia to ensure that the public interest is followed through. I take advice from the commercial advisers, the legal advisers, the accounting advisers and the senior public servants within the reform and sales unit. It is ultimately my responsibility, having listened to that advice, to make the judgments in terms of the appropriate timetables.

I know and, more importantly, my advisers, who have worked on virtually every other major privatisation around Australia, know of no deal where the commercial advisers have not had a success fee arrangement. It is just part of the real world of commercial practice. So, the naive shock and horror of Mr Foley, Mr Rann and now the Hon. Mr Holloway over success fees and commercial bankers being part of this commercial deal belie the reality of commercial deals and privatisations within South Australia.

The Hon. P. Holloway: It's not just success: it's quick success.

The Hon. R.I. LUCAS: Have you seen the contracts?

The Hon. P. Holloway: That is what the Auditor-General says. I just quoted what he said.

The Hon. R.I. LUCAS: With respect to the success fees and the timing, the final judgment rests with me, not with the commercial advisers. The commercial advisers do not take the final decisions. I take the final decisions on behalf of the government and the public interest. If the commercial advisers had delegated responsibility to go off and do the deal in whatever time frame they wanted to, there might be some sense in the Hon. Mr Holloway's question. But he does not understand how the process of governance of a big deal like this operates. That is understandable; he has never been in a position of having to manage such a process. Those on the government side hope he will never have to, if he has a view along the lines of the questions he has asked this week in relation to how you manage a process like this.

It is not the final decision of the commercial advisers. I do not know how I can put it more simply to the Hon. Mr Holloway. Ultimately it is my decision, having listened to not only their advice but also the advice of the lawyers, who do not have a success fee built into their fee arrangements; the advice of the senior public servants in Treasury, who do not have a percentage success fee built into their arrangements, as they are paid as public servants; and the advice of senior commercial counsel of crown law, who also does not have a success fee. It is naive of the Hon. Mr Holloway to assume that the advisers take the decisions and that, if they want to hurry it along, in essence they will decide what the final timetable will be. That is not the way this is done. The decision rests with me, having heard not only their advice but also everyone else's advice.

WETLANDS

The Hon. T.G. ROBERTS: I seek leave to make a brief explanation before asking the Minister for Transport and Urban Planning, representing the Minister for Environment and Heritage, a question on wetlands and lake management.

Leave granted.

The Hon. T.G. ROBERTS: The lakes I refer to are lakes Bonney and George in the South-East which I understand have management plans set up under the current government's policy. The protection policy requires that the status of the fish in Lake George be seasonally monitored, and I understand the government has made the decision not to allow any fish to be netted in Lake George currently. That is a sensible decision for the government to make, because of the lack of fresh water that is being fed into the lake. I do not think the numbers would be very high, anyway. My understanding is that there has not been a lot of consultation with the Friends of the Lake in relation to the decision that has been made, and they are not sure on what scientific or biological information the decision was made.

In relation to Lake Bonney, I rang the environment department in Mount Gambier to find out what was happening with a structure that is on the southern end of the lake that allows for the closure of an artificial outlet which has been put in between the lake and the sea and which cuts through the sandhills. It is a weir type gate surrounded by a rock and concrete structure. The whole of the structure was being dismantled, according to a constituent who rang me and asked whether I could find out from the department the government's intentions for the management of the lake. My constituent wanted to know whether they intended to put the weir back and were just taking it out temporarily or what was going on.

I rang the department. The answer I received was that this was a temporary removal for maintenance and that the weir would be put back and the lake would continue to be managed by opening the outlet when the lake flooded so that the surrounding land would not be flooded and the wetlands would be managed in a controlled way.

I have since received information from other constituents that the structure has been removed permanently. That conflicts with the information that I have given them based on my trust in the information given to me. So, I think this is the appropriate place in which to ask my questions, which are:

1. What management plan is the government working towards in the management of Lake Bonney and the surrounding wetlands?

2. What best biological scientific evidence has been used in relation to the management of the fish stocks in Lake George?

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): I will refer the honourable member's questions to the minister and bring back a reply.

OPTIMA PLAYHOUSE

In reply to **Hon. SANDRA KANCK** (16 November).

The Hon. DIANA LAIDLAW: The sponsorship agreement between Optima Energy and the Adelaide Festival Centre Trust expires on 17 February 2001, with the final payment due by Optima on 18 February 2000.

Under the agreement Optima Energy may assign its rights and obligations to another party. There is no provision for Optima Energy to terminate the agreement before it expires, unless the Adelaide Festival Centre Trust fails to meet its obligations. In the normal course of business the Adelaide Festival Centre Trust will actively seek to confirm renewal of the sponsorship by Optima Energy or attract an alternative sponsor prior to February 2001.

The management of sponsorship by the Adelaide Festival Centre Trust, as with all other arts organisations, is an ongoing part of business. It is always actively managing its current sponsors, including negotiating renewal of sponsorships, and seeking new sponsors.

The relationship with Optima Energy is important to the Adelaide Festival Centre Trust and it will continue to monitor the potential changes to the relationship as a result of the lease.

NATIONAL PARKS AGENDA

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister for Transport, representing the minister for environment and natural resources, a question about the National Parks Agenda.

Leave granted.

The Hon. M.J. ELLIOTT: My questions relate to promises made by the then Minister for Environment and Natural Resources in the parks agenda which was launched in June 1997. The parks agenda initiative was described at its launch as marking a new era for parks and wildlife management in South Australia. It aimed to improve park management and visitor facilities as well as increase community involvement and develop closer links with business. There is no doubt that this initiative has had some success in developing closer links with business: we are about to see a mining process established in a national park and a convention centre has been proposed for the Belair park. That still might happen, albeit on a different footprint.

However, parks volunteers tell me that other parts of the parks agenda appear to have been less successful. The parks agenda promised \$35 000 to the National Parks Foundation and to employ five additional rangers a year from 1997 to 2000. Recently, my office has been contacted by several people concerned that the National Parks Foundation has not been free to independently use the \$35 000: instead, the money has been assigned to a full-time position under the supervision of the department. Further, there has been concern that, whilst the five additional rangers each year have been assigned to new positions, many existing ranger positions remain unfilled. The result is little net benefit for our national parks. With the abovementioned concerns in mind, I ask the minister the following questions:

1. How has the \$35 000 contribution to the National Parks Foundation been allocated? Indeed, has it been earmarked for a full-time position under the supervision of the department?

2. How many ranger positions were vacant prior to the parks agenda promise, and how many remain vacant at the time of my asking this question?

3. Will the minister reassure concerned South Australians that the state government has met its obligation to employ five additional rangers each year between 1997 and 2000?

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): I will refer the honourable member's questions to the minister and bring back a reply.

PILCHARD FISHERY

The Hon. P. HOLLOWAY: I seek leave to make a brief explanation before asking the Attorney-General, representing the Minister for Primary Industries, Natural Resources and Regional Development, a question about the pilchard fishery.

Leave granted.

The Hon. P. HOLLOWAY: The Marine Scale Pilchard Fisherman's Association recently released a pilchard industry statement in which it set out the recent history of the pilchard fishery. Amongst other things, the association seeks a judicial inquiry into all aspects—

The Hon. K.T. Griffin interjecting:

The Hon. P. HOLLOWAY:—yes—of the management of the pilchard fishery; all aspects of the 1993 memorandum of understanding between the Liberal Party and the Tuna Boat Owners Association of Australia; and the implications of the MOU on fisheries management of the pilchard fishery. This statement was released partly in response to the recent decision of the Minister for Primary Industries to set up an Independent Allocation Assessment Panel to provide recommendations to the minister on future allocations of the resource. My questions to the Attorney, representing the Minister for Primary Industries, Natural Resources and Regional Development, are:

1. Why is the minister establishing yet another committee to provide recommendations regarding future pilchard allocations, given that the Environment, Resources and Development Committee recommended that the minister make decisions regarding the allocation of additional quota; and, further, that the original 14 pilchard fishers be given priority in relation to the allocation of additional quota?

2. How will the minister ensure that members of the Independent Allocation Assessment Panel are acceptable to all participants in the pilchard fishery, particularly the Marine Scale Pilchard Fisherman's Association?

3. What are the terms of reference and powers of the Independent Allocation Assessment Panel, and will they be wide enough to take into account all aspects, including the history of the pilchard fishery?

4. Will any recommendations of this panel be in place for the Year 2000?

5. Given the minister's responsibilities under the Fisheries Act 1982, will he formally delegate his powers to the IAAP as required under section 23(1) of the act?

6. If the panel follows the recommendations of the Environment, Resources and Development Committee regarding allocation, will the minister finally accept that the pilchard allocation should be limited to the 14 original participants?

The Hon. K.T. GRIFFIN (Attorney-General): I will refer those questions to my colleague and bring back a reply.

SCHOOL TEACHERS, COMPETENCY

The Hon. G. WEATHERILL: I seek leave to make a brief explanation prior to directing a question to the Treasurer, representing the Minister for Education, on school teacher competency?

Leave granted.

The Hon. G. WEATHERILL: Can the Treasurer, representing the Minister for Education, state or explain this government's definition of 'teacher competency'? Does the minister suspect or know that this definition has or may change from year to year, government to government? Are the principals and deputy principals of our state schools aware of the government's definition and its broader interpretation of 'teacher competency'? Given that primary school education is interpersonal, to what extent are school teachers' professional skills monitored directly in the classroom by the department?

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

MENTAL HEALTH

The Hon. CARMEL ZOLLO: I seek leave to make a brief explanation before asking the Minister for the Ageing a question concerning mental illness in older people.

Leave granted.

The Hon. CARMEL ZOLLO: A recent article in *AgeNet* (which is a regular publication of the Office for the Ageing) reported on concerns relating to depression in older people and the fact that it does not receive the airplay it deserves in comparison with its effects on people's lives. Suicide statistics quoted for people over 65—22 per cent of the total number of suicides—are a bit higher than the youth rate of just under 20 per cent. Whilst not suggesting that the latter group does not deserve priority attention and resources, it seems that older Australians are just as much at risk.

Sue Jarrad, the Director of Policy Development at the Alzheimer's Association, reported that health professionals attending a recent seminar staged by the Depression in Later Life Interest Group had come up with a list of priorities. Amongst those priorities are increased political awareness and other suggestions which would require some government resourcing. Dr Steve McLean, Clinical Leader at Eastern Mental Health Services, was reported as saying:

Depression was under-recognised in older people. The illness presented quite differently in older people and could be masked. It could be triggered by many factors to do with ageing, such as life changes, personality, loss of cognitive function, grief, loneliness, isolation, lack of finance, medications for physical symptoms and medical illnesses. And a minor depression, possibly triggered by grief, could trigger a major depression.

Given those statistics, I ask the minister what specific funding the government is contributing to this particular group in our community, and can he say whether any new programs are being developed to deal with this serious issue in this the International Year of Older Persons?

The Hon. R.D. LAWSON (Minister for the Ageing): I thank the honourable member for her question. The issue of mental health for older persons is indeed an important issue, which is receiving attention and, specifically, the matter of depression, and the Depression in Later Life Conference to which the honourable member referred has been brought to my attention. There is a project currently underway in the Mental Health Services for Older People

Program. Knowing How is the name of the project. It is a joint initiative of the Mental Health Services for Older People and the Primary Health Care Advancement Program. It is auspiced by Mental Health Services for Older People and funded by Primary Health Care. Partners in that project are the Rural Divisions of General Practitioners and the Country Mental Health Unit.

I think it must be acknowledged by all that mental health services for the community generally should be reinforced, and the level of suicide, not only youth suicide but suicide amongst older citizens, is a significant issue. The Knowing How project to which I referred is specifically focusing on rural areas of South Australia, where particular problems have been identified, in the South-East, Eyre, Wakefield and the Mid North regions. The project seeks to create networks that will endure past the life of the particular project. The involvement of general practitioners and other service providers as well as consumers, carers and community organisations is vital for the success of an initiative of this kind.

One of the first elements is to provide education to members of the general community, because I think there is insufficient understanding generally of issues around mental health. The second phase of the project is to provide increased support to health services to ensure that timely, appropriate care and treatment is provided, and that involves the developing of better telephone and tele-medicine reports, especially for country services, and the provision of visiting services by nursing staff and psycho-geriatricians, to support the provision of good quality diagnosis treatment support. So this particular project, which began earlier this year, is one which as far as I am aware is producing good progress, although I have not recently heard any feedback in relation to the project. I thank the honourable member for her question. If there are any other matters that I have not covered in my answer I will bring back a more detailed response in due course.

The Hon. NICK XENOPHON: As a supplementary question: could the minister indicate whether, in terms of suicide trends for South Australia, there has been a decline, an increase or a static level of suicide rates for the past several years, if he is in a position to indicate that?

The Hon. R.D. LAWSON: I will provide that information in my extended reply.

RADIOACTIVE WASTE

The Hon. SANDRA KANCK: I seek leave to make an explanation before asking the Treasurer, representing the Premier, a question about the likelihood of South Australia accepting medium-level nuclear waste from the Lucas Heights reactor.

Leave granted.

The Hon. SANDRA KANCK: Today's *Advertiser* reports that South Australia is now the likely dumping ground for medium-level radioactive waste from the reprocessing of spent fuel rods from the Lucas Heights reactor.

The Hon. M.J. Elliott: Thanks, Nick—a South Australian senator!

The Hon. SANDRA KANCK: Yes, he represents South Australia very well. The so-called medium-level nuclear waste, which is classified as high-level in Europe, from the spent fuel rods leaves a highly toxic legacy for tens of thousands of years. The federal government intends to

decommission and replace the existing reactor at Lucas Heights in 2005. The vast bulk of Australia's internally produced medium-level nuclear waste comes from the Lucas Heights reactor. Despite the fact that Australia's nuclear waste expertise is concentrated in Sydney, therefore making it the best place to store any waste, the new Lucas Heights facility will not have the capacity to store its nuclear waste on site. It is this decision that prompts the search for a nuclear waste site in South Australia. Noting the contents of the ministerial statement made earlier this afternoon by the Premier, and his objection to the concept, my questions are:

1. What pressure does the Premier intend to bring to bear upon his South Australian federal parliamentary colleagues to ensure that they take action to keep the waste where it is made?

2. Will the state government sponsor a bill designed to prevent the location of a medium level nuclear waste dump in South Australia?

The Hon. R.I. LUCAS (Treasurer): I will refer the honourable member's question to the Premier, but I tabled a ministerial statement from him today—

The Hon. Sandra Kanck: Which I referred to.

The Hon. R.I. LUCAS: You might have referred to it, but you did not refer to the bit that says:

I wish to make it very clear that I am opposed to medium to high level radioactive waste being dumped in South Australia. On this issue there has been no consultation with the state government.

The Hon. M.J. Elliott: A core promise?

The Hon. R.I. LUCAS: The Hon. Mr Elliott is the last to talk about promises, when he promised that he would not be coming back into this chamber. Perhaps we can talk about the integrity of Democrat promises. The Hon. Mr Elliott snipes away in the chamber trying to talk about integrity: he is the person—

Members interjecting:

The Hon. R.I. LUCAS: I would ask the Hon. Mr Elliott to withdraw that description of scumbags; it is unparliamentary.

The Hon. M.J. Elliott: I wasn't referring to you. Are you plural?

The PRESIDENT: Order, the Hon. Mr Elliott! The Treasurer has asked whether you will withdraw the remarks.

The Hon. M.J. Elliott: I wasn't talking about him.

The PRESIDENT: I am not interested in who you were talking about: the Treasurer has asked you to withdraw it and I ask you to withdraw it.

The Hon. M.J. ELLIOTT: I was clearly talking in the plural and about his party, not about him personally.

The PRESIDENT: I am asking you to withdraw the remark.

The Hon. M.J. ELLIOTT: I withdraw it, under much duress.

Members interjecting:

The Hon. R.I. LUCAS: I thank the Hon. Mr Elliott for his apology and his withdrawal of that unparliamentary expression. As I said, the Hon. Mr Elliott snipes from the sidelines talking about core promises when it was he who stood in this chamber and promised that he would not be returning to the Legislative Council should he be unsuccessful in standing for the House of Assembly. So, the Hon. Mr Elliott should be the last person in the world to talk about promises.

It was the Hon. Mr Elliott who stood up with Senator Cheryl Kernot and made a series of extraordinary commitments in the last days before the last election. Within days of

the state election we know what happened to Cheryl Kernot in relation to some of the commitments that they had been giving prior to the last state election. Having been diverted by that unfortunate interjection from the Hon. Mr Elliott—

The Hon. R.R. Roberts interjecting:

The Hon. R.I. LUCAS: I was shocked at that unfortunate interjection.

The Hon. R.R. Roberts interjecting:

The Hon. R.I. LUCAS: Exactly! I was momentarily diverted. I was quoting from this excellent statement from the Premier, which states:

On this issue there has been no consultation with the state government. I have contacted Resources Minister Senator Nick Minchin today—his office has confirmed to us that eventually Australia will have to have a site for medium to high level radioactive waste. I have written today to Senator Minchin requesting that the state government be fully consulted on each of these issues.

The Premier has put down a ministerial statement today where he indicates unequivocally:

... I am opposed to medium to high level radioactive waste being dumped in South Australia.

In saying that, in terms of the government's response, the glib response of the Hon. Sandra Kanck that this sort of waste can be permanently stored in the middle of Sydney is probably not a response with which most thinking Australians would agree. I think most thinking Australians would know that, with a site such as Lucas Heights, eventually you will have to find somewhere to store the waste that comes from that facility.

The Hon. Sandra Kanck believes that the middle of Sydney is the safest place for it to be stored: personally, I do not believe the middle of Sydney is the safest place for it to be stored. I am sure that, if Lucas Heights had been located in Adelaide many years ago, before the Hon. Sandra Kanck was ever thought about, she would not be standing in this chamber and saying that the safest place to store the waste is in the middle of Adelaide.

The Hon. Sandra Kanck interjecting:

The Hon. R.I. LUCAS: As I said, I do not believe the Hon. Sandra Kanck would be putting a view that, if it was in Adelaide, the safest place to store it was in the middle of Adelaide. I may be proved wrong, but I do not believe that would be the case.

Members interjecting:

The PRESIDENT: Order!

The Hon. J.S.L. Dawkins interjecting:

The Hon. R.I. LUCAS: The Hon. Mr Dawkins asks whether the Australian Democrats in New South Wales support its being stored in the middle of Sydney: we will take up that issue to see what the honourable member's colleagues in New South Wales say about the Deputy Leader of the Australian Democrats in South Australia putting the point of view that the waste from Lucas Heights should be stored in the middle of Sydney.

That being said, this is a difficult and emotive issue and, clearly, something has to be done and somewhere has to be found for the disposal of this sort of waste. If you take the view that it is not to be stored in Sydney, you need to look somewhere else for the waste to be stored. The Premier has put down a clear, unequivocal statement on behalf of the government, and he and the other Ministers will be handling discussions with the Federal Government over the coming period.

AGE NEWSPAPER

The Hon. R.R. ROBERTS: Mr President, I direct a question to you about the provision of services to members in Parliament House, and I seek leave to make a brief explanation before asking the question.

Leave granted.

The Hon. R.R. ROBERTS: Most members would be aware of a wide-ranging advertising campaign by the *Age* newspaper indicating that it will be widely circulated in South Australia, and in fact it is calling for registrations by people wishing to purchase it or have it home delivered. We do suffer in this state to some degree by the fact that there is only one daily newspaper. The parliament does provide newspapers for members and staff, and that is of great assistance to members going about their duties. My question is directed to you as the chairman of the JPSC: will the JPSC provide the *Age* newspaper to those members who wish to have the service to compete with the *Advertiser*?

The PRESIDENT: I thank the Hon. Mr Roberts for his question. As it happens, the JPSC is meeting on Monday but it is not the body that makes the decision about the provision of newspapers. The library makes the decision about what newspapers are provided in the library, and the library already has the *Age*, but I am advised by the Clerk that every member is given an *Advertiser* on a daily basis; if they would like to swap that for the *Age*, they can. It will be their option.

The Hon. T.G. CAMERON: As a supplementary question, I note that the *Age* is available in the library because I go down there to read it. Perhaps, Mr President, you could also ask who is responsible for this, as I am not quite sure who it is, but since becoming an Independent member of Parliament, and subsequently the parliamentary leader of SA First, I receive only one newspaper—

The PRESIDENT: Order! I remind the honourable member that he must just ask the question if it is a supplementary question. As there is plenty of time left, does the member wish to make it a question?

The Hon. T.G. CAMERON: No, I have another question that I wish to ask.

The PRESIDENT: Well, just ask the supplementary question in the correct manner.

The Hon. T.G. CAMERON: No, I won't bother, Mr President.

POKER MACHINES

The Hon. NICK XENOPHON: I seek leave to make a brief explanation before asking the Treasurer a question in relation to poker machines.

Leave granted.

The Hon. NICK XENOPHON: In an article by John Ellicott in the *Australian* yesterday headed 'Gamblers fake problems, say pokie makers' there are claims by the Australian Gaming Machine Manufacturers Association in its submission responding to the draft report of the Productivity Commission into Australia's gambling industries. The article quotes the manufacturers as disputing that there are many problem gamblers in Australia saying that people 'just make it up', and there are 'no accepted tests to validate such claims'.

In its draft report following an extensive national survey, the commission found that there were 330 000 significant problem gamblers in Australia, some 24 800 in South

Australia based on the SOGS 5 plus test; and it found that each of the 330 000 significant problem gamblers lost an average of \$11 800, with 65 to 80 per cent of significant problem gamblers having problems arising from poker machines. My questions are:

1. Does the Treasurer agree or have sympathy with the view expressed by the Australian Gaming Machine Manufacturers Association in its response to the Productivity Commission's report that people make up that they have gambling problems?

2. Does he accept the national survey figures published by the Productivity Commission, in particular at chapter 6, page 6.41 of the draft report, as to problem gambling levels, both nationally and for South Australia, and the estimated percentage of those problem gamblers arising from poker machines? If the Treasurer does not so agree, what alternative figures does he put forward as to the level of problem gambling in this state, including the level of problem gambling from poker machines?

The Hon. R.I. LUCAS (Treasurer): As to the first question, no. As to the second question, before I venture an opinion, I would want to see the detailed analysis upon which the Productivity Commission based its estimates. Thirdly, no, I do not have my own calculations on the percentage or numbers of problem gamblers. I think it depends on how you define it. There are many different definitions of problem gamblers. Some are much too broad, and some are closer to the mark of what I would define to be a true problem gambler. My only other point in relation to the third question is that all the estimates become largely an issue of varying estimates, and all estimates essentially demonstrate that the overwhelming percentage of Australians safely and happily use gambling products. It is a very small percentage of the total under any definition that can be defined as problem gamblers.

The Hon. NICK XENOPHON: As a supplementary question, does the Treasurer therefore accept that 24 800 problem gamblers in this state is an acceptable number?

The Hon. R.I. LUCAS: I have indicated before that I do not think any number of problem anything—gamblers, drug addicts, alcoholics—is an acceptable number. One is too many for anybody; it is certainly too many for me.

FUNERAL INDUSTRY

The Hon. CARMEL ZOLLO: I seek leave to make a brief explanation before asking the Attorney-General a question about the funeral industry.

Leave granted.

The Hon. CARMEL ZOLLO: Arising from some earlier publicity in a newspaper article appearing on 21 October, I was contacted by a constituent in relation to the conduct of a particular funeral company and the manner in which bodies were held and disposed of. My constituent expressed concern that such distressing conduct could have gone unnoticed for the length of time it did.

The funeral industry is not one that any of us would want much to do with or want to see expand but, when we need to use its services for our loved ones, the last thing we need at a very sad and emotional time is an unscrupulous operator to add to that grief. As far as I am aware, the funeral industry in South Australia is generally well respected and well run. However, I understand it is unregulated because, whilst there are industry associations, membership is voluntary. At least, that is my understanding from my inquiries and from media

reports, suggesting that a fine was imposed because no other penalty could be applied by a regulatory body. Can the Attorney advise whether this is the case, and what regulatory and statutory requirements apply to funeral services? Will the Attorney investigate the need for further legislation or regulations, including compulsory licensing for the industry?

The Hon. K.T. GRIFFIN (Attorney-General): I am averse to compulsory licensing, or even registration. There has been no demonstrated need for it. We do have the unfortunate cases which are presently the subject of legal action. Some convictions have already been recorded, and criminal charges are yet to be heard, and therefore I do not intend to canvass information in relation to that. Regulations govern the disposal of human remains. A discussion paper in relation to the cremation act has been published under the competition policy principles, and cemeteries are the subject of legislation, but not legislation which is committed to me. I will consider the various issues which the honourable member has raised and bring her back a more detailed response, but I reassert that it will take a lot to convince me and the government that heavy handed licensing or registration of funeral directors and those who work in that service industry should be introduced.

SCHOOL INTERNET ACCESS

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Treasurer, representing the Minister for Education, a question about school internet access through sa.edu.

Leave granted.

The Hon. M.J. ELLIOTT: My question relates to internet access pricing information for all Department for Education, Training and Employment sites. The State government through the DECS*tech* 2001 project recently introduced an initiative to provide internet access to all DETE sites. This initiative has been named 'sa.edu' and aims to have all sites online by the end of 2001. Under the title Pathway SA, the basis of this initiative was a contract signed with Telstra Corporation Ltd to provide a series of internet access points, known as POPs, across the state. Schools have recently received a package of information about this initiative, which includes a description of the new service, information implementation issues and guidelines relating to local area networks. Notably, pricing information has not been released outside DETE.

It has been put to me that, if the government is serious about shifting decision making and financial responsibility to school councils, surely it must agree that school councils be given the freedom and information to effectively manage their internet access requirements. While there is no compulsion that DETE sites use sa.edu for student access, it must be noted that those that do not use the Telstra ISDN will receive no support from DETE; the current system nexus will not be available after an initial transition period; the school administration network will be connected to sa.edu; and Partnerships 21 schools will be given priority in the service roll-out. This raises important questions about how much information is available to school councils and how free schools are in their decision over sa.edu. Understandably, the issue of pricing and services is important to school councils currently considering Partnerships 21. I ask the minister:

1. If the costs for sa.edu are very competitive, as the state government claims, why then are the pricing arrangements being kept in confidence? I note that any private person

seeking prices usually finds Telstra very expensive for internet access—much more expensive than many other operators.

2. Does this confidentiality extend to principals and school councils at DETE sites currently considering involvement in Partnerships 21?

3. How much of the student access costs associated with participating in sa.edu will have to be covered by the school council in the Partnerships 21 global budget?

4. What tender process was undertaken by the state government before deciding that Telstra Corporation Limited would be the most efficient and economically viable internet access provider?

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

ELECTRICITY, PRIVATISATION

The Hon. R.R. ROBERTS: I seek leave to make an explanation before asking the Treasurer a question about assurances given to workers as a consequence of the leasing of ETSA.

Leave granted.

The Hon. R.R. ROBERTS: I refer to the evidence of Mr Ken MacPherson on page 55 (question 286) of the hearing in camera before the Economic and Finance Committee. In reply to Mr McEwen who asked, 'And the penalty clauses for failure into the longer term?', Mr MacPherson said basically that that was right. I will quote the relevant part of Mr MacPherson's answer, as follows:

Undertakings to employees and the like may well be lost after a particular honeymoon type period. There is no data which gives us the opportunity to say that we know what they will do.

This matter was the subject of a great deal of debate. We had the deals that had been negotiated by the employees, and then we had Mr Crothers' imposed better plan. We then had some discussions in which the Treasurer participated, and when we left the matter it was reasonably clear that certain undertakings to employees would be part of the new lease arrangements and that transitional provisions were put into the legislation to guarantee them future employment in another government department. So, when I read what Mr MacPherson had to say, I suspect that he is not really 'on the money'.

The Hon. R.I. Lucas: What does that mean?

The Hon. R.R. ROBERTS: Well, he is not aware of all the facts. He probably was not made aware of all the legislation, because I was reasonably confident, given the assurances of the Hon. Mr Lucas at the time, that he would facilitate ongoing discussions over and above the particular agreements that were reached during the negotiations. It concerns me a little that Mr MacPherson says that he is concerned that after a honeymoon type period those employee provisions may be in some jeopardy. I hope that is not the case. I ask the Hon. Mr Lucas to respond to the concern expressed by Mr MacPherson before the Economic and Finance Committee.

An honourable member interjecting:

The Hon. R.I. LUCAS (Treasurer): No. This is a trick question from the Hon. Ron Roberts. He wants me to publicly disagree with the Auditor-General as he just has. I am caught now. The Hon. Ron Roberts says that he believes that the statements made by the Auditor-General were 'not on the money' or inaccurate. I am sure that the Auditor-General will

read these comments later. So, having been asked this question, I must say that I know of no basis upon which the statements made by the Auditor-General on this issue could be accurate.

The description which the Hon. Ron Roberts has given is, as I understand it—not as I understand it, but as I know it. The Hon. Ron Roberts, the Hon. Mr Crothers and I spent many hours in this chamber putting into legislation which has been passed by both houses of parliament—so, it is actually the law of the land—these protections for employees. There can be no notion of a honeymoon period.

The Hon. R.R. Roberts interjecting:

The Hon. R.I. LUCAS: As I said, there is no notion of a honeymoon period at all, and all the bidders are absolutely aware of what the parliament has legislated in relation to this issue. This is one of the issues, having looked at the Auditor-General's evidence, that we are obviously quietly taking up with him to try to provide his officers with further information. Obviously, we will provide them with copies of the legislation that this parliament has passed and the debates that we had in this parliament. It is the law of the land: there is no notion of a honeymoon period for these bidding companies, and the protection provisions are in there. Employees, after that two year period, if they are surplus, will come back into the public sector under what we widely know as the Crothers provisions—the rolled gold Crothers provisions—which were negotiated by the Hon. Mr Crothers as part of that discussion.

In all the discussions that I have had in recent times with bidding companies, I have made the employment provisions of the legislation absolutely clear. I think it is fair to say that they have generally warmly received them, because they see them as being clear and explicit. They know their rights and responsibilities and that ultimately the employees will be protected, whether that be within the existing business, accepting a voluntary package or returning to the public sector after a period of two years within those businesses.

YEAR OF THE OUTBACK

The Hon. J.S.L. DAWKINS: I seek leave to make a brief explanation before asking the Attorney-General, representing the Minister for Primary Industries, a question about 2002: Australia's Year of the Outback.

Leave granted.

The Hon. J.S.L. DAWKINS: I understand that the organisation 2002: Australia's Year of the Outback will be launched at a special event in Longreach, Queensland, this coming weekend. The Year of the Outback is aimed at helping to rejuvenate country areas around Australia. It is appropriate that the launch will be performed by the Deputy Prime Minister, the Hon. John Anderson, who recently convened the Regional Australia Summit in Canberra, which the Deputy Leader of the Opposition in this chamber and I attended. Can the minister indicate whether the state government will participate in and support Australia's Year of the Outback?

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

ELECTRICITY, PRIVATISATION

The Hon. P. HOLLOWAY: I seek leave to make a brief explanation before asking the Treasurer a question about the supplementary bidding rules for ETSA.

Leave granted.

The Hon. P. HOLLOWAY: Yesterday the Treasurer told the Council, in answer to my supplementary question, that the Auditor-General had been provided with a number of working documents which were the precursors and part of the final draft for the supplementary bidding rules, and they were provided I believe on Wednesday. Will the Treasurer guarantee that the new supplementary bidding rules for the ETSA privatisation process will not be passed onto the bidders unless and until the Auditor-General has given them his final approval?

The Hon. R.I. LUCAS (Treasurer): I am advised that a very productive meeting was held this morning with the Auditor-General. I am about to sign a letter as soon as I get out of question time, if I agree with the letter—not sign it, actually approve it—which will send the next draft of the supplementary bidding rules.

I want to comment on the media discussion in the morning press that the 50-odd page document that was given to the Economic and Finance Committee was described to me by the Auditor-General on Tuesday or Wednesday, when I spoke to him, as being substantially a clarification of issues that he had raised at the first meeting of the committee. That was his description to me at a meeting that I had with him and Kevin Foley.

It is therefore not correct to say that this is 50 new pages of concerns from the Auditor-General, as Kevin Foley and members of the opposition are seeking to do. I also note that the Auditor-General has agreed today to extend the deadline for response from the government until the close of business on Tuesday, rather than 9 a.m. on Monday morning. We are appreciative of his cooperation, his willingness to sit down with officers today, in a genuine endeavour from the government, as we see it, and from the Auditor-General and the audit staff, to work through any of the concerns that he might have. I have given my undertaking on many previous occasions, and I do so again today, that we will genuinely work with his staff and the Auditor-General in an endeavour to reach agreement on as many issues as we can. In relation to supplementary bidding rules I give a similar commitment, that we will do all that we can to reach agreement with the Auditor-General in terms of the final shape and nature of the supplementary bidding rules.

GENETICALLY MODIFIED FOOD

The Hon. SANDRA KANCK: I seek leave to make an explanation before directing a question to you, Mr President, about genetically modified foods.

Leave granted.

The Hon. SANDRA KANCK: In recent weeks in the British houses of parliament a decision has been made that all meals prepared on the premises will not contain genetically modified foods. I ask you, Mr President, in the light of that decision, whether the Joint Parliamentary Service Committee will consider making a similar decision about foods in the South Australian Parliament House.

The PRESIDENT: I thank the Hon. Sandra Kanck for the question. I remind honourable members, including the Hon. Sandra Kanck, that any member can approach the JPSC by letter with that sort of request. But you have made that through a question to me; I will make sure that the JPSC has a look at it and will try to provide an answer to the honourable member either by way of a letter or the next time we sit.

NATIVE VEGETATION

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister for Transport, representing the Minister for Environment and Heritage, a question about native vegetation clearance applications.

Leave granted.

The Hon. M.J. ELLIOTT: In answer to a question that I received in early August about native vegetation clearance the minister conceded that prior to the consultants being brought in to do native vegetation assessment for a company those consultants also happened to work as consultants to the government from time to time. It appears, because they normally work for the government, that the department was prepared simply to accept their work as if the government itself had done it. I ask the minister how the people of South Australia can feel secure that there is not a major conflict of interest being created for people in these positions. Frankly, if private consultants are going to be accepted, what people fear is that they know they will only win consultancies by getting the right result, and in those circumstances the rate of native vegetation clearance would go up. Can the minister please explain how that conflict of interest will not work against the interests of native vegetation protection?

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): I will refer the honourable member's question and bring back a reply.

YOUTH AFFAIRS COUNCIL OF SOUTH AUSTRALIA

The Hon. R.I. LUCAS (Treasurer): I seek leave to table a document from the Minister of Youth Affairs on the Review of the Youth Affairs Council of South Australia.

Leave granted.

CRIMINAL LAW CONSOLIDATION (SERIOUS CRIMINAL TRESPASS) AMENDMENT BILL

The House of Assembly agreed to the bill without any amendment.

CRIMINAL LAW (SENTENCING) (SENTENCING PRINCIPLES) AMENDMENT BILL

The House of Assembly agreed to the bill without any amendment.

HINDMARSH ISLAND BRIDGE BILL

The House of Assembly agreed to the bill with the amendment indicated by the following schedule, to which amendment the House of Assembly desires the concurrence of the Legislative Council:

New Clause 4—page 3, after line 2, insert new clause 4 as follows:

Owners of new allotments on Hindmarsh Island to pay contributions towards cost of bridge

4. (1) The owner of a relevant allotment is liable to pay to the Crown in respect of each relevant period an amount equal to the amount that the Council is liable to pay to the Minister with respect to that allotment under the terms of clause 9 of the Tripartite Deed.

(2) For the purposes of subsection (1), the amount of a payment with respect to an allotment will be determined assuming 'C' in the formula set out in clause 9.3.2 of the Tripartite Deed is the CPI Number for the quarter ended on 31 March 2000.

(3) An amount payable under subsection (1) with respect to a relevant period must be paid by the owner of the relevant allotment to the Council in conjunction with the payment of general rates under the Local Government Act 1934 on land comprising the allotment for the financial year corresponding with the relevant period.

(4) The Council must, after consultation with the Minister, give notice of an amount payable under this section with respect to a relevant allotment to the person who is the principal ratepayer for the land comprising the allotment for the purposes of the Local Government Act 1934.

(5) A notice under subsection (4) must be in a form approved or determined by the Minister and served as part of a rates notice for general rates payable under the Local Government Act 1934 or, with the approval of the Minister, as a separate notice.

(6) The service of a notice under subsection (5) in accordance with the provisions of the Local Government Act 1934 for the service of notices is sufficient for the purposes of giving notice to the owner of a relevant allotment of an amount payable under this section in respect of the allotment.

(7) An amount payable under this section in respect of a relevant allotment for a relevant period is payable to the Council—

(a) unless paragraph (b) applies—on the day on which general rates on the land comprising the allotment for the corresponding financial year are payable to the Council under the Local Government Act 1934.

(b) if general rates on the land comprising the allotment for the corresponding financial year are payable in two or more instalments—on the day on which the first instalment of those rates is payable to the Council under the Local Government Act 1934.

Consideration in committee

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

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

This is the money clause to which the Chairman drew the Council's attention when considering the bill in committee yesterday. It is an essential part of the bill and necessary to its implementation.

The Hon. CAROLYN PICKLES: We support the amendment.

The Hon. SANDRA KANCK: I seek leave to make a personal explanation.

Leave granted.

The Hon. SANDRA KANCK: Yesterday in this chamber, when the Hon. Angus Redford was making his second reading contribution to this bill, he ascribed to me by extension, I guess, support for the building of the Hindmarsh Island bridge when he referred to positions taken by the Conservation Council. I in fact was not employed by the Conservation Council until September 1990, and any of the submissions made by the council at that time did not and could not in any way represent my personal views.

I also indicate that, when I did become an employee of the Conservation Council and checked the files to find out what position had been taken, I found that Marcus Beresford (as the Executive Officer of the council) had made the statements. When I found out the position that Marcus Beresford had taken on behalf of the Conservation Council, I was the Executive Assistant. I found out that Mr Beresford had prepared that response to the EIS without consultation with other members of the Conservation Council.

The Hon. A.J. Redford: This is not a personal explanation: this is going into debate.

The Hon. SANDRA KANCK: The honourable member has ascribed to me the views of one person in the Conservation Council.

The CHAIRMAN: The matter cannot be debated. I would ask members on both sides to desist from interrupting the Hon. Sandra Kanck so that she can make her explanation, otherwise leave may well be withdrawn and she will not be able to make an explanation.

The Hon. SANDRA KANCK: I discussed the matter with Marcus Beresford at the time, and the statements that he made as entered into the record by the Hon. Mr Redford were in fact correct. He did so on the basis of the information provided in the environmental impact statement. Certainly, at the time when I was employed in the Conservation Council we had no funds to employ an independent anthropologist to be able to refute anything that was in the EIS.

The Hon. A.J. Redford: In other words, what I said was accurate.

The Hon. SANDRA KANCK: The honourable member cannot ascribe it to me.

Motion carried.

ELECTRICITY, PRIVATISATION

Consideration of the House of Assembly's resolution:

I. That, in the opinion of this House, a joint committee be appointed to provide a means by which any concerns of the Auditor-General in relation to the electricity businesses disposal process in South Australia can be expeditiously communicated to the parliament throughout the duration of the lease process;

II. That, in the event of the joint committee being appointed, the House of Assembly be represented thereon by two members, of whom one shall form a quorum of Assembly members necessary to be present at all sittings of the committee; and

III. That Joint Standing Order No. 6 be so far suspended as to enable the Chairman to vote on every question, but when the votes are equal the Chairman shall also have a casting vote.

The Hon. R.I. LUCAS (Treasurer): I move:

That the resolution be agreed to.

As I indicated during the long debate that we had in the last session, the government does not believe that it is in the best interests of the leasing process we are going through to have an ongoing parliamentary committee meeting and reporting in some way during the process. However, and I have come to this position somewhat reluctantly, it would appear that the government was placed in the position of having either the Economic and Finance Committee (upon which I do not serve) or a joint select committee (on which I could serve) to fulfil this role.

The concerns I had before are still my concerns. The events of the last week and a bit have demonstrated the accuracy of those. There is no doubting that labor members of the Economic and Finance Committee have been studiously and inaccurately leaking material from the—

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: Yes, I do have evidence of that. There have been staff of the Leader of the Opposition (Mike Rann) who have been briefing journalists in relation to the evidence from the hearing last week. Stories were written after those briefings, about insider trading.

The Hon. P. Holloway: You're alleging they are.

The Hon. R.I. LUCAS: No, I know it for a fact. The Labor Party will, of course, say, 'It's not our members, it's obviously the government members.' Everyone in the media knows from where the information is coming. Indeed, Kevin Foley was walking out of the most recent meeting of the

Economic and Finance Committee and doing radio interviews while the Auditor-General was still in there—

The Hon. P. Holloway interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: My concerns about how this process will operate have been sadly proved to be 100 per cent accurate. But, as I said, the government is left with the position of either having an Economic and Finance Committee undertaking this particular role or, indeed, a joint select committee between the houses upon which I would serve. The House of Assembly has already passed this motion. It has been supported by the government, the opposition and the three Independents, and it now comes to this chamber.

Initially, if we were to have a select committee, I preferred to see a joint select committee. Originally it was suggested that there be three members from the House of Assembly and two from the Legislative Council. I indicated that I did not believe that a joint select committee without equal numbers would be acceptable to the Legislative Council and that if Mr McEwen was to serve on the committee—he was someone who had voted against the legislation originally—that it would be reasonable and balanced to have someone who supported the legislation and who was an Independent from the upper house. That meant either the Hon. Mr Cameron or the Hon. Mr Crothers; and that meant on the committee of six there would be three members who supported the legislation and three members who opposed the legislation.

It would certainly be unreasonable to have a committee where four members of the committee opposed the legislation all the way through the process. I understand that the Labor Party indicated that its members were not prepared to serve with the Hon. Mr Cameron on a committee and, as a result of that, a committee of four members has been recommended in terms of how this process will operate. This is certainly not my preferred position, or indeed the government's preferred position. We have been manoeuvred into this position reluctantly but, nevertheless, we are prepared to support the resolution as, I guess, it is the least of all the evils in terms of how this process might be managed.

I am still very concerned about the potential impact of information being leaked from this committee. For example, Mr Foley was standing up in the chamber yesterday and waving around a document and saying, 'Here are 50 pages of new concerns from the Auditor-General'. Indeed, he was at a meeting when the Auditor-General told Mr Foley and me that the document was substantially—there may be a small number of new issues—a clarification and further expansion of the issues that he had first raised at the meeting last Wednesday.

There is no doubting that members of the Labor Party act on instructions they have been given. In fact, yesterday the Hon. Mr Cameron highlighted the way in which the Labor Party operates in these things. He was frank enough to indicate that he had been directed—and clearly he would have been directed by the Leader of the Opposition—to deliberately try to scuttle the SA Water process.

The Hon. P. Holloway: Absolute rubbish!

The Hon. R.I. LUCAS: There is no doubting that members of the Labor Party have been operating under similar—

The Hon. Sandra Kanck interjecting:

The Hon. R.I. LUCAS: On that issue I believe him 100 per cent. There is no doubting from the actions of the Labor Party over the past week that it is deliberately intent on scuttling this process. It is trying to cause maximum

mayhem and obviously it wants to do serious damage to the potential proceeds which might eventuate from this leasing deal. I do not intend to take the opportunity to revisit today all the arguments for and against the leasing process or all the arguments in relation to the particular issues or concerns which have been raised. I am happy to do so if in the end that is what other members want me to do. All I can do is express my concerns, again, at the way the process so far has been progressing. It is clear that inaccurate information has been leaked from the Economic and Finance Committee in a deliberate attempt to damage the privatisation process. I am most concerned that the same thing will happen in relation to this committee.

The Hon. Sandra Kanck interjecting:

The Hon. R.I. LUCAS: The Hon. Sandra Kanck says that she is sure it will. That is a sad reflection on the people we know to be members of the committee who will adopt that course of action. I urge members of the committee to approach this in a way which puts the interests—perhaps it is a forlorn hope—of the state ahead of their own base political interests. I would hope that if we are meeting with the Auditor-General we do not have the unseemly sight of Mr Foley leaving in the middle of the evidence to do radio interviews with a blow by blow summary of his impressions of how the evidence is going.

I think that is a gross discourtesy to the Auditor-General that he should be treated that way by a member of parliament; particularly, a member who is a shadow Treasurer and who would like to be Treasurer in a Labor government or indeed Premier in a Labor government. I think we all owe the Auditor-General that courtesy. If Mr Foley wants to do radio interviews to give his impressions of what the Auditor-General has said, he ought to at least listen to the Auditor-General's evidence first before going off and doing whatever it is he feels he must do.

I do not have the transcripts with me but I am told that, during one of the interviews he did with ABC Radio while the committee was still taking evidence this week, he was asked something along the lines, 'What is the Auditor-General saying to the committee?' Of course, he had left the committee—the Auditor-General was still in there—but he said to ABC Radio, 'If the government thinks it is a getting a tick from the Auditor-General on its response, then it has another think coming.'

The Hon. A.J. Redford: Who said that?

The Hon. R.I. LUCAS: Kevin Foley. How irresponsible can you be!

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: Well, the Hon. Mr Holloway is obviously comfortable with that. He is happy that is the way—

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: I have a bit more respect for the Hon. Mr Holloway than I do for Mr Foley, and I am pleased that the Hon. Mr Holloway is not going to proceed with what he was about to say.

The Hon. K.T. Griffin interjecting:

The Hon. R.I. LUCAS: It was a very wise withdrawal from the Hon. Mr Holloway. I have a degree more respect for the Hon. Mr Holloway's integrity and respect for the parliamentary system than I have for Mr Foley. For him to go out—as he did—in the middle of the Auditor-General's evidence and to give running commentary, clearly indicating by way of his statement that the Auditor-General was being

critical of the government's response in the way that he did, is just irresponsible.

I would be very surprised if the Hon. Mr Holloway stands up in this chamber and is prepared to say on the public record that he supports that statement from Mr Foley. Indeed, I would challenge him to stand up in this chamber and support what he did as an appropriate form of behaviour for a shadow Treasurer and a member of a committee which was meant to be handling proceedings in confidence. It is not only inappropriate but it is grossly discourteous to the Auditor-General, and it is a further indication of my concerns that this process is being used by members of the Labor Party in a political way to try to do maximum damage both to the government and to the people of South Australia through the potential proceeds that we might get from the leasing process.

The Hon. P. HOLLOWAY: The opposition will support this motion. First, I would like to indicate why this motion is before the parliament. When he appeared before the Economic and Finance Committee on 10 November in the in camera session which has subsequently been publicly released, the Auditor-General made the following comment (page 41 of the transcript):

A whole series of issues is emerging. These are all correctable. . . if the parliament can allow me to relate with a committee of the parliament—be it this committee [Economic and Finance Committee] or whatever committee—on the lines of the industry assistance type arrangements—

and I assume he is referring to the Industries Development Committee, of which I have been a member in the past—

where it can be in camera, the parliament is then apprised of the concerns and they can be picked up and corrected. . . I have interpreted the legislation as parliament endorsing the government's right to sell these assets and deal with them and to amortise the state's debt. We are not seeking to frustrate that but someone will say to me, 'Where were you when you knew these things and you did not raise them?' I need a mechanism to communicate. That is really what I am asking.

That is the relevant—

The Hon. R.I. Lucas interjecting:

The Hon. P. HOLLOWAY: He said it is like the industry assistance type arrangements, which I assume means the IAC. I have been a member of that committee and I know the rules that relate to it. Of course, to anyone who has read the transcript, as I have had the opportunity to do in the last day or so now that it has been released, it is clear that the Economic and Finance Committee had a discussion about what type of committee it would be, and I think it was agreed that, if the Auditor-General was effectively to make known to the parliament any concerns he might have, a member of the executive government, in particular the Treasurer, who has responsibility for this matter, needed to be a member of the committee. That is essentially why this motion is before us today.

I really need to address some of the matters that the Treasurer has just mentioned, and I refer to the slurs he has cast, first, on the Leader of the Opposition's staff, and, secondly, on my colleague Kevin Foley. Let us deal first with the slur on the Leader of the Opposition's staff. Everybody knows that the electricity sale process and the probity audit issues have been the biggest game in town as far as the media are concerned, and I would hope all South Australians are concerned, over the past week. So it is inevitable that the media would be seeking comments from the opposition, as is the case on such major matters. I challenge the Treasurer to indicate where any of the staff of the Leader of the

Opposition have released any information that was improper or given in camera. I deny that, and I challenge the leader of the government to put up any evidence he has in relation to that.

I now turn to the accusation against my colleague Kevin Foley. I have been on a number of select committees, some of which the Treasurer has chaired. I can recall at least one occasion when the Treasurer was called out to do radio interviews. There is nothing wrong with that. After all, the Treasurer is a very busy person. It is inevitable that the media would be trying to get him to do interviews from time to time. The same applies to my colleague Kevin Foley. He is in great demand with the media to make comments on particular matters. In relation to the electricity sale process, it is inevitable that the media would be seeking views from the shadow Treasurer in relation to this matter. Again, I challenge the Treasurer to put up any evidence that my colleague has disclosed information which it was improper for him to disclose. There is absolutely nothing unusual about the fact that he might have left a committee to do a radio interview. The Treasurer has done so himself on committees that I have been on. Let us dispatch this garbage that the Treasurer is going on about.

I think we should all remember the reason why the question of the probity audit of ETSA has been such a significant issue in this parliament over the past week. It was not the opposition that raised the matters. When the ETSA sale bill was debated, we required and expected this government to institute probity audit procedures in association with the long-term lease that would be acceptable. That was done. We successfully amended the legislation to cover those matters. As to the reason why this matter has come up, the Auditor-General of this state in doing his job brought forward a report that was highly critical of the conduct of this government and in particular the Treasurer in relation to the ETSA sale process.

You would only have to read in today's *Advertiser* the very interesting article on page 19 where an economist, Dr Don Fuller, has analysed the evidence that the Auditor-General has provided to the Economic and Finance Committee in the in camera session. I think anyone who reads that article—and I hope that the people of South Australia get the opportunity to do that—will see that there are genuine concerns with respect to the ETSA sale process that have been identified by the Auditor-General of this state. It is all very well for the Treasurer to create a diversion to try to attack the opposition for 'scuttling the sale', as he suggested, but the fact is that genuine concerns have been identified, not by the opposition but by the Auditor-General of this state. What did Dr Fuller say in today's article after he had discussed six serious concerns identified by the Auditor-General? The article states:

Dr Fuller believes Mr MacPherson is taking a very wise approach.

If you look at each of those six concerns, you see that Dr Fuller agrees with the Auditor-General against the rather glib responses that have been made by the Treasurer to those matters. The point is that there are very serious concerns about the ETSA sale process, about the probity of that process, which have been identified by the Auditor-General of this state, and the opposition would not be doing its duty unless it was holding this government accountable for correcting those measures.

The select committee that we are supporting in this motion was suggested, as I indicated earlier, by the Auditor-General as a mechanism by which he would be able to communicate with this parliament to ensure that that was done. The Auditor-General indicated that he did not want to be part of any conspiracy of silence in relation to that matter, and neither does the opposition. So, we will support the motion before us. As far as I am concerned, if I happen to be a member of this committee, I will certainly be taking my responsibilities on it very seriously. I have always respected the standing orders of any committee of which I have been a member. This ill behoves the Treasurer of this state, particularly when I have seen the conduct of some of his colleagues, including those on the Economic and Finance Committee, with regard to those standing orders. All I can say is that I intend to uphold the standing orders. We support the motion.

The Hon. SANDRA KANCK: Since it became clear that the privatisation was to go ahead, the Democrats held the position, and still hold the position, that there should be a committee to oversee the privatisation. A couple of years ago I served on the select committee into the EWS private management process and was very concerned when I heard then the things that might have gone wrong at that time. As it is, the only person who is really overseeing this current privatisation process in a dispassionate way is the Auditor-General, and I am very grateful that he is doing that and bringing things to the attention of the Parliament, as at the moment by way of the Economic and Finance Committee.

It may be that, given the way this resolution is worded, the committee may never meet. As I read it, it would meet only if the Auditor-General had concerns about the process. Provided there are no concerns, it appears to me that the committee would not be activated. I am a reluctant supporter of this, despite having said that there needs to be a committee to oversee the privatisation, because that is not what this committee would be doing.

I am reluctant about it, because I do not believe it represents the parliament. This parliament is now much more than merely the Labor Party and Liberal Party and, as constituted, I recognise the validity of what the Treasurer has said: that, should the committee meet, certain ALP members may use it for political advantage. I think that is an obvious consequence of the way this is being set up. With this motion the government should have been attempting to get a group of people together who were concerned about what will be the best for South Australia.

Since the parliamentary decision was made to privatise, I have taken the position that what I want to see now is that South Australia gets the best deal in terms of both price and the supply of electricity. I will certainly not do anything that will talk the price down. For instance, on occasion matters have come to my attention and I have wondered whether I should raise them or whether that would result in a further reduction in the price. I have decided that on balance publicly raising some of these issues would not be for the benefit of the state.

I note that some members of the ALP are prepared to use this for political advantage, but I must say that I have certainly seen the Liberal Party in opposition do similar things. As an outside observer to the proceedings of the parliament in 1993 the scrimber committee seemed to me to be very much a farce. That committee was probably instrumental in ensuring that scrimber was not able to succeed as

a concept. So, maybe the Labor opposition is in payback mode at the moment: I do not know.

I am very grateful that we have an Auditor-General of the calibre of Ken MacPherson advising this parliament. I take on board what he said: that, if we do not get this right, the result could be worse than the State Bank for South Australia, and that does not bear thinking about. Because this committee has the capacity to bring in a limited amount of accountability, I indicate that I will accept it, but I also register my concern that there are no Democrats on the committee.

The Hon. NICK XENOPHON: I join with my colleagues in supporting this motion and the establishment of this committee. I will add briefly to the concerns expressed by the Hons Paul Holloway and Sandra Kanck. It is well known that this is the largest transaction that this state has ever been involved in. I made my position clear last year that this transaction should not have gone ahead without a referendum taking place but, now that the parliament has passed it, it is absolutely imperative that no issues arise that could expose the state unnecessarily to liability. For that I think we are all grateful for the contribution of the Auditor-General and his concerns that ought to be—

The ACTING PRESIDENT (Hon. J.S.L. Dawkins): Order! There are too many conversations in the chamber; it is very difficult to hear the honourable member.

The Hon. NICK XENOPHON: We need to proceed with great caution and listen to the Auditor-General, and this committee at least gives a mechanism for that to occur. I am concerned that the Auditor-General's warnings and advice be heeded; indeed, a commentary of the Auditor-General's views by Mr Fuller, an Adelaide economist, in today's *Advertiser* ought to be heeded as well. Having said that, I welcome the appointment of this committee. I hope it is sufficient to deal with any problems that may arise. Let us hope that at the end of the day the state is not exposed to any liability unnecessarily and, furthermore, that there is a good result both in terms of price and for the consumers of electricity in this state.

Motion carried.

The Hon. R.I. LUCAS (Treasurer): I move:

That, in the event of a joint committee being appointed, this Council be represented on the committee by two members, of whom one shall form a quorum necessary to be present at all sittings of the committee; and the members of the joint committee to represent the Council to be the Hon. Paul Holloway and the mover.

Motion carried.

The Hon. R.I. LUCAS: I move:

That joint standing order 6 be so far suspended as to allow the chairperson to vote on every question but, when the votes be equal, to also have the casting vote.

Motion carried.

LEGAL PRACTITIONERS (MISCELLANEOUS) AMENDMENT BILL

In committee.

(Continued from 18 November. Page 581.)

Clause 4.

The Hon. K.T. GRIFFIN: I have just put on file an amendment which will be considered later in committee. After the extensive debate on this last evening, I have given some consideration to several issues. I recognise that last night we had all had a fairly heavy few days and we may not

all have been appreciating each other's point of view. I will deal with the amendment when we get to that part of the committee, and I hope it meets the concerns raised particularly by the Hons Angus Redford and Ian Gilfillan about notice to a prospective lender and a prospective borrower.

In addition to that, I want to make some observations about these disciplinary provisions, and hopefully I can put the issue of the disciplinary provisions into an appropriate context. It might help to allay the concerns that members have expressed and also help them to understand where I and the government are coming from on this issue. If the Hon. Mr Xenophon moves his amendments, I will oppose the first set of amendments and agree to the second amendment, and the reason for that will become obvious.

There appears to be some misunderstanding or confusion among some members about the effect of the provisions in clause 4. It is important to remember that the person who applies to the tribunal for an authorisation to work in a law firm is a person who is already prohibited from practising the profession of the law. I stress the words 'is already prohibited from practising the profession of the law'. This is the effect of the suspension or striking off. He or she may not do anything which amounts to practising the profession of the law. This remains the case as long as the suspension continues or until the person is readmitted, whether the person engages in employment approved by the tribunal or earns a living in some other way.

It is true to say that the definition in section 21 of the act concerning what it means to practise the profession of law is not an exhaustive one. It mentions examples. It particularly refers to preparing wills and instruments affecting people's legal rights and representing a party to court proceedings: that is, there are some tasks which are obviously and clearly legal practice under any circumstances. However, there are also activities which need to be considered in context and which, depending on that context, may amount to the practice of the law. Hence, there is a body of case law dealing with the question of whether a particular activity constitutes the practice of the law.

Generally, it has been held that the practice of the law includes anything which, by law, may be done only by a person who holds a practising certificate and also anything which for the protection of the public is required to be done only by those who have legal expertise. It also includes doing any work which is usually done by a legal practitioner in such a way as to lead others to think that one is a practitioner. It has also been held that purely ministerial or mechanical functions will not normally be the practice of law.

It is thus necessary, in determining whether a person does or does not practise the profession of law, to have regard to the actual duties and functions they perform and the context and manner in which they do so. This is critical. It is not a simple matter of saying, for example, the writing of a letter on behalf of a person is, or is not, the practice of the law but a matter of considering what the understanding of the client is about the service he or she is receiving, what is the nature and content of the letter, and its role in the client's affairs, and so on.

It is true, as the Hon. Mr Xenophon mentions, that there may be some tasks in respect of which it is not easy to be certain whether they amount to the practice of the law, but it is important to understand that this is not—and I stress: this is not—a problem created by this bill. It is an issue common to the whole regulation of the legal profession, because of the diverse and changing role of the lawyer and because the

nature of the task can vary with the context and the manner in which it is done. The issue inheres in all the provisions of the act which deal with reservation of work to lawyers and disciplinary suspension or striking off. It is dealt with as it arises on a case-by-case basis.

This is all the more reason to have the tribunal look at the nature of the proposed employment. Under the present law, the former or suspended practitioner is left to make his or her own assessment of whether his or her employment activities constitute the practice of the law, but he or she is subject to prosecution if in fact he or she does practise law.

Under the provisions of this bill, the practitioner who wishes to work in a legal practice will apply to have the tribunal consider the particulars of the proposed employment and determine in advance whether it will entail the practice of the law. The tribunal may be satisfied that the employment will not involve practising law, or it may impose conditions on the proposed employment to ensure that it does not amount to the practice of the law, or it may determine that it should not permit the employment at all.

If the practitioner is given authorisation by the tribunal, then he or she is lawfully employed by the legal practice. This means that there will be a practical check on any proposed employment in a law firm, to see that it is not, in reality, the return of the person to legal practice. It also means that, where an authorisation is given, the person can be confident that he or she is not in breach of the law by carrying out the duties of the employment in accordance with the authorisation.

All this clause does is permit the tribunal (or, on appeal, the court) authoritatively to make that assessment in respect of the proposed employment, rather than leaving it to the judgment of the person concerned. I do not shrink from the fact that, where a person has been struck off the roll of practitioners or suspended from practice for serious professional misconduct, there is reason for concern about leaving that assessment to the person's own judgment.

The Hon. Mr Xenophon also raised the hypothetical situation of the person who has never been a legal practitioner but who is able to work as a law clerk in a law firm despite being a person of bad character. He suggested that that person might be able to do work which the struck-off practitioner could not do. However, the situation is no different. If and to the extent that such a person practises the profession of the law, he or she commits a breach of the act and is liable to prosecution.

The person is prosecuted not for bad character but for practising the law when he or she holds no practising certificate (contrary to section 21) or for pretending to be a lawyer when he or she is not one (contrary to section 23). Similarly, the firm which so employs this person commits an offence under section 23(2) or section 23(3) by aiding or permitting that person to practise law. So, it is not as if the one employment situation is permitted and the other proscribed: they are both unlawful.

The chief purpose of the clause is to protect the public from the risk posed by disqualified persons if they undertake legal work. Secondly, it ensures that the disciplinary sanctions imposed by the court or the tribunal are of real effect. In so doing, it is quite similar to provisions in other states. An incidental effect is that a person who has been disciplined may potentially obtain employment in a law firm confident that he or she is not breaking the law. I am surprised to find that anyone would oppose this provision.

The Hon. NICK XENOPHON: I am surprised that the Attorney is surprised that anyone is opposed to this provision. We are not opposed to the intent of the legislation to protect members of the public. The Attorney was concerned that there might be any perception that struck off practitioners would be in any way protected by this place. That is certainly not my view. I think we are both working towards a common goal. I am grateful to the Attorney for his explanation and for reading it onto the record. Essentially, that satisfies my concerns. So, in those circumstances, I do not propose to proceed with the first of my indicated amendments. I thank the Attorney for that comprehensive explanation.

The Hon. CAROLYN PICKLES: As the Hon. Mr Xenophon no longer intends to proceed with his amendment, whilst the opposition still has some reservations, it will keep a close eye on the situation to see whether there are any discriminatory cases or problems in the long term. The opposition does not intend to proceed with its desired course of action, which was to delete this clause and send the matter to the Legislative Review Committee, because the numbers will not support that.

The Hon. NICK XENOPHON: I should have indicated earlier that I have had discussions with my colleague the Hon. Angus Redford, and I understand he will refer this issue of the treatment of disqualified practitioners and other related matters to the Legislative Review Committee. As the honourable member has given me that undertaking, that is another reason why I will not proceed further with this amendment.

The Hon. A.J. REDFORD: To clarify what the honourable member has just said, I should put on the record that I intimated to him that the Legislative Review Committee will monitor the situation. There will not be any formal reference unless the committee sees a specific need or a specific concern is expressed. I anticipate that, unless there is a plethora of lawyers being struck off and dealt with by the tribunal in the short term, that will take some period of time. Obviously, there is a transitional period where all those who are struck off and who are engaged in various activities associated with legal practices will go before the tribunal, and we will see what the tribunal does in the management of it.

The Attorney—although I know he is burdened with work—might at some stage let us know, whether formally or informally, what happens in relation to some of these people who are struck off. I can think of a couple and how they were dealt with. Some pretty serious and nasty characters have been struck off in unfortunate circumstances. I will not mention names but, when one looks at the conduct of some of them, it is appropriate for the tribunal to say, 'We don't want to see you around or near a law firm again'. However, with others who have been working diligently and doing good services—and again I will not mention names—it might be appropriate for the tribunal to be more favourable. So, let us see what happens.

The Hon. CAROLYN PICKLES: I am pleased that the Hon. Angus Redford, as chair of the Legislative Review Committee, has given that undertaking. It goes to show that, with a little bit of sleep, we can come to an accommodation—which was the point I was making in a rather testy fashion at about 12.10 this morning. Obviously, we support the Hon. Mr Xenophon's second amendment.

The Hon. NICK XENOPHON: I move:

Page 3, lines 4, 5 and 6—Leave out subsection (9) and insert—
(9) Where an application is granted by the tribunal, and the tribunal or the Supreme Court is satisfied that an appeal against the

authorisation has been instituted, or is intended, it may suspend the operation of the authorisation until the determination of the appeal.

(9a) Where the tribunal has suspended the operation of an authorisation under subsection (9), the tribunal may terminate the suspension, and where the Supreme Court has done so, the Supreme Court may terminate the suspension.

This provision has already been the subject of some discussion. It is intended to obviate a potential anomaly in terms of the granting of applications and the appeal process, and I understand that it meets the Attorney's approval.

The Hon. K.T. GRIFFIN: I indicate support for the amendment. It is not unreasonable to give the tribunal and the court the appropriate power to suspend the operation of an order for disqualification or suspension while appeals are being exhausted, but it remains a discretionary matter—and that I think is important, because there may be occasions where it is quite inappropriate to allow someone to continue to practice even though the time for appeal has not expired. As granting the power is discretionary, I am prepared to support it.

Amendment carried; clause as amended passed.

Clause 5 passed.

New clause 5A.

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

After clause 5, page 3, line 31—Insert the following clause:

Insertion of s.95BA

5A. The following section is inserted after section 95BA of the principal Act:

Mortgage financing

95BA. (1) On and from the commencement of this section, mortgage financing is not to be regarded as part of the profession of the law.

(2) A legal practitioner who engages in mortgage financing must inform each prospective lender and borrower, orally and in writing, that any loss suffered as a result of mortgage financing will not be compensated by the guarantee fund or covered by professional indemnity insurance required under this act.

Maximum Penalty: \$10 000

(3) It is not the intention of the Parliament that any implication be drawn from this act (or the act that inserted this section) that mortgage financing when engaged in by a legal practitioner before the commencement of this section was part of the practice of the profession of the law.

This amendment deals with the issue of mortgage financing. It seeks to make it clear that mortgage financing is not to be regarded as part of the profession of the law. As indicated in the course of the debate on this bill, the government does not consider that mortgage financing should be a part of the profession of the law. It has not been a traditional area of the practice of the law. In fact, as I understand it very few lawyers are involved in mortgage financing, certainly in South Australia.

In addition, groups such as conveyancers and finance brokers are also involved in mortgage financing. These groups do not provide the same protection as that provided by the guarantee fund. In fact, the activity of mortgage financing has already been excluded from the operation of the conveyancers guarantee fund, as I indicated earlier in the committee debate. Therefore, as it currently stands, a person who goes to a lawyer for mortgage financing may have greater protection than a person who goes to a conveyancer, even though the services offered by both the lawyer and the conveyancer would be the same.

However, the government acknowledges the issues raised by members in relation to consumer protection. Therefore, new section 95BA(2) will ensure that legal practitioners involved in mortgage financing inform both the prospective lender and borrower that any loss suffered as a result of the

mortgage financing will not be compensated for by the guarantee fund or professional indemnity insurance. This will place legal practitioners in the same position as other persons involved in mortgage financing and will ensure that clients are aware that the guarantee fund and the professional indemnity insurance required under this act do not provide that additional protection.

The amendment will not mean that a legal practitioner cannot be involved in mortgage financing in some way, but it will ensure that all parties are aware that it is not part of legal practice and will not be subject to the protections offered by the guarantee fund and professional indemnity insurance. Subsection (4) provides that it is not the intention of parliament that any implications be drawn from this act (or the act that inserted this section) that mortgage financing, when engaged in by a legal practitioner before the commencement of this section, was part of the practise of the profession of the law.

As indicated, it is open to interpretation whether or not the current scheme in the act would cover mortgage financing engaged in by legal practitioners. Subsection (4) has been inserted so that any consideration of a matter in relation to past claims is not influenced by current debate on the matter.

I can indicate that, if this new clause is inserted, we will have to recommit clause 3 to delete paragraph (a) on page 1 of the bill, for the reason that the new clause now before us specifically deals with a declaration that mortgage financing is not regarded as part of the profession of the law. We will do that committal process at the end.

The Hon. CAROLYN PICKLES: The opposition indicates its support for the new clause. I believe it answers the concerns raised by the Hon. Angus Redford.

The Hon. IAN GILFILLAN: I indicate support for the new clause. Can the Attorney advise whether there is any avenue for a member of the legal profession who is practising mortgage financing to get indemnity? Is he aware of an area in which clients can have protective cover?

The Hon. K.T. GRIFFIN: That normally would be through any insurance agency; they would organise professional indemnity or other insurance if they could possibly do so. It depends on the risk the insurer would perceive as pertinent to that person or enterprise.

The Hon. IAN GILFILLAN: Would it be specific to that business or could it be generic to cover the whole of the activity in that area?

The Hon. K.T. GRIFFIN: The legal profession has, by virtue of the operation of the Legal Practitioners Act—as do conveyancers by virtue of the operation of the Conveyancers Act—a master professional indemnity policy. So, there is a master policy covering the profession, and all lawyers are required to contribute to it: it is a compulsory scheme. Also, all conveyancers are required to contribute to get that cover. There are some suggestions interstate that that might now be regarded as anti-competitive but, putting that issue to one side, that is the way that they group together to arrange that finance. If the finance brokers, mortgage financiers, want to band together as a group to arrange a master policy cover, then I presume they could do it. I must confess I do not think I can give any more definitive answer than that.

The Hon. A.J. REDFORD: First, I must go on record as thanking the Attorney for noting the concerns that were expressed yesterday; secondly, I note the way in which it has been dealt with today, in a far more friendly fashion, because of the hour and the fact that we are not as tired; and, thirdly, this does demonstrate that every now and again debate within

the parliamentary chamber is not just a set piece but is a moving feast and can, I hope, be judged in the fullness of time as being an improvement on the legislation that comes to this place.

I must say that the next time Dean Jaensch gets on radio and says that parliament is a just a particular set piece where everybody goes in and mouths debates and nothing ever happens I will reflect on what has happened—

The Hon. Carolyn Pickles interjecting:

The Hon. A.J. REDFORD: Indeed; I have never seen Dean Jaensch come in here, either, but he certainly gives the impression on occasions when he is talking on radio that he spends most of his time here. But I will reflect on that when he is pontificating on radio and think back to this, and there are other occasions which restore and continue my confidence in the parliamentary process, as opposed to some of the more cynical comments made by those who never come here but who give the impression that they do.

New clause inserted.

Clause 6 and title passed.

Bill recommitted.

Clause 3.

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

Page 1, lines 16 to 18—To delete paragraph (a).

In the new clause which we have just inserted we have specifically declared that mortgage financing is not to be regarded as part of the practise of the profession of the law, so we achieve in that positive declaration what is sought to be achieved by this paragraph (a).

Amendment carried; clause as amended passed.

Bill read a third time and passed.

BARLEY MARKETING (MISCELLANEOUS NO. 2) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 18 November. Page 562.)

The Hon. P. HOLLOWAY: I indicate that the opposition will support this bill. When the Barley Marketing Act was last amended back in May this year, after the bill had passed through the House of Assembly, the opposition and the Democrats were contacted by the South Australian Farmers Federation in relation to an anomaly within the bill. This concerned a matter that we had raised with the government, and during debate on the bill I know that the Hon. Ian Gilfillan placed the matter on record. I will try to explain as best I can why that problem arose. The changes that we made to the Barley Marketing Act at that time were to deregulate the market in domestic barley. The single desk arrangements, that is, the monopoly purchase arrangements in relation to barley for export remain, under the amended bill, until 2001, but the single desk arrangements as they related to domestic grains were removed. However, during the passage of the bill a reference was left in the bill which causes a problem, and that is what we are seeking to correct with this bill today. As I say, I will try to explain to the best of my ability why we have a problem.

Under the Barley Marketing Act, because it had single desk monopoly powers, it was necessary to appoint an authorised receiver to accept the grain, because, while the Barley Board is the appropriate body for marketing grain, it is South Australian Cooperative Bulk Handling which is the body which actually physically receives the grain, and so it needed to be appointed by the Barley Board, as it then was,

to be an authorised receiver. The problem is that under section 35(5) of the Barley Marketing Act it provides:

An authorised receiver appointed to receive barley or oats in South Australia must not, except with the written approval of the board, have a direct or indirect interest in a business involving the buying or selling of barley or oats or in a body corporate carrying on such a business.

Effectively, that would have excluded South Australian Cooperative Bulk Handling from trading in the domestic market of barley or oats.

On a number of occasions in this chamber I have raised the issue of the fundamental changes now taking place within the grains industry in South Australia and, indeed, in Australia. Under those changes we have seen the privatisation of a number of cooperatives and statutory marketing boards. The Australian Wheat Board and the Australian Barley Board have been turned from statutory authorities into grower-owned companies, and the SACBH is currently going through a process of corporatisation and privatisation into a private company owned by grower interests.

Also, the single desk marketing arrangements that existed in the past are being progressively removed. Fundamental change is taking place within the grains industry and it is essential that, if the South Australian industry is to thrive and keep its position, we in this state and the bodies in this state that deal with grain marketing are able to keep up with the changes taking place in the market. In particular, the South Australian Cooperative Bulk Handling needs to be able to compete with other newly established and privatised grain marketing bodies.

Some time ago I met with the board and chief executive officer of SACBH, who made the following points. As a result of drafting errors at the time, section 35.5 had been retained in the new act. Because the South Australian Cooperative Bulk Handling is in the process of establishing its own grain marketing division, theoretically the Australian Barley Board, the new company (ABB), could use section 35 to frustrate this initiative. That section is clearly inconsistent with the intent of the legislation to achieve a deregulated domestic market with free access for all participants.

I point out (and Cooperative Bulk Handling pointed out) that there was no restriction in the Victorian legislation—and members should recall that the Barley Board is established under joint Victorian and South Australian legislation—and the SACBH potentially could be disadvantaged at the border by Vicgrain or Graincorp trading activities. It was essential that the legislation be amended to remove the anomaly that the Hon. Ian Gilfillan and I raised with the government back in May.

Unfortunately, the government was a little tardy in bringing this amendment (which we had asked for in May) before the parliament, but at least it has been done in enough time to rush it through in the dying stages of this session, so that the SACBH can compete in the domestic market in the current season. For those reasons, the opposition has agreed, in breach of the usual conventions that apply in this place, to allow the bill to go through quickly so we can correct this anomaly.

The Hon. IAN GILFILLAN: On the face of this, the Democrats support the bill, but I must make the observation that I am concerned—as I seem to be quite frequently—at the lateness of the hour at which this legislation was brought before us. As the Hon. Paul Holloway indicated, we were prime instigators of an amendment, of indicating that such

was needed, yet the ALP has been afforded the courtesy of some discussion at least yesterday, which may sound aeons of time when you realise that we got this bill only late this morning or early this afternoon.

So, it is more or less an act of faith that this bill does address the oversight and the needed amendments that were spelled out in May. I do not intend to, nor could I, go through the detail that the Hon. Paul Holloway has put into the second reading debate. I acknowledge the constructive analysis that he has put forward and indicate that we agree with what he has had to say. Apart from putting on record that I am not satisfied that it is an appropriate time frame in which to deal with legislation like this, I recognise that we have a barley harvest currently coming into storage and it is essential that this measure be implemented as a matter of urgency.

As soon as we had this bill in hand I tried to get an opinion from the Farmers Federation, but the only comment back from a person in the grains section was that they were unaware that there was any legislation before parliament. That may not have been the case with all the people in the Farmers Federation, but it was certainly true of the person we were able to talk to on the telephone. Having got that off my chest, I indicate that we support the legislation and hope that it achieves what the barley growers, the Farmers Federation, the Democrats and the opposition want it to achieve.

The Hon. K.T. GRIFFIN (Attorney-General): I thank members for their indications of support for the bill. I acknowledge that it has been rushed through both houses and that it would have been desirable to have more time for each member to consider the bill appropriately. Notwithstanding that, I record the government's appreciation for members being prepared to give consideration to the issue at such short notice.

Bill read a second time.

In committee.

Clause 1.

The Hon. P. HOLLOWAY: There is one point that I omitted to make during my second reading contribution. During debate in the House of Assembly, Mr Ivan Venning (the member for Schubert) raised the issue of the future of the single desk, and I want to put on record the opposition's policy. I repeat what I said in May this year when debating the similar bill: I am prepared to give a policy commitment on behalf of the opposition that, subject to industry wishes, we will support the single desk for barley export in South Australia beyond the year 2001 at least to the year 2004, which is the time limit for the single desk of the Australian Wheat Board, given that that is the industry desire at the time.

The only other matter is that there was another clause in the bill, which I understand arose out of a legal case in Western Australia in relation to plant variety rights. We also support the correction that addresses that matter.

Clause passed.

Remaining clauses (2 and 3) passed.

Bill read a third time and passed.

LAND TAX (INTENSIVE AGISTMENT) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 18 November. Page 563.)

The Hon. P. HOLLOWAY: This is the third bill which we have dealt with this week and which has been passed by

both houses of parliament with only a few hours' notice. I can recall being a member of the previous Labor government when, if that sort of thing had happened regarding one bill, there would have been such a huge outcry that we would still be hearing about it for months afterwards. Nevertheless, the opposition accepts that from time to time measures will arise as a matter of urgency, and we have to deal with them. In relation to the barley marketing bill, we accepted that it should be rushed through. In that case, there was an oversight on behalf of the government that left it to the last moment. Nonetheless, there was an overriding need for that bill to be passed, so we cooperated. So, too, was the case with the Southern State Superannuation (Salary) Amendment Bill.

In relation to this bill, we can accept that, because there is some legal problem in relation to the consideration of intensive agistment and the exemption of that from land tax, we will cooperate in supporting the bill. But, I record the protest of the opposition to the fact that far too many bills are being rushed through at the last moment as a result of government oversights. It is bad enough that we are now facing a four months break in parliament. We will not be back until March next year. That is one-third of a year—four months. It is because of the government's haste to get out of here—presumably because of the ETSA sale process—that I think we have seen a number of bills rushed through with unseemly haste.

Nonetheless, the opposition is prepared to judge each bill on its merits, and we will not oppose this bill. It is my understanding that there is some doubt about the current criteria for exemption from land tax for intensive agistment in rural areas. Clearly, it would go against the spirit of the bill if that were the case, if there is some doubt about it, and that is why we are not opposing this bill. Clearly, intensive agistment should benefit from the same concessions that apply to the business of primary production generally. With that protest over the speed with which these bills are being rammed through the parliament, for the benefit of those people who will gain from this legislation, we will support it.

The Hon. IAN GILFILLAN: I indicate our disapproval of the speed with which these pieces of legislation need to be dealt with in this place. It may be that it is a justified legislative move, and it is interesting to note the opposition is prepared to support it. The Democrats are not prepared to support it, because the consequences of granting exemption of land tax to intensive agricultural husbandry needs to be looked at much more closely than in the dying hours of this session of parliament.

Our view is that further consideration should be given to the areas, the activity and the nature of the activity in its categorisation of a form of primary production as compared with perhaps light industrial, because we have seen how intensive animal husbandry can turn into a factory type operation. Battery hen operations are, in fact, industrial. I believe that, in those contexts, it is inappropriate to pass this measure that is before us today.

We will oppose the second reading not necessarily on the basis that the legislation has no merit but, rather, on the basis that it is much more complicated than a simple measure that can be dealt with in this way and that it ought to have the benefit of longer time analysis by this parliament. Other people might have assessed it, but we have to make the decision at the time and on the information that is presented to parliament—and it is insufficient to persuade the Demo-

crats that the bill deserves support in the second reading stage. We oppose the second reading.

The Hon. R.I. LUCAS (Treasurer): I thank members for their contribution to the second reading. I acknowledge the comments of the Hon. Mr Gilfillan. Clearly, if the parliament was to take a view that it did not want to see this bill proceed, the government reluctantly would accept that. The only reason for the haste, I guess, is that we want to see some additional benefits for people in rural communities. This issue has been discussed with the Farmers Federation, representing primary producers throughout South Australia, and it is an issue which it has actively—

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: As I said, if the parliament takes the view that it does not want to see this progress, then the government reluctantly will accept that. The reason for the haste is that land tax bills are about to go out next month. If it is delayed until March or April, the parliament would be delaying in the knowledge that this relatively modest land tax exemption would not be available for the 1999-2000 financial year. I understand the Australian Democrats are opposing this benefit going to farmers in South Australia for this financial year and have indicated their opposition to the bill. That is fair enough. I understand the Australian Democrats' position in that regard. I am disappointed that they are taking a view that this benefit should be denied to primary producers in South Australia for this financial year. Their endeavours to oppose or delay the legislation would deny this relatively modest financial incentive for rural communities.

The South Australian government for the past two to 2½ years has been right across the portfolio areas endeavouring to undertake a range of policy initiatives of positive benefit and positive value to rural and regional communities in South Australia. A number of recommendations from the regional task force are being implemented. For example, in the regional development infrastructure fund, some \$18 million over four years will be put into infrastructure in regional areas—a most important initiative announced—

The Hon. Ian Gilfillan: How many primary producers are affected by this?

The Hon. R.I. LUCAS: If we can assist one primary producer, we will be delighted to assist one primary producer. We do not know the numbers.

The Hon. Ian Gilfillan interjecting:

The Hon. R.I. LUCAS: Well, on that basis there would be a number of tax incentives that the Hon. Mr Gilfillan would never provide if he adopted that approach to taxation incentives—

The Hon. Ian Gilfillan interjecting:

The Hon. R.I. LUCAS: But you then made a comment about this being typical legislation or words to the effect that you know nothing about the impact of it. On that basis, in terms of financial incentives that people offer, one can never know exactly how many people will take up the particular incentive. That is a judgment for individuals to consider in the light of the legislation having been passed by the parliament. The point I was making is that the government is demonstrating its true concern for rural and regional communities; it has been doing so for some two to 2½ years in an intensive way—

The Hon. Ian Gilfillan interjecting:

The Hon. R.I. LUCAS: The reason it was left so late is that we have had a relatively short session. It was announced, as I recollect, in the Governor's speech. We have had a huge

backlog in terms of drafting from parliamentary counsel and, to be fair to parliamentary counsel, this is not one of the major issues of the government's legislative program. We have had to go through a process of consultation with the Farmers Federation and a variety of others to ensure that they are happy with the legislation and with the government's demonstrating its preparedness to consult with representatives of primary producers in South Australia to ensure that we get the legislation right. We know we have to get it through this month if we want it to apply this financial year, because the land tax bills will be issued from early next month.

I just express my disappointment that the Democrats' spokesman, who is meant to represent rural communities in South Australia, the Hon. Mr Gilfillan, is taking action which will in essence prevent some primary producers and rural communities from receiving a financial benefit as part of this package, particularly—and I do not have the speech with me—as I think it was included in the Governor's speech, announcing the government's intention to legislate in this area. So it is not as if it is a huge surprise to members. I am sure all members would have read the Governor's speech and listened to the Governor deliver the speech in this chamber indicating the government's intentions in this area.

I thank the Hon. Mr Holloway for the opposition's support. I do not think they are huge supporters of this incentive. Nevertheless, on the basis that it is providing a financial benefit to some people in our hard-pushed rural communities, they have been prepared to allow its passage because, in part, it was announced in the Governor's speech. I record my disappointment at the Hon. Mr Gilfillan and the Australian Democrats for their approach which I am sure will not be warmly received by primary producers and rural and regional communities when they become aware of the Democrats' position in relation to governments trying to provide assistance to the people who might be doing it hard in some of our rural and regional communities.

The Council divided on the second reading:

AYES (15)

Crothers, T.	Dawkins, J. S. L.
Griffin, K. T.	Holloway, P.
Laidlaw, D. V.	Lawson, R. D.
Lucas, R. I. (teller)	Pickles, C. A.
Redford, A. J.	Roberts, R. R.
Schaefer, C. V.	Stefani, J. F.
Weatherill, G.	Xenophon, N.
Zollo, C.	

NOES (3)

Elliott, M. J.	Gilfillan, I. (teller)
Kanck, S. M.	

Majority of 12 for the Ayes.

Second reading thus carried.

In committee.

Clause 1.

The Hon. IAN GILFILLAN: I wish to address the whole matter in general and some of the observations made by the Treasurer in a rather intemperate and I think ill-advised contribution to his concluding remarks. It is interesting to note that this bill addresses the land tax assessment for a certain defined rural area, essentially the greater Adelaide metropolitan area bounded by Gawler in the north, Noarlunga in the south and the Mount Lofty Ranges in the east, and separately parts of Mount Gambier. It appears as if the exemption is designed to affect areas where there is some ambiguity as to what are activities that are regarded as

primary production and areas which may be arguably light industrial as compared to quite clearly unarguable primary production rural areas.

I note in the second reading explanation that this measure 'has the strong support of the South Australian Farmers Federation.' I want to make plain again what I said in the second reading debate: there has been absolutely no opportunity for us to consult with or even get an opinion from the Farmers Federation directly and, although I do not doubt that the compiler of this contribution has reason to indicate what he or she believed was the support of the Farmers Federation, I prefer on behalf of the Democrats to get that evidence and advice personally, which we have not had the opportunity to do.

So, the reason why we are so concerned about this measure—in particular, I am concerned—is that, first, I do not believe it is of particular significance to the rural population at large. Although the Treasurer wanted to portray it as being a benign gesture from a caring government, the point is also made that the cost to revenue is minimal, so it is not what one would call a painful sacrifice by the government or a measure of consideration for the rural population at large. The actual activity of intense agistment or intense animal livestock husbandry is constantly under question, not only with those people who would be expected to do so—those people concerned with animal welfare—but also within the rural industry itself. For us to pass this measure as a clear indication that this parliament accepts the intensive production of edible animal meat in what are arguably factory conditions as being bona fide primary production and therefore exempt from land tax requires more detailed analysis, more understanding and consultation, and a longer term assessment of where we want edible animal product to come from and through what procedures.

We have seen and heard the problems of using extraneous material for feeding in feed lots, and about the mad cow disease in the UK and the proscribing of certain products from being fed to pigs. It is not just the benign activity of turning animals out to open pasture, feeding them a bit of hay or grain and then going through the processes which have been in place for decades or centuries: this is a highly skilled and, if done properly, scientific activity very much on a parallel with a well organised manufacturing occupation. The argument that it, therefore, is entitled to be exempt from land tax is not in my view clearly established in the second reading explanation. It may well be that, with further discussion, some seminars and analysis of activities, there is an argument for an exemption from land tax, at least for some of the activities but, on the basis of the evidence that has been presented, the background of our doubts about the activity taken as a whole and the lack of time for proper and adequate consultation, I have absolutely no embarrassment nor qualms of conscience about the Democrats opposing the second reading.

The Treasurer has a penchant to misrepresent the arguments presented by other members in this place, and I repeat that he has deliberately done so in this case. We believe that this is not the time to pass this bill. It does not mean that the Democrats are categorically against a land tax exemption for this activity, but it must be questioned and looked at thoroughly, and it must not be presented as a measure of any significant consideration and benefit for rural primary producers at large.

The Hon. P. HOLLOWAY: I think the Treasurer's comments during his second reading response against the

Hon. Ian Gilfillan were unnecessary. As I indicated earlier, at the end of this session the non-government parties have been extremely cooperative in getting late bills through. I am sure that when the current Treasurer was in opposition he would have protested with great voice indeed—

The Hon. Ian Gilfillan interjecting:

The Hon. P. HOLLOWAY:—yes; with gusto—if the then government had tried to have bills passed at the last moment.

Members interjecting:

The Hon. P. HOLLOWAY: The point I want to make (if I have the opportunity to do so without interjection) is that, because my colleagues in another place had virtually no chance to look at this, they indicated their opposition to it yesterday, but in the past 24 hours we have had a chance to look at the bill. We are in a dilemma now; what do we do? Do we uphold the important principle that adequate notice be given before bills come through parliament, which principle we would hope that in all but exceptional cases would be upheld? Do we trade that off against providing benefits to a section of the rural community, albeit a very small section? We have decided to support these benefits being passed on, because we have had a chance to at least look at the bill in a limited amount of detail, given the time available. That is why we have come down in support of it. I think it was quite unnecessary for the Treasurer to be critical of opposition parties when we have had so much legislation to put through this parliament—about 20 or 30 bills have been passed by the parliament in the past week—in a very limited time. I think it ill behoves the Treasurer to make those sorts of unnecessary remarks against members who have tried to be cooperative in the passage of bills.

The Hon. R.I. LUCAS: As I indicated, if the majority in the parliament took the view that they did not want to see the passage of this legislation and that they believed that the principles which they espoused and which I agree with were greater than the benefit that we were about to provide to the people who need that benefit in rural communities, the government would be prepared to see the bill adjourned. With the Democrats and Independents in both houses the opposition has the capacity to seek to adjourn and delay the passage of the legislation. I acknowledge the views that the Hon. Mr Holloway has just put, but this is actually—

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: I understand that, but this is different in that it is actually giving a benefit to people in rural communities.

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: I accept that; I am just saying that this is different. We can talk about rushing through legislation if it is an important policy issue, if it is taking away a right from somebody or if it is a complicated issue, but this is giving a benefit to people who need a benefit in rural communities. The South Australian Farmers Federation put a view to me through Mr Sandy Cameron and others that it believes the act should be amended to ensure that primary producers attempting to improve the long term viability of their business through contractual arrangements should not be penalised by state taxation. They put a view to me that some parts of rural and regional South Australia were doing it tough, that they needed assistance and that they needed some tax breaks. In recent times the government has provided a modest range of benefits, including land tax exemption; stamp duty exemptions on rural debt refinancing; stamp duty exemptions on transfer of the family farm; stamp duty

exemptions on registration of farm machinery; and payroll and tax exporters rebate, which was expanded from 1 July 1998 to include horticultural produce destined for consumption as a fresh product overseas.

We have taken a range of taxation measures, modest in themselves, but taken altogether they are part of a total package. This government is, as the Hon. Mr Gilfillan perhaps cynically described it, a warm, caring and sharing government, demonstrating in a real way that it understands the concerns of rural communities. It is not just political rhetoric: it is actually endeavouring to do something about it. Mr Sandy Cameron, who was and may still be the CEO of SAFF (he is about to leave or has just left), stated in a letter to me that analysis of the rural industry in the United States indicated that in some industries up to 70 per cent of the produce is now grown under similar agistment contract arrangements. It was his view, speaking on behalf of the South Australian Farmers Federation, representing all or most primary producers in South Australia, that this trend was likely to be followed in Australia. Whilst it is the government's view that in revenue terms there might be a relatively modest impact on the budget initially, if the view of the Farmers Federation is correct—that is, that we are likely to follow the approach of the United States and others—then obviously in future years the revenue forgone from this financial incentive will become more significant.

I think it depends on your view of the accuracy of the Farmers Federation's statement that we are likely to see growth under this structure of primary production which follows the United States model and overseas models. If that is so, we will see more people benefiting from this incentive in the future. If not, if the views of the Hon. Mr Gilfillan and others prevail, the impact on the financial budget will remain relatively modest. With those remarks, I again indicate the government's strong support for its own legislation and welcome the Hon. Mr Holloway's support for its passage.

The Hon. IAN GILFILLAN: The second reading explanation states that 'the cost to revenue is minimal.' I interjected earlier about the number of primary producers affected. If the government has stated that 'the cost to revenue is minimal', I would like to know what it means by the word 'minimal'. Having made that statement, I assume that there must be an estimate of the number of primary producers involved, so I ask the Treasurer for those details.

The Hon. R.I. LUCAS: I will try to obtain the detail of that for the honourable member and provide him with a further response. However, when we say that it is minimal, we are certainly not talking about millions of dollars but much less. Ultimately, it depends on how many people pick up this provision. I cannot put a figure on it, and I will not put parameters on it. As I said in my reply to the second reading debate, it will have a relatively modest impact on the budget.

The second and more important issue is that, if you accept the view of the South Australian Farmers Federation that this area is likely to grow in terms of the structuring of businesses in rural communities, the impact on the budget is likely to be more significant in the future than it is now.

Clause passed.

Remaining clauses (2 and 3) and title passed.

Bill read a third time and passed.

STATUTES AMENDMENT (UNIVERSITIES) BILL

Adjourned debate on second reading.

(Continued from 16 November. Page 441.)

The Hon. R.I. LUCAS (Treasurer): I thank members for their indication of support for this relatively modest piece of universities' legislation, and I look forward to its speedy passage.

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

GAMBLING INDUSTRY REGULATION BILL

Adjourned debate on second reading.

(Continued from 18 November. Page 575.)

The Hon. A.J. REDFORD: I am opposed to the second reading of the bill. There is so much in it that I oppose that I do not believe we should deal with it until it is presented in a more acceptable fashion. A lot has been said on this topic, and the arguments have been well made. I adopt the reasoning of the Hons Robert Lucas, Trevor Crothers, Caroline Schaefer, John Dawkins and Legh Davis. I think that saved about 4½ hours.

I did not intend to contribute to the debate, but something occurred yesterday that led me to the view that I should make a couple of comments. Yesterday, the Hon. Paul Holloway, the shadow spokesperson for the opposition on matters relating to finance, indicated that the ALP would support the second reading of the bill. I am disappointed with that but not surprised, because it does remind us that the Labor Party is still a Keating-style party which is out of touch and which is looking purely and simply at electoral gain. This move, it thinks, will enable it to say one thing to one constituent group and another thing to another group, and generally confuse the public as to what is precisely its position. That has been a habit of members opposite—with the possible exception of the ETSA issue—ever since I have been a member of this parliament.

The Hon. Paul Holloway said that gambling issues are a conscience vote for the Labor Party. He then said that, once an industry is introduced and established, the ALP is bound by caucus on administrative matters. He said that, where clauses reduce or extend gambling, there is a conscience vote and everything else is the subject of a caucus decision. That is what I understand he said.

When pressed, he went on and said that, so far as the Labor Party is concerned, it is a conscience issue—and he gave examples, such as the question of interactive gambling being considered, the question of removing all gaming machines within five years, and the issue of slowing down gaming machines so that transactions occur at a slower rate per minute or per hour. He went on to say that examples of administrative matters relate to the revocation and suspension of licences, the issue concerning ATM machines, and finally issues concerning the granting of credit. Then he said—and *Hansard* probably does show this—that means that the caucus can support clocks. I suppose that brings us back the full circle to where I started—that this is a Keatingesque somersault.

What he did not say was whether or not the establishment of the gambling impact authority fell within this rather fluid definition of what is or is not a conscience matter; whether the establishment of a gambling impact fund is or is not a conscience matter; or whether or not political donations are a conscience vote. He did not say anything about whether the clauses concerning compensation to victims were or were not a conscience vote.

Members interjecting:

The Hon. A.J. REDFORD: He failed to say whether the issues concerning advertising, warnings, smoking and drinking at venues, the cashing of cheques, the changes to the Casino legislation, trade promotions and the issue of cash deposits were or were not caucus decisions or matters of conscience. The honourable member has been interjecting, 'That's a caucus decision.' What he did not say, if they are caucus decisions, is what the ALP position is on each one of them.

The Hon. P. Holloway interjecting:

The ACTING PRESIDENT (Hon. J.S.L. Dawkins): Order! The Deputy Leader ought to be in his seat.

The Hon. A.J. REDFORD: He did not say what his or his party's position was on the issue of the gambling impact authority, the gambling impact fund, the political donation issue, compensation to victims, the issue of advertising, the issue of warnings or the issue of smoking or drinking at venues; nor did he advise us, assuming they are not conscience matters, of the ALP's position on the cashing of cheques, changes to the Casino legislation, trade promotions, TAB cash deposits or ATM machines. He merely identified that they are the subject of a caucus decision.

Far be it from me to be cynical about the ALP's position, but we are soon to pass this motion without a division being called for, as I understand it, and the ALP will, between now and March next year, present a very confused picture to the electorate as to what precisely is its position on each of these issues. It has gone nowhere down the track of precisely identifying what is its position on each of these very important issues. If I were the Hon. Nick Xenophon, I would be disappointed that the ALP is seeking to hide behind what good political capital he might derive from the carriage of the second reading and at the same time intending to sneak up on him in March and knock off nearly every single one of his initiatives. While I say to the Australian Labor Party that that is not—

The Hon. Nick Xenophon: I will be ready for all of you.

The Hon. A.J. REDFORD: The Hon. Nick Xenophon says that he will be ready for all of us, but I must say that I am not sure that the public is yet ready for the ALP approach and how it has dealt with this issue. Not one person outside the ALP caucus knows what its position is on the gambling impact authority or on the gambling impact fund. Not one person in the community knows what its position is on political donations.

The Hon. R.R. Roberts: What is your position?

The Hon. A.J. REDFORD: I oppose the second reading, so you draw your conclusions from that. For those who do not understand—

The Hon. R.R. Roberts interjecting:

The Hon. A.J. REDFORD: I oppose the second reading, and I am clearly on the record.

The Hon. R.R. Roberts interjecting:

The ACTING PRESIDENT: Order! The Hon. Mr Roberts had his turn.

The Hon. R.R. Roberts interjecting:

The ACTING PRESIDENT: Order!

The Hon. A.J. REDFORD: Thank you, Mr Acting President. I am saying that the whole approach of the Australian Labor Party in keeping its cards close to its chest and not saying what its position will be in the hope that it might not receive adverse publicity in some quarters is a stunning act of hypocrisy. My next comment will lead to a question of the Hon. Nick Xenophon and he may even consider this over the break, because we will see precisely

how genuine he is about this matter. One might consider how the leaders of this opposition have lost touch with ordinary people, and in particular the ordinary hardworking men and women who comprise the liquor trades union.

I understand that that union donates \$100 000 per annum to the ALP. I also understand that it delivers some 20 000 members to the like of Mr Butler, Senator Bolkus, and indeed the member for Elder, Patrick Conlon. What will these people say to these many thousands of workers who pay their dues to assist these people to get into their positions of privilege over Christmas? Will they be honest and say, 'Look, we will trick Mr Xenophon. We will look like we are supporting him on the second reading, but we will do him over in March; so you go away and have a good Christmas.'

That is precisely what the ALP has done in this duplicitous approach that it has adopted on this issue. I must say that, for a party that has a significant membership being derived from the liquor trades union and delivers to it quite a number of seats in parliament and other benefits, that is an extremely shabby way in which to treat them. I think they might seriously consider looking at affiliating with perhaps some other employee body that would represent their interests and not waste the \$100 000 per annum that goes straight into ALP coffers to enable it to advance its political causes.

I know that the Hon. Nick Xenophon endeavours as best he can (perhaps we might see it a little differently) to be even-handed and impartial, but perhaps he might have a close look at his political donation clause and make appropriate amendments to ensure that the ALP does not benefit from the dues that it gets from the liquor trades union.

It will be interesting to see what members of the Labor Party will say when—and I must say this happens on an increasingly rare basis—they meet some of these employees and ask, 'Do you think we will have employment in July or August next year?' What will they say to them and how honest will they be to them? Will they be as honest to them as they have been to this parliament? Will they come out of the closet and say what they mean?

I must say that I do not have any confidence that they will do so. I suggest that perhaps even the AHA might consider at some of its functions perhaps ensuring that some of these employees, these ordinary hardworking men and women who pay their dues to the ALP, are seated at the same table as Mr Foley and others who were part of this arrangement not to disclose precisely what their position is on some of the important issues raised by the Hon. Nick Xenophon.

I want to do only two more things. First, I want to put some questions on notice, and I certainly do not expect the Hon. Nick Xenophon to answer them today in his response. However, I would be grateful if the Hon. Nick Xenophon could, as best he can, answer them prior to the resumption of the debate next March. First, what would he understand to be the loss to general revenue as a consequence of the passage of this bill and, indeed, if it is possible to do so, what would he estimate to be the loss to general revenue should any one of his major initiatives come to pass?

Secondly, what does the Hon. Mr Xenophon expect the cost of the establishment and the running of the gambling impact authority to be? Thirdly, in relation to those revenue changes, what does the Hon. Nick Xenophon suggest the government do in relation to the loss? Is he expecting the government to cut expenditure and, if so, I would be grateful if he would give some indication as to where he would expect that expenditure to be cut, or alternatively would he expect

us to raise that lost revenue by imposing taxes and, if so, I would be grateful if he could identify where they might be?

The Hon. P. Holloway interjecting:

The Hon. A.J. REDFORD: The Hon. Paul Holloway is rabbiting on in the background but the reality is that he is unlikely to be as clear in his answers as the Hon. Nick Xenophon is. What will the compensation to victims cost, and I note that the bill contains provision for a \$10 000 maximum payment to victims of crime associated with gaming, and I would be grateful if he could attempt to identify what his expectation would be in terms of the cost to the public purse?

In relation to the compensation clauses, what is meant by the term 'gambling addiction'? Is it a medical definition or is it a legal definition? I would be grateful if he could provide us with some details as to how he defines the concept of 'gambling addiction'. I would also be grateful if he could describe in some detail (and as I said I do not need an answer to this quickly) as to the procedure that would be adopted in dealing with these compensation issues, whether they would be done at the same time as the criminal procedure or whether they would be dealt with in the same fashion as claims for criminal compensation under existing legislation.

In relation to clause 17(6), I would be grateful if I could have a more detailed explanation as to how that is to be applied. I understand that, if there is a restitution, it is to be applied to satisfy what might be paid out of general revenue by way of compensation. I give a simple example and I would be grateful if he could explain what would happen if I suffered a loss of \$20 000 because my gambling addicted employee stole from me and he subsequently made restitution of \$10 000. Would I be entitled to compensation of \$5 000, being pro rata, or alternatively would it be said that I had been fully paid the proposed maximum compensation of \$10 000?

I would also be grateful in relation to the issues of advertising as to how he proposes to deal with the matter if transmission occurs from outside the jurisdiction, and I know that we now have access to quite a range of transmissions from outside the jurisdiction; for example, Foxtel, the internet, even some of the free-to-air broadcasts are entirely initiated from outside the jurisdiction, news articles and infomercials. The honourable member has explained this to me privately, but I ask him to clear up what on the face of it might be just a drafting error, but the bill refers to an ATM in clause 46 and, in clause 25, an ADI. He has explained to me privately, and I am sure that he would correct me if I am wrong, that they are one and the same thing. Finally, I would be most grateful if he could draw our attention to what mechanisms he might see as necessary, assuming that this bill is successful at the third reading, to protect clubs from abusing their monopoly power and benefiting private interests.

Given that members have raised this as an issue, I should spend a little time exploring it, and that is the issue of problem gambling and the amount of money that is spent in so far as problem gambling is concerned.

It was an issue raised by the Hon. Ron Roberts and expanded on during the contribution by the Hon. Terry Cameron. I have spoken in some detail to the Hon. Nick Xenophon about this, and I urge that members consider the approach adopted in New Zealand. I have sent some material on this to the Minister for Health, and I am not sure what is happening with it in terms of the government. In simple terms, in New Zealand they engage a person known as a gambling rehabilitation purchasing agent. That gambling

rehabilitation purchasing agent is charged, first, with determining precisely what can reasonably be achieved in so far as gambling problems are concerned.

Secondly, that person having described what can be achieved, he then puts out for tender, so to speak, to all agencies (private and public) a process by which they will tender for the provision of that service; then the public funds are applied to those agencies. At the end of each year, the gambling rehabilitation purchasing agent evaluates the provision of those services, and that determines in the next round of submissions whether or not those who received funding earlier are entitled to it. I urge members seriously to consider that.

As members of parliament, we all know that the demands of the public in terms of social welfare can be insatiable. I have no doubt that, no matter how much money we gave in relation to some of these issues, it would never satisfy the demands of some groups in our community. And we do have responsibilities in other areas such as health and education. This is one means by which we can at least quantify what needs to be spent from the public purse and, having quantified that, we as a community know precisely where we sit. I urge the decision makers to seriously consider what is being done in New Zealand.

The Hon. CAROLYN PICKLES (Leader of the Opposition): I had not intended to enter this debate but to put my viewpoint during the committee stage of this bill, and I am mindful of the fact that members have had an undertaking that we will leave this place at 6 o'clock tonight, having been here in the early hours of the morning. It is interesting that the Hon. Mr Redford has now walked out of the chamber. That was probably the most duplicitous contribution that we have heard in the whole debate on this bill. From the outset I would say that I will support the second reading, and I think that the Hon. Mr Xenophon really understands where I am coming from.

I do not support the bulk of this bill, but some sections of it have been ruled a conscience issue by my party and I will probably oppose the bulk of it. If we are very honest about this, the bulk of this bill is not a conscience issue for members of my party. Quite frankly, I have to say that the Hon. Mr Redford in his attacks upon the Labor Party clearly does not understand that one of the things we do as a party is to be reasonably decent about people who want to bring in bills that are conscience issues. We know that this is the Hon. Mr Xenophon's *raison d'être*: this is why he is here in this place, and it is perfectly reasonable to allow him to debate a bill that he feels very strongly about.

It would be remiss of us as members of this place to disallow that. Having said that, I can recall many occasions on which I have introduced conscience issues to this place when I have not been treated with that same level of courtesy. But we should do this: it is very important that we do this.

I believe that the Hon. Mr Xenophon, who obviously believes in this issue, should have the opportunity to put his viewpoint strongly in the parliament, and we should put our views in opposition just as strongly. The Hon. Mr Redford had quite a lot to say, in a very sneaky and underhanded way, about the role of the union—the union of which I am a member. I am a public official of the ALHMWU. I am very proud to be a member of this union which, indeed, supported my coming into parliament, and I have no problem—

The Hon. T. Crothers: I'm a life member.

The Hon. CAROLYN PICKLES: Indeed you are. It is a union that has had a strong tradition in the Labor Party. It is a fact of life; we all know this; it is on the public record, and nobody has any problem with that. However, the Hon. Mr Redford made some kind of snide comment that we were being bribed in some disgusting way. I find that absolutely offensive and I absolutely refute that. If, on my conscience, I wanted to vote in favour of this bill, I do not think that my union would expel me; it would still have me as part of the union. Certainly, the union has discussed with the Australian Labor Party its viewpoints on this issue, as have many other organisations, including the Hon. Mr Xenophon.

In fact, I have before me papers containing discussions at the shadow cabinet meeting indicating the Hon. Mr Xenophon's viewpoints on what he wanted to do. He has written to all members of Parliament, and we have taken his views into consideration. That is the honourable way in which we in this chamber behave: we listen to everybody's viewpoint. We do not always agree with them, and sometimes we can have quite spirited debates. However, for the Hon. Mr Redford to come into this place at the absolute very last minute and make these scurrilous attacks on the Australian Labor Party is absolutely despicable. I absolutely refute everything he says.

The Australian Labor Party has a conscience vote. If we are going to extend or diminish the role of gambling, that is clearly a conscience vote. If it is an administrative issue involving a change in the way we deal with gambling, that would clearly not be a conscience vote. We went through this matter very carefully. We had a two-hour shadow cabinet meeting at which we went through this matter carefully. Then we had a two-hour caucus meeting at which we went through it carefully again. It was debated quite vigorously. People put their points of view, and everyone was listened to with courtesy. I cannot for the life of me see why the Hon. Mr Redford should choose to behave in this deplorable manner.

However, I understand that we want to get out of this place. We have been here for a very long time. I will put my viewpoint on the record very clearly, and it is the viewpoint of some of members of my party but not all of them. I voted for poker machines to come into this state, and I will vote for them to continue to be here. I will support some aspects of this bill which are not a conscience issue, but speaking for myself I will mostly oppose the issues on conscience. We must understand the Australian Labor Party's viewpoint on this. I understand that Mr Foley, who has been dealing and will continue to deal with this legislation in another place, has discussed it with the Hon. Mr Xenophon. I am also pleased to sit down with him and put my viewpoint to him.

I have nothing to hide. We have made our decision and that decision will stand. But, again, I reiterate that, if the Hon. Mr Redford had made those comments outside, they would be absolutely libellous. They were dishonest and deceitful. I know I am not allowed to refer to people who are sitting in the gallery, but I am happy to talk to anyone about my viewpoints on gambling; they are well-known; and they are on the record. The Hon. Mr Redford is to be condemned for his contribution here today.

The Hon. NICK XENOPHON: I thank members for their contribution. I am conscious of the time. It has been a long sitting week and I do not propose to canvass all the issues that I wanted to canvass in concluding, but I will have an opportunity to do that, no doubt, during the committee

stage. I thought it would be useful if I touched on a number of contributions made by members and responded to them, but I emphasise that it should not be seen as a comprehensive rebuttal given the time and given that there will be an opportunity in the committee stage.

Members ought to be reminded of the findings of the Productivity Commission in the summary in its draft report into Australia's gambling industry—the most comprehensive report on Australia's gambling industry, an industry that has a turnover of some \$94 billion a year with overall gambling losses of some \$11.3 billion a year nationally. A number of members who spoke against this bill said that, effectively, gambling was simply another form of entertainment; that it is just another industry; and that it should not be singled out for treatment of the sort that would result from this bill. The Productivity Commission has made very clear that this is not just another industry. I quote from the commission's summary as follows:

Some people representing the industries have argued that there is little that is special about them: they are just like other entertainment businesses competing for the consumer's dollar—and they are excessively burdened by government regulation and taxation. But this was not the predominant view. Even within the gambling industries themselves, many of those with whom the commission met accepted that their industry was indeed 'special'; in the words of one senior executive, gambling was seen as a 'questionable pleasure'.

That is what one executive said. The summary continues:

The 'questionable' nature of the gambling industries reflects their ability simultaneously to provide entertainment that is harmless to many people, while being a source of great distress—and even of financial and personal ruin—to a significant minority. The imbalance between the consequences for each group can be very marked, a feature not found in other entertainment industries. . . . Furthermore, the benefits which many derive from gambling—to the extent that they include occasional winnings—are in part derived from the financial losses of others, and the consequent suffering of some. This too sets the activity apart and helps explain longstanding ethical or moral objections within the community to activities seen as involving the pursuit of 'easy money'.

I think that sets the scene in terms of some of the broad objections to the industry and in terms of the impact and harm it has on individuals. The great majority derive some enjoyment from gambling in this state but the fact remains that, as a result of the introduction of poker machines in this state and as a result of other forms of gambling that have been here for significantly longer periods, tens of thousands of South Australians have fallen by the wayside. That is very much at the heart of this bill. This is about reducing the social impact and helping those individuals whose lives have been devastated in many cases as a result of current gambling policies.

I now turn to a number of the contributions. I was going to leave the best until last, but I think it is appropriate that I deal with Mr Davis's contribution early on. I am very concerned that there was what I consider to be a scurrilous attack against Bob Moran, a man who ran with me on the No Pokies ticket at the last state election. I did not know Mr Moran until the election was called. I approached him because of the publicity involving the failure of his business, a very high profile car yard. The Hon. Legh Davis made a number of allegations about Mr Moran. He referred to the findings of the liquidator, Bruce Carter, as to a number of issues that led to the demise of his business—that is fair enough—and Mr Davis, in his pseudo forensic analysis, was of the view that the claims by Mr Moran were nonsense and were in some way without any foundation.

The claims made by Mr Moran, if they are analysed carefully in terms of what Mr Moran actually said in the discussions I have had with him, were that, were it not for the introduction of poker machines and the taking away of that discretionary consumer dollar, his business would probably have survived. Mr Moran has conceded that his business made a number of mistakes; that there were bad decisions made. But the point that Mr Moran was making was that, were it not for the introduction of the machines and the massive diversion of consumer spending into those machines, essentially, his business would have been able to survive.

I am also very disturbed that the Hon. Mr Davis has gone on to accuse Mr Moran of being a problem gambler—not that there should be any stigma attached to that. But these are unjust accusations. They are accusations that Mr Moran denies. It is interesting to note that, as I understand it, Mr Moran has now contacted the office of the Hon. Legh Davis and has requested an appointment to see him. So, let us wait and see whether Mr Davis continues to take those views and whether he continues his quite personal and vicious attack on Mr Moran, a man who cannot directly defend himself in this chamber, after he has had a chance to speak eyeball to eyeball with Mr Moran in terms of what was said.

While reflecting on those concerns of Mr Moran—the point that he made about the impact on his business—I think it is very important that we quote what a leading association in this state said a number of years ago about the introduction of poker machines. This is a letter that was sent to members of parliament a number of years ago. It states:

There is little doubt that the poker machine issue will be raised again during this coming session of state parliament by those seeking a privileged financial advantage in the community.

It goes on to say that this form of impulse gambling will only result in even more competition for the already stretched leisure dollar. The letter further states that the association agrees with findings in Victoria that there could well be an increase in the level of crime as a result of the introduction of poker machines in this state. It endorses another report which questions the economic benefits of poker machines being introduced. It states:

In view of this, I urge you to examine closely the sources of any material supporting the introduction of poker machines in South Australia.

It also attacks the gaming machine manufacturers for some of their methodology and it endorses the view that the methodology used by the poker machine manufacturers was based on dishonest methodology, unsupported assumptions and incorrect statistics.

The organisation that put forward that very strong view was no less than the Australian Hotels Association back in July 1987 (and I am more than happy to table this letter or make it available to members), when there was a proposal just to put poker machines in clubs rather than pubs. It is interesting to reflect on the views of the Australian Hotels Association at that time. But there is a clear acknowledgment by the former executive director of that association, Mr Ian Horne, that there would be a very significant diversion of consumer dollars being spent on poker machines; that those who had the licence would have a privileged financial advantage in the community.

Reflecting again on the Hon. Legh Davis in terms of the substantive parts of his speech (and I am trying to sort the wheat from the chaff here), he goes on to refer to the Licensed Clubs Association and the fact that I have not

spoken out or that I have not taken issue with the fact that the licensed clubs want 200 machines.

I have told the Licensed Clubs Association that I do not support larger venues. The fewer venues, the better; the fewer number of machines, the better. That clearly is my position. To say that there is a proposal to put 200 machines in each of the 84 licensed clubs is clearly erroneous. That is not my understanding of the proposal of the Licensed Clubs Association.

The criticism made by the Hon. Treasurer—and I will deal briefly with some of his concerns shortly—is that there is some inconsistency in terms of having machines in clubs rather than hotels. In that regard, my position is clear. I want to see a reduction of problem gambling in this state. Indeed, during question time today, the Treasurer made the point—and I trust that he made it sincerely—that one problem gambler is one problem gambler too many.

Clause 38 is merely an attempt significantly to reduce the level of problem gambling in the community. It also acknowledges that there is a distinction between the impact of poker machines in clubs rather than hotels, based on the material in the Productivity Commission's report, to which I will refer briefly. I will be brief about that, given the time, and it is something that can be dealt with in the committee stage. I suggest that honourable members look at the findings of the Productivity Commission. A number of distinctions have been drawn in terms of problem gambling rates in clubs and hotels, and we need to look at that and explore it.

If we are to have poker machines anywhere in the state (a product which in its current form is clearly harmful to a significant number of individuals; and I will deal with some of the remarks made by the Hon. Legh Davis shortly), I would prefer that we reduce access to them, because the Productivity Commission has made very clear that increased access is a clear driver of levels of problem gambling. During the committee stage I can refer in depth to the findings of the commission, and I am sure that when this matter is brought on again next March the Productivity Commission's report will have been handed down by the Federal Treasurer so that we can see its final conclusions.

It is important to put in perspective that this is about reducing the impact. So, as to all the snide remarks and the carrying on in terms of the personal attack, that is not the point. Let us look about doing something about reducing the quite devastating impact it can have on individuals in this state.

The Hon. Legh Davis raised an eyebrow about some of the statistics I quoted back in March 1997 when the No Pokies campaign began and when I quoted figures that I effectively based on information I had received from welfare agencies that there were approximately 8 000 to 10 000 out of control poker machine players in the state, each affecting the lives of eight to 10 people. What did the Productivity Commission say in the most comprehensive survey of its type ever in this country? I am sure the Hon. Treasurer and others who are interested can find the methodology for the survey in the appendices to the report. It goes into detail as to the type of questions asked, all the issues that were canvassed and the method of the survey—it is all there for any honourable member to see.

The Productivity Commission found that, in South Australia, based on the South Oaks Gambling Screen with a score of five plus, which is a broad indicator of problem gambling, we have in this state 24 831 individuals, based on that statistical finding, with problem gambling. It states in this

report that between 65 per cent and 80 per cent of individuals in this state have a problem with poker machines.

The commission has also stated very clearly in its report that each problem gambler affects the lives of between five and 10 others. So, based on the figures I gave earlier, in March 1997, figures to which the Hon. Legh Davis raised his eyebrow, the position is that they were in many respects simply too conservative, based on the Productivity Commission's own findings.

I hope that, in relation to the Hon. Legh Davis's submission, given his previous position in opposing gaming machine legislation in this state, we can have a constructive discussion as to measures that will reduce the impact of problem gambling in the state. Clearly, the honourable member was concerned about the potential impact of poker machines in this state in 1992, and I hope that he will at least have some concerns, if he can drag himself away from attacking individuals in this place who cannot defend themselves.

In her contribution the Hon. Caroline Schaefer referred to my hatred of hotels. I do not hate hotels but I do hate having to speak to people who have lost family members through suicide; I hate having to speak to people who have lost their savings; I hate having to speak to people who have effectively lost their homes; and I hate having to speak to people whose relationships have broken up where gambling was the clear causative factor. Given that the Treasurer is yet to respond to the recommendations of the Social Development Committee, which were handed down in August 1998, I would have thought that the Hon. Caroline Schaefer would be sympathetic in the committee stage to some of the measures that would at least make a difference in terms of the impact on individuals in this state.

I look forward to hearing the Treasurer's response to the recommendations of the Social Development Committee given media reports some time in August when he quite graciously said on ABC radio that he apologised for the delay and that the government would be getting on to it quickly. I know that the Treasurer has been preoccupied with a number of other matters.

The Hon. R.I. Lucas interjecting:

The Hon. NICK XENOPHON: The report of the Social Development Committee.

The Hon. R.I. Lucas interjecting:

The Hon. NICK XENOPHON: On gambling.

The Hon. R.I. Lucas interjecting:

The Hon. NICK XENOPHON: I have not had access to it.

The Hon. R.I. Lucas interjecting:

The Hon. NICK XENOPHON: The Treasurer indicates that the report has finally been tabled today. I am very grateful for that.

The Hon. R.I. Lucas: Will you take back all those nasty things you said?

The Hon. NICK XENOPHON: I thank the Treasurer for finally responding. No doubt I will have a chance to ask the Treasurer in question time next Tuesday about his response. I will look at it on the weekend. In terms of his response, interestingly, the Treasurer said that people would walk over cut glass, or something to that effect, if poker machines were less accessible; that it would not make a difference. The Treasurer challenged me to speak to gambling counsellors—those counsellors who are at the front line and who deal with gambling addiction in the state. I thank the Treasurer for his invitation and I will touch on that point briefly. I will not

mention the names of the counsellors. No doubt the Treasurer can make his own inquiries.

The Hon. R.I. Lucas: Why not? Will you give me their names afterwards?

The Hon. NICK XENOPHON: I think that the Treasurer can make his own inquiries.

The Hon. R.I. Lucas interjecting:

The Hon. NICK XENOPHON: Or bully them.

The Hon. R.I. Lucas: Or at least find that they exist.

The Hon. NICK XENOPHON: That is a typical snide comment from the Treasurer. I will refer to some of the Treasurer's snide comments in this debate shortly. One gambling counsellor said that he agrees strongly that increased accessibility means high levels of problem gambling. Conversely, fewer machines means fewer problem gamblers. Another gambling counsellor said that clients repeatedly told her that the over-availability of poker machines had contributed to the development of their problem; that people have a limited choice in the number of hotels that do not have poker machines in terms of a place of social interaction.

Another counsellor said that she strongly agreed that there is a benefit in reducing the number of outlets, particularly for those gamblers hooked on a particular venue. Another counsellor also agreed that the more accessible gaming machine venues are the more gambling there will be and that, without doubt, reducing the number of machines would be beneficial. The counsellor also said that fewer machines in venues would also be preventative for problem gamblers in the early stages of their addiction. Another counsellor from a regional centre said that ease of access is a significant component of problem gambling. I encourage the Treasurer to speak to the counsellors of the BreakEven service and obtain their views in relation to this.

In terms of the economic impact of gambling in this state, one neutral comment can be referred to, from the summary at page 25 of the Productivity Commission's report that states that, at most, it is neutral in terms of the impact of Australia's gambling industries. So, although the hotels association talks of creating thousands of new jobs, they are at the expense of other jobs. If members accept what the Small Retailers Association has said on the basis of extensive surveys that it carried out shortly after the introduction of poker machines and evidence that has been tabled before the Social Development Committee, they will know that there was a net drain of jobs at a ratio of 1:2 as a result of the introduction of gaming machines in this state. I have no illusions that if this bill passes the second reading stage—and it appears that it may well do so—it will be emasculated significantly by both sides of the Council.

The Hon. R.I. Lucas: Hear, hear!

The Hon. NICK XENOPHON: The Treasurer says, 'Hear, hear!' and is very proud of that. At least we can make a small step forward to ameliorate some of the problems caused by poker machines in the community. We also need to take account of community attitudes towards gambling in this state. In a survey of South Australian attitudes to gambling the Productivity Commission found that about 75 per cent of South Australians would like to see a reduction in the number of poker machines in this state, with 64 per cent of the sample wanting to see a significant reduction.

Whilst most Australians gamble to some extent, 75 per cent nationally believe that gambling does more harm than good. These are warning signs from the community that we need to rein in the level of expenditure and, more particularly,

the level of impact on problem gamblers. The fact is that, on the basis of the commission's own findings, about one-third of gambling revenue comes off the back of the vulnerable and addicted gamblers. This raises very important issues for any government to confront, when so much of its revenue base is derived from the vulnerable and the addicted.

In his contribution about community education the Hon. Terry Cameron made a good point, which was picked up by the Hon. Mike Elliott, and the bill provides for that by way of the gambling impact authority. That is an important point that needs to be touched on. In respect of the voluntary code of donations from the gambling industry, it is good that hotels are doing it, but I am concerned about the independence and potential conflicts of interest that have been referred to in the report of Elliott Stanford and Associates to the Department of Human Services. The Hon. Ron Roberts gave us a very interesting historical background to the establishment of that voluntary code.

Gambling is an issue that affects the whole community. We saw only a week ago a front page story in the *Advertiser* quoting Hon. Dean Brown, the Minister for Human Services, as indicating that one of the causes of homelessness was gambling addiction. On that very day I saw a constituent. Members from the other place may be surprised to know that members of the Council do have constituents and that we sit longer hours than people in the other place; and I hope the member for Ross Smith is listening.

Last Friday I saw a young woman whose mother is now looking for Housing Trust accommodation, because she has lost her home as a result of gambling addiction. I am doing what I can to ensure that she gets representation and assistance in the process with the Housing Trust. This person mortgaged her home to the hilt and blew her mortgage, and she lost it in a number of venues. That is something that all members ought to be concerned about. We all pay for that as a community. I will sum up shortly, Mr President. There has been talk about the link between—

The Hon. R.I. Lucas interjecting:

The Hon. NICK XENOPHON: Not that shortly, Mr Treasurer, because there are a few matters that I want to take up with you.

The Hon. R.I. Lucas interjecting:

The Hon. NICK XENOPHON: No; I think they ought to be aired in this place.

The Hon. R.I. Lucas: You can incorporate it in *Hansard*.

The Hon. NICK XENOPHON: No; they ought to be aired in this place—and I do want to conclude shortly. There is a clear link between gambling and crime. I have referred in this Council on a number of occasions to the research carried out interstate on the link between compulsive gambling (which is quite different from problem gambling; it is a more serious form) and criminal activity. Time and again in this state we see people who do not have criminal records and who have not been in trouble with the criminal justice system previously but who are before the courts for gambling-related crime, generally fraud.

Recently, I met a young woman who embezzled her employer of a significant amount, and that person has been incarcerated as a result of that. I am not saying that is not an appropriate penalty: I am saying that people are appearing before the criminal justice system and are being incarcerated as a result of gambling-related crime. Some people are being turned into criminals as a result of their gambling addiction and, in many cases, poker machine addiction. The Hon. Legh

Davis made the point in a particularly fatuous reference—and I am more than happy to take this up privately with the Hon. Legh Davis—about the link between gambling and suicide. The Hon. Legh Davis made the point—and I do not know whether he got this from the Australian Hotels Association—that there has been a reduction in suicide levels in Australia and that therefore to talk about gambling-related suicide is something that has no merit or is without foundation.

Today, I spoke to a senior consultant psychiatrist on this issue who made further calls to another of his colleagues who has a particular interest in suicide. In terms of national trends, there was a slight increase up to 1997 (we do not have the 1998 figures). I would like to think that all members are very gravely concerned about that issue. On the matter of the supplementary question I asked the Minister for Disability Services, I would like to see what those trends are. As the Hon. Ron Roberts told me privately last night, there has been a very laudable push by commonwealth and state governments to try to do something about teen suicide and about suicide in rural areas where in recent years rural communities throughout Australia have really been put under a lot of pressure. We have seen some positive results in relation to that.

The fact remains: there are individuals in this state who are killing themselves because of their gambling addiction. What makes it more galling to me is that these suicides have been brought about because the state has made a decision to legalise some forms of gambling in a particular product that can be and is dangerous to some individuals. If the Treasurer says that one problem gambler in this state is too many, I say that that applies 100 times more in the case of a suicide.

I was quite deeply touched earlier this year when I met a man whose wife of almost 30 years committed suicide. He showed me the note, and that note left no doubt that this woman had given up because of her gambling addiction. This man was devastated, because he was trying to work through it with his wife. He understood that she lost close to a six figure sum of money on poker machines. But this was a case where there was no doubt in the minds of this family—and I spoke to friends of this woman who made this very clear—that she had a very severe gambling problem. She had no history of psychiatric illness or of other stresses in her life: it was the pokies that pushed her over the edge. We need to do something about those people.

More recently, I was contacted by a man whose brother killed himself. This man wants to be involved in doing something about resolving this issue. That is why I was amazed at the levity with which some members dealt with this issue last night. The Hon. Legh Davis talked about there being a reduction in the number of suicides in this state since the introduction of poker machines. For the Treasurer to say that suicides have declined since pokies were introduced and to make an aside that 'maybe we need more pokies'—and I know that it was a silly remark; I am sure that he did not mean it—just shows the level of frivolity (I do not know what it is, if it is not that) on this issue. I am sure that the Treasurer does not have that view: it was just a silly aside, but it was a silly aside that was heard in the gallery.

I have confidence in the Treasurer—I think he will take up these issues—and I would also like to think that he will take up an invitation to discuss this issue with me in the new year, so that if there is a link—as I believe there is—between gambling and suicide from any form of gambling (particularly poker machines) we can put some comprehensive research into it.

Let us look at the causes of suicide. If there is a link, we need to look at solutions. Some of those solutions may include modifying the nature of poker machines so that people do not lose as much money so quickly on these machines. Alternatively, let us improve the barring provisions at venues. These are the sorts of issues that I would like to think that all members of this parliament, including the Treasurer, will be sincere in tackling.

I do not propose to say anything further. As I said, just because this bill will pass the second reading stage, it does not mean that much will be churned out at the third reading stage. I think the Treasurer said that he might support the introduction of clocks in gaming rooms, but I would like to think that he will look at a number of issues which will in some way at least tighten up the regulatory framework and give some teeth to the regulations and assist in prosecuting those venues that are not doing the right thing.

I would like to give some gentle advice to the Australian Hotels Association. I understand that it has contributed the sum of \$50 000 to both the Liberal Party and the Labor Party and that it has spent hundreds of thousands of dollars on a massive publicity campaign. My advice to members of the AHA is to hold onto their money because, at the end of the third reading stage, I am not confident that there will be

enormous change. It may take another bill, further community pressure and a further campaign. However, I would like to think that at the end of the day members will look at the issue of the impact on a significant number of individuals in this state and that we will all work in good conscience without rancour, leaving aside issues of a party political nature, to do something about those individuals whose lives have, in some way, been turned upside down by means of any form of gambling in this state, particularly poker machines. I hope that I do not have to see again people like those to whom I have spoken who have lost family members through what appears to be quite clearly gambling related suicide and that we can do something to alleviate the worst effects of this industry. I commend the bill.

Bill read a second time.

**LEGAL PRACTITIONERS (MISCELLANEOUS)
AMENDMENT BILL**

The House of Assembly agreed to the bill without any amendment.

ADJOURNMENT

At 6.34 p.m. the Council adjourned until Tuesday 23 November at 2.15 p.m.