LEGISLATIVE COUNCIL

Tuesday 4 April 2000

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

QUESTIONS ON NOTICE

The PRESIDENT: I direct that written answers to the following questions on notice be distributed and printed in *Hansard*: Nos 45, 62, 65, 71 and 76-86.

GOVERNMENT EMPLOYEES

45. **The Hon. T.G. CAMERON:**

1. How many people, in total, were employed by the State Government in 1998-99?

2. Of these, how many are:

(a) women;

(b) men; and

(c) aged between 15 and 24 years?

3. How many people, in total, is it estimated will be employed by the state government in 1999-2000?

4. Of these, how many is it estimated will be aged between 15 and 24 years?

The Hon. R.I. LUCAS: The Premier has provided the following information:

Information relating to the South Australian Public Sector workforce at June 1999 is published in the report titled 'South Australian Public Sector Workforce Information at June 1999'.

These figures exclude employees from the University of Adelaide, Flinders University of South Australia and the University of South Australia.

1. As at June 1999, the South Australian public sector workforce comprised 84 199 persons.

2. As at June 1999, of the total South Australian public sector workforce:

60.2 per cent were women (50 655 women);

39.8 per cent were men (33 544 men); and

7.1 per cent were aged between 15 and 24 years (6 016 young people).

3. The 1999-2000 Budget papers indicate the South Australian public sector workforce levels will remain relatively stable during 1999-2000. Within that, the composition of the workforce is expected to change in terms of age and occupational groupings, which reflects a changing age profile and skills mix.

4. The South Australian public sector operates within a limited recruitment and non-retrenchment environment. This means the rejuvenation of the workforce will be dependant on planned separations, natural attrition and the continuation of sector wide initiatives to provide training and employment opportunities for young people.

The coordinated approach by some South Australian public sector agencies to address youth employment in the past 2 years has resulted in sustaining the level of young people in the public sector workforce.

The graduate program expects to recruit 150 graduates during 1999-2000 financial year.

The traineeship scheme reports an expected 1 200 placements for young people in 1999-2000 financial year.

PORTS CORPORATION

62. **The Hon. SANDRA KANCK:**

1. Why did the SA Ports Corporation retain a cash balance of $11.7 million as at 30 June 1999?

2. (a) Does the interest received from these surplus funds offset the interest for an equivalent amount of borrowings; and

(b) If not, why not?

3. Does SA Ports Corporation plan any capital works before privatisation?

4. When will action be taken to control and contain oil spillage from all terminals?

The. Hon. K.T. GRIFFIN: The minister for Government Enterprises has provided the following information:

1. This is a cash balance at a particular point in time. This cash balance has subsequently been reduced with the payment of tax and dividend obligations to Treasury based on the 1998-99 financial year performance. These payments were due and payable within the first part of the current financial year. In addition, the Corporation has used the cash balance to further reduce its long term debt.

It is to be noted that the corporation does retain a cash balance for operational, capital and funds management requirements. The Corporation actively manages its cash balance to ensure that commitments can be met within a prudent risk management framework.

2. The corporation's cash deposits are held through banking facilities operated by the Department of Treasury and Finance. The deposits earn a rate equal to the average overnight cash deposit rate applying within the financial quarter. This rate is reduced by SAFA Management and Treasury administration fees of 0.15 per cent. This deposit facility does provide Ports Corp with a high degree of flexibility in relation to access to funds. As the deposits are essentially working capital, short term deposit rates apply. Current indicative interest rates on deposits are 5.0 per cent.

Ports Corp Borrowings are based on a portfolio of debt instruments with maturity extending over a four to five year period. The instruments within this portfolio have designated maturity dates and a range of specific interest costs. The current indicative weighted average interest rate of the total debt portfolio is approximately 6.7 per cent inclusive of fees charged by SAFA and Treasury and Finance. While there is a substantial offset from the deposit interest income against borrowings, there is a spread of approximately 1.7 per cent between deposits and debt.

Ports Corp has had an active program of reducing its long term debt utilising its positive cash position. During 1998-99 the corporation reduced its borrowings by $6 million and in the first quarter of the current financial year has further reduced its borrowings by $5 million.

3. Ports Corp is continuing to operate as a business to develop trade through its respective ports. To this end, it is maintaining its capital works and major maintenance program to ensure that the commercial value of the business is maximised. Ports Corp has an indicative capital works and major maintenance budget of approximately $7M for the current financial year. However, it is to be noted that prior to committing funds on any particular works, the corporation undertakes an exhaustive review of the design parameter and the financial and commercial bases for such works. Typically the corporation has been able to achieve significant savings on its budgeted expenditure program.

Typical works currently being undertaken, or planned, include the replacement of fenders at a number of jetties and wharf structures, improved security facilities, increased hard stand areas for cargo handling, and the progressive upgrade of its information and technology systems.

4. This question is better referred to the Environment Protection Authority.

Ports Corp involvement in oil pollution, prevention and control is limited to activities within its designated port area, in particular, the waterways in those areas. The responsibility for control and containment of oil spillage from land based facilities rests with agencies such as the Environment Protection Authority.

Ports Corp is actively involved with Transport SA in the National Plan for the management of oil spills. Key Ports Corp employees are fully trained in oil pollution response procedures and actively participate in responses when required. Within the port areas Ports Corp employees provide the immediate response requirements for any pollution.

EYRE PENINSULA PIPELINE

65. **The Hon. SANDRA KANCK:**

1. Can the Minister for Government Enterprises advise how many kilometres of pipeline on Eyre Peninsula have been replaced in the last five years?

2. Can the minister advise how many kilometres of additional pipeline have been laid in the last five years?

The. Hon. K.T. GRIFFIN: The Minister for Government Enterprises has provided the following information:

1. The total length of mains laid on Eyre Peninsula (including Whyalla) in the last five years is 58.52 km.

Pipelines replaced on Eyre Peninsula in the last five years

(up to and including 150 mm diameter)	13.14 km
(over 150 mm diameter)	0.68 km
	13.82 km

2. Additional pipeline installed on Eyre Peninsula in the last five years

(up to and including 150 mm diameter)	19.17 km
(over 150 mm diameter)	25.53 km
	44.70 km

ENVIRONMENT PROTECTION

71. **The Hon. T.G. CAMERON:**

1. Could the Minister for Environment and Heritage please provide a fee schedule for the licence fees to allow industry to release pollutants/effluent/chemicals/waste products into the environment, including rivers, creeks, air, the sea and lakes?

2. What environmental criteria, issues or concerns does industry need to address or satisfy under the Act when applying for a licence to release waste product into the environment?

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

1. Licences issued by the Environment Protection Authority are not for the purpose of allowing industry to release pollutants into the environment. Licences are required for prescribed activities of environmental significance as listed in Schedule 1 to the Environment Protection Act, 1993. These activities may have the potential to cause an adverse environmental impact but, if the activity is properly carried out, that potential can be minimised. Minimising the potential for an adverse environmental impact is the purpose for licensing such activities. Licence fees are outlined in detail in the Environment Protection (Fees And Levy) Regulations.

2. In deciding whether or not a licence should be granted, and if so on what conditions, the Authority must take a number of issues into account. These include:

- the objects of the Act (which include the principles of ecologically sustainable development and the precautionary principle);
- the duty to take all reasonable and practicable steps to prevent or minimise any resulting environmental harm;
- relevant environment protection policies;
- requirements of the Development Act;
- any applicable environment performance improvement program or environment performance agreement; and
- public submissions.

The Authority will also consider whether the applicant is a suitable person to hold a licence, in particular, whether the applicant has previously contravened the Act.

Further, the Authority will consider whether it is appropriate that any special conditions provided for in the Act should be imposed. These include:

- requirements to lodge a bond or a sum of money with the Authority which is refunded if the licensee complies with all of the specified conditions of licence;
- the provision of an emergency plan;
- reporting and monitoring and/or an environmental audit to be carried out; and/or
- an environment improvement program.

PRIMARY INDUSTRIES PORTFOLIO

76. **The Hon. P. HOLLOWAY:**

1. Can the Minister for Primary Industries, Natural Resources and Regional Development provide the end of year estimated results for 1998-19 for the performance indicators noted in Output 4.3 of the Primary Industries and Resources Portfolio of the 1999-2000 Budget?

2. Can the Minister provide a breakdown of courses and services provided, including:

(a) The number of hours provided by trainers and educators for each course and service; and

(b) The number of topics offered for each course and service?

3. Can the Minister provide details of the independent survey used to establish a percentage target of 80 per cent for user/customer satisfaction?

The Hon. K.T. GRIFFIN: The Deputy Premer, Minister for Primary Industries and Resource, and Minister for Regional Development has provided the following information:

1. With regard to provision of the end of year estimated results for 1998-99 or the performance indicators for Output 4.3, reference is made to statements by the Deputy Premier and Chief Executive PIRSA to the Estimates Committee on June 29th 1999, that the 1998-99 data was not measured in the 1999-2000 categories and cannot therefore be reported.

Recognising that this would be the case in some portfolios, the Department of Treasury and Finance specified that the categories 'End of year estimated result for 1998-99' and 'Targets for 1998-99' were not required to be completed if the categories had changed and/or data collection was not in place for 1998-99. This being the case for PIRSA, the data for 1998-99 is therefore not able to be supplied.

2. As the courses and services specified for this output will commence during 1999-2000, the figures provided are set as targets, so achievement of, or towards, these targets together with modifications to courses or services will not be confirmed until later on in the year.

3. As stated in point I, this is a new output category and as such, the averaged target of 80 per cent was based on the best available estimates by PIRSA Groups for the 1999-2000 year. An independent survey will be conducted during the year to establish a baseline percentage target (estimated to be approximately 80 per cent) for user/customer Satisfaction.

77. **The Hon. P. HOLLOWAY:** Can the Minister for Primary Industries, Natural Resources and Regional Development explain why the reference to the aim set out in Objective 3, Strategy 3.7 of the Primary Industries and Resources Portfolio of the 1998-99 Budget (namely to 'integrate PIRSA industry groups and South Australian Rural Communities Office Activities in regional offices') has been removed from the 1999-2000 Budget?

The Hon. K.T. GRIFFIN: The Deputy Premier, Minister for Primary Industries and Resources, and Minister for Regional Development has provided the following information: The aim set out in Objective 3, Strategy 3.7, namely to 'Integrate PIRSA Industry Groups and South Australian Rural Communities Office activities in regional offices' was not due to be completed in the 1998-99 financial year, therefore it does not appear in the section 'Highlights for 1998-99', but does appear in the section 'Specific Targets for 1999-2000' in the 1999-2000 Portfolio Statement.

78. **The Hon. P. HOLLOWAY:**

1. Can the Minister for Primary Industries, Natural Resources and Regional Development provide the end of year estimated results for 1998-1999 for the performance indicators noted in Output 3.4 of the Primary Industries and Resources Portfolio of the 1999-2000 Budget?

2. Can the minister provide a list of the 15 projects set out in the targets for 1999-2000?

3. Is this target an increase or decrease in the projects carried out in 1998-99?

The Hon. K.T. GRIFFIN: The Deputy Premier, Minister for Primary Industries and Resources, and Minister for Regional Development has provided the following information:

1. With regard to provision of the end of year estimated results for 1998-99 for the performance indicators for Output 3.4, reference is made to statements by the Deputy Premier and Chief Executive PIRSA to the Estimates Committee on June 29th 1999, that the 1998-99 data was not measured in the 1999-2000 categories and cannot therefore be reported.

Recognising that this would be the case in some portfolios, the Department of Treasury and Finance specified that the categories 'End of year estimated result for 1998-99' and 'Targets for 1998-99' were not required to be completed if the categories had changed and/or data collection was not in place for 1998-99. This being the case for PIRSA, the data for 1998-99 is therefore not able to be supplied.

2. The following projects are set out within the target for 1999-2000:

Loxton Rehabilitation
Lower Murray
Qualco Sunlands
Well Rehabilitation (4)
Forestry Land Management (2)
SA Steel and Energy (SASE)

Brukunga
Rehabilitation of quarries (6)
Upper South East

3. Due to 1999-2000 being the first year that portfolios have reported on an outputs basis, there is no similar output specific information for 1998-99 to compare whether the target is an increase or decrease in the number of projects carried out.

79. **The Hon. P. HOLLOWAY:** Can the Minister for Primary Industries, Natural Resources and Regional Development explain why reference to Strategies 6.3, 6.4 and 6.5 of the Primary Industries and Resources Portfolio of the 1998-1999 Budget has been removed from the 1999-2000 Budget?

The Hon. K.T. GRIFFIN: The Deputy Premier, Minister for Primary Industries and Resources, and Minister for Regional Development has provided the following information:

Strategies 6.3, 6.4 and 6.5 documented in the 1998-99 Portfolio Statement can be found in the section 'Targets for 1999-2000' in the 1999-2000 Portfolio Statement, as they were not due for completion in the 1998-99 financial year. Where the timeframe is stated as on-going, significant milestone achievements will be reported through Portfolio Statement highlights.

COMMONWEALTH GRANTS

80. **The Hon. P. HOLLOWAY:**

1. Can the minister for Primary Industries, Natural Resources and Regional Development explain the reason for the huge under-estimation of Commonwealth grants and payments, whereby estimated Commonwealth grants and payments at the time of the 1998-1999 Budget were $10.721 million, whereas the actual outcome for 1998-1999 is now estimated to be $25.562 million?2. Will the minister provide details of the composition of all Commonwealth Grants and Payments, including the source of the grants, the purpose of the grants, any conditions attached to the grants and accountability requirements, if any, of the Commonwealth:

(a) In 1998-1999; and

(b) those expected for 1999-2000?

The Hon. K.T. GRIFFIN: The Deputy Premier, Minister for Primary Industries and Resources, and Minister for Regional Development has provided the following information:

The estimated result for Commonwealth grants and payments revenue in 1998-99 is higher than the budgeted amount by $14.841 million due to a reclassification of certain revenue items. To bring the Budget papers into line with audited financial statements, rural industry research grants that were previously included against the line Sales of Goods and Services are now classified as Commonwealth grants, consistent with the Department's 1997-98 audited financial statements. The revenue item Sales of Goods and Services 1998-99 Budget was $28.180m and, largely as a result of the above re-classification, has an estimated 1998-99 result of $16.723m (a reduction of $11.457m).

The major categories of Commonwealth grants revenues estimated for 1998-99 and projected in 1999/2000 are as follows:

	1998-99 Estimated Result $m	1999-2000 Budget $m
Natural Heritage Trust	8.5	7.0
Eyre Peninsula Regional Strategy	1.9	1.7
Riverland Rural Partnership Program	0.1	1.2
FarmBis	1.0	2.9
Rural Adjustment Scheme	1.5	0.4
Rural Industry Research	10.5	12.1
Upper South East Dryland Salinity	1.6	1.6
Loxton Irrigation Area Rehab.	0.4	2.7
Total	25.5	29.6

All of these revenues, other than rural industry research grants, are sourced directly from the Commonwealth Government. Rural industry research grants are sourced through industry research and development corporations. Further details of these arrangements are provided below:

Natural Heritage Trust
- Initiated by Commonwealth Government to provide funding for projects that address critical natural resource management issues.
- Matching funding provided by the State.
- Audited financial statements for each program and acquittals for each project are provided to the Commonwealth each year.

Eyre Peninsula Regional Strategy
- Program designed to increase farming communities' ability to manage adverse events by providing them with advanced management skills. The end result is increased profitability and sustainability for each farm and the region as a whole.
- State funding is also provided.
- Annual audited financial statement and quarterly acquittal is provided to the Commonwealth.

Riverland Rural Partnership Program
- Program designed to further develop and implement a range of targeted support measures which provide a focussed direction for the sustainable economic development of the region.
- State funding is also provided.
- Annual audited statement and quarterly acquittals are provided to the Commonwealth.

FarmBis
- Program supporting farmers to participate in learning activities focussed on improving business management skills which will enhance the profitability, competitiveness and sustainability of their farm business enterprise.
- State funding is also provided.
- Annual audited statement and quarterly acquittals are provided to the Commonwealth.

Rural Adjustment Scheme
- Program support for training, professional advice, re-establishment and productivity enhancement ceased to be available during 1998-99. However, arrangements with the Commonwealth will continue to fund forward commitments for training and professional advice elements.
- State funding is also provided.
- Annual audited statement and quarterly acquittals are provided to the Commonwealth.

Rural Industry Research
- Funding provided by various industry Research and Development corporations including Grains, Pig and Horticulture used for a variety of research projects approved by the corporations.
- Industry funded.
- Reporting requirements to the various corporations vary. However, as a minimum, annual audited financial returns are required.

Upper South East Drainage Project
- The drainage component of the Upper South East Dryland Salinity and Flood Management Plan includes the construction of a regional network of drains in the Upper South East of South Australia to control rising groundwater levels and surface flooding.
- Funding sources are State/Commonwealth/Community.
- Audited statement and acquittal is provided to the Commonwealth each year.

Loxton Irrigation District Rehabilitation
- Program of refurbishment of the irrigation distribution infrastructure and upgrading the pumps for the existing district and including areas for new development outside the current boundaries of the Loxton Irrigation District.
- State and Community funding is also provided.
- Audited statement and acquittal is provided to the Commonwealth each year.

PRIMARY INDUSTRIES PORTFOLIO

81. **The Hon. P. HOLLOWAY:**

1. Can the Minister for Primary Industries, Natural Resources and Regional Development provide the end of year estimated results for 1998-1999 for the performance indicators noted in Output 2.4 of the Primary Industries and Resources Portfolio of the 1999-2000 Budget?

2. Can the minister explain why the budget for incident response has dropped from
$5.6 million for 1998-1999 to $2.6 million in 1999-2000?

3. What historical data was used to set the target at 79 for activity levels in 1999-2000?

4. Can the minister identify the elements that make up an 'incident' (e.g. would one sheep with suspected OJD constitute an 'incident' in the same way as a plague of grasshoppers)?

The Hon. K.T. GRIFFIN: The Deputy Premier, Minister for Primary Industries and Resources, and Minister for Regional Development has provided the following information:

1. with regard to provision of the end of year estimated results for 1998-99 for the performance indicators for Output 2.4, reference is made to statements by the Deputy Premier and Chief Executive PIRSA to the Estimates Committee on June 29th 1999, that the 1998-99 data was not measured in the 1999-2000 categories and cannot therefore be reported.

Recognising that this would be the case in some portfolios, the Department of Treasury and Finance specified that the categories 'End of year estimated result for 1998-99' and 'Targets for 1998-99' were not required to be completed if the categories had changed and/or data collection was not in place for 1998-99. This being the case for PIRSA, the data for 1998-99 is therefore not able to be supplied.

2. Output 2.4 Incident Response Services encompasses detecting and responding to adverse events and emergencies with expenditure in this output emanating largely from the Bio Security and Exotic Diseases Eradication Funds.

Projected expenditure of $5.6 million for 1998-99 is higher than in previous years and includes response programs for Fruit Fly eradication ($1.3M), Grasshopper Plagues ($2.0 million) and State Ovine Johnes Disease ($1.1 million).

In addition, under Commonwealth/State Cost Sharing Arrangements, $1.1 million was contributed to national pest and disease eradication campaigns which include Newcastle Disease in NSW, Exotic Fruit Fly in NT, Papaya Fruit Fly and Avian Influenza outbreak in NSW.

The 1999-2000 expenditure budget of $2.6 million for this output reflects the base level of funding for Fruit Fly/Plague Locust eradication ($1.3 million), funding for Papaya Fruit Fly ($0.7 million) and other Commonwealth/State pest and disease eradication campaigns ($0.6 million). Funding to meet extraordinary demands above this level would be sought from Treasury and Finance as necessary.

3. The activity level of 79 is an estimate of the incidents that could occur during 1999-2000 based on previous years' experience. This figure is not a target, but as stated an expected level of activity for the year.

The answer to identifying what elements make up an 'incident' will depend on the circumstances. For example, the single sheep suspected of having OJD at Burra constitutes an incident, as did the incident on Kangaroo Island involving thousands of sheep; one gravid female fruit fly would constitute an outbreak, but a single male fruit fly would not; a single suspected case of Foot and Mouth Disease would see the national Exotic Animal Disease Emergency Management Plan activated.'

82. **The Hon. P. HOLLOWAY:**

1. Can the Minister for Primary Industries, Natural Resources and Regional Development explain why results for the establishment of industry development proposals, as set out in Objective 1, Strategy 3 of the Primary Industries and Resources Portfolio of the 1998-1999 Budget, were not included in the Budget for 1999-2000, given that the time-frame for these proposals was June 1999?

2. Can the minister give information as to the progress of these four proposals?

The Hon. K.T. GRIFFIN: The Deputy Premier, Minister for Primary Industries and Resources, and Minister for Regional Development has provided the following information:

The results of the industry development proposals, as set out in Objective 1, Strategy 3 of the 1998-99 Portfolio Statement, were not included in the Portfolio Statement for 1999-2000 because there was a realignment of effort to higher priority issues. This involved completing and promoting more general industry investment attraction brochures and pursuing specific industry development issues at a regional level focusing on the Northern Adelaide Plains and the Riverland.

The effort in 1999-2000 will continue to be put into completing the series of investment attraction brochures and further work on specific industry development issues in the Northern Adelaide Plains and Riverland areas.

83. **The Hon. P. HOLLOWAY:**

1. Can the Minister for Primary Industries, Natural Resources and Regional Development provide the end of year estimated results for 1998-1999 for the performance indicators noted in Output 4.1 of the Primary Industries and Resources Portfolio of the 1999-2000 Budget?

2. Can the minister provide a list of the 116 agreed services noted in the targets for 1999-2000?

3. Can the minister explain the definition of the term 'wealth' in the context of its inclusion in the Description of Facilitation Services (i.e. 'This class of outputs includes facilitation services that establish strategic alliances and strategies in the areas of wealth, health, welfare, safety, sustainability or self-reliance of industries, enterprises or communities.)?

The Hon. K.T. GRIFFIN: The Deputy Premier, minister for Primary Industries and Resources, and Minister for Regional Development has provided the following information:

1. With regard to provision of the end of year estimated results for 1998-99 for the performance indicators for Output 4.1, reference is made to statements by the Deputy Premier and Chief Executive PIRSA to the Estimates Committee on June 29th 1999, that the 1998-99 data was not measured in the 1999-2000 categories and cannot therefore be reported.

Recognising that this would be the case in some portfolios, the Department of Treasury and Finance specified that the categories 'End of year estimated result for 1998-99' and 'Targets for 1998-99' were not required to be completed if the categories had changed and/or data collection was not in place for 1998-99. This being the case for PIRSA, the data for 1998-99 is therefore not able to be supplied.

2.. The activity level of 116 services is an estimate based on anticipated demand during 1999-2000. This figure is not a target, but an expected level of activity for the year.

The major achievements from these services will be reported in the highlights section of the 2000-2001 Portfolio Statement.

3. Wealth in this sense is an economic concept and refers to the total market value of goods and services produced in an industry, community, region or State over a particular period after deducting the cost of goods and services used up in the process of production, but before deducting consumption of fixed capital.

84. **The Hon. P. HOLLOWAY:**

1. Can the Minister for Primary Industries, Natural Resources and Regional Development provide the end of year estimated results for 1998-1999 for the performance indicators noted in Output 4.2 of the Primary Industries and Resources Portfolio of the 1999-2000 Budget?

2. Can the Minister provide a list of the 27 agreed services noted in the targets for 1999-2000?

3. Can the minister provide details of the independent survey used to establish the target of 80 per cent satisfaction rate?

The Hon. K.T. GRIFFIN: The Deputy Premier, Minister for Primary Industries and Resources, and Minister for Regional Development has provided the following information:

1. With regard to provision of the end of year estimated results for 1998-99 for the performance indicators for Output 4.2, reference is made to statements by the Deputy Premier and Chief Executive PIRSA to the Estimates Committee on June 29th 1999, that the 1998-99 data was not measured in the 1999-2000 categories and cannot therefore be reported.

Recognising that this would be the case in some portfolios, the Department of Treasury and Finance specified that the categories 'End of year estimated result for 1998-99' and 'Targets for 1998-99' were not required to be completed if the categories had changed and/or data collection was not in place for 1998-99. This being the case for PIRSA, the data for 1998-99 is therefore not able to be supplied.

2. The activity level of 27 services is an estimate based on anticipated demand for leadership and support to be provided for investment facilitation and promotion and trade missions/delegations during 1999-2000. For example during 1998-1999 in the Agricultural Industries horticultural area this leadership and support was provided to trade delegations including:

- The Premier's HOFEX trade delegation to Hong Kong, Taiwan and Singapore
- Apple industry trade delegation to the UK and Europe

This figure is not a target, but as stated an expected level of activity for the year.

3. As stated in the reply to Question On Notice No. 83, point I., this is a new output category and as such, the averaged target of 80 per cent was based on the best available estimates by PIRSA Groups for the 1999-2000 year. An independent survey will be conducted

during the year to establish a baseline percentage target (estimated to be approximately 80 per cent) for user/customer satisfaction.

FISHING INDUSTRY

85. **The Hon. P. HOLLOWAY:**

1. Can the Minister for Primary Industries, Natural Resources and Regional Development state how much funding has been allocated to the South Australian Fishing Industry Council in the 1999-2000 Budget to undertake its statutory and other functions?

2. How much funding has been allocated to the Seafood Council in the 1999-2000 Budget?

3. On what basis has this assistance been determined?

4. Where does this funding appear in the 1999-2000 Budget?

5. What is the Government's response to the Pivotal Report and other investigations into the future role of the South Australian Fishing Industry Council?

The Hon. K.T. GRIFFIN: The Deputy Premier, Minister for Primary Industries and Resources, and Minister for Regional Development has provided the following information:

1. $106 000.

2. No funding has specifically been allocated to the Seafood Council in the 1999-2000 Budget.

3. The assistance to South Australian Fishing Industry Council (SAFIC) has been determined on the basis of its meeting its statutory requirements to Government. These requirements include attendance at all Fisheries Management Committee meetings, and representing South Australia on National bodies such as the Australian Seafood Industry Council.

4. A SAFIC project line is currently being operated in the PIRSA (Fisheries) Budget for 1999-2000. No project line has been created for the seafood Council in the 1999-2000 Budget process.

5. The Pivotal Report into future management arrangements for the South Australian Fishing Industry includes a number of recommendations regarding the future role of existing bodies, including the SAFIC. A number of recommendations have already been implemented. However, a major review of the progress and directions identified within the Pivotal Report will be undertaken as a joint Industry/Government process in April 2000.

PRIMARY INDUSTRIES PORTFOLIO

86. **The Hon. P. HOLLOWAY:**

1. Can the Minister for Primary Industries, Natural Resources and Regional Development provide the end of year estimated results for 1998-1999 for the performance indicators noted in Output 3.3 of the Primary Industries and Resources Portfolio of the 1999-2000 Budget?

2. Can the minister provide details of the estimated $3.5 million profit for 1999-2000?

3. (a) Where will this amount be allocated; and
(b) How will this allocation be decided?

4. Can the minister provide details of the independent survey which was used to calculate the percentage target for customer satisfaction?

5. Can the minister provide a list of the achievements of agreed milestones as stated in work plans/schedules?

year. An independent survey will be conducted during the year to establish a baseline percentage target.

The Hon. K.T. GRIFFIN: The Deputy Premier, Minister for Primary Industries and Resources, and Minister for Regional Development has provided the following information:

1. With regard to provision of the end of year estimated results for 1998-99 for the performance indicators for Output 3.3, reference is made to statements by the Deputy Premier and Chief Executive PIRSA to the Estimates Committee on June 29th 1999, that the 1998-99 data was not measured in the 1999-2000 categories and cannot therefore be reported.

Recognising that this would be the case in some portfolios, the Department of Treasury and Finance specified that the categories 'End of year estimated result for 1998-99' and 'Targets for 1998-99' were not required to be completed if the categories had changed and/or data collection was not in place for 1998-99. This being the case for PIRSA, the data for 1998-99 is therefore not able to be supplied.

2. Within PIRSA's 1999-2000 Budgeted Output Operating Statement, Output 3.3 Portfolio Program Management Services is budgeted to achieve an operating surplus of $3.505 million.

The Portfolio Statements are prepared on an accrual accounting basis. The operating 'surplus' arises principally through the timing of revenue and expenditure in relation to Commonwealth/State Natural Heritage Trust (NHT) funds.

3. (a) The funds are allocated for a specific purpose and are therefore tied funds which must be applied to NHT programs in accordance with Commonwealth guidelines.
(b) The allocation of these funds to NHT projects will follow the normal process of review through Regional Assessment Panels and the State Assessment Panel with the Commonwealth being responsible for final allocations to projects

4. As stated in the reply to Question On Notice No. 83, point I, this is a new output category and as such, the averaged target of 90 per cent was based on the best available estimates by PIRSA Groups for the 1999-2000 year. An independent survey will be conducted during the year to establish a baseline percentage target (estimated to be approximately 90 per cent) for user/customer satisfaction.

5. As these projects (approximately 100) will commence in 1999-2000, achievements have yet to be made against major milestones in plans/schedules. '(estimated to be approximately 80 per cent) for user/customer satisfaction.

PAPERS TABLED

The following papers were laid on the table:

By the Treasurer (Hon. R.I. Lucas)—

South Eastern Water Conservation and Drainage Board—Report, 1998-99

Regulations under the following Act—
Superannuation Act 1988—STA Employees' Variation

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

Reports, 1998-99—
Citrus Board of South Australia
Dog Fence Board
Dried Fruits Board
Office of the Commissioner for Equal Opportunity
SABOR Ltd
Witness Protection

Racial Vilification Act 1996—Conciliation of Complaints—Report

Regulations under the following Acts—
Workers Rehabilitation and Compensation Act 1986—Charges—Occupational Therapists

Workers Rehabilitation and Compensation Act 1986—Workers Compensation Tribunal Rules—Costs of Proceedings

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

Regulations under the following Act—
Liquor Licensing Act 1997—Dry Areas—Hallett Cove

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

Reports—
Adelaide Festival Centre Upgrade
Southern Expressway Stage 2

By-laws—
Corporation—
Mitcham—No. 7—Cats
Norwood, Payneham and St. Peters
No. 1—Permits and Penalties
No. 2—Moveable Signs
No. 3—Council Land
No. 4—Garbage
No. 5—Dogs
No. 6—Lodging Houses

District Council—
Le Hunte—No. 1—Wudinna Oval.

NATIONAL RIFLE ASSOCIATION OF AMERICA

The Hon. K.T. GRIFFIN (Attorney-General): I seek leave to make a ministerial statement on the subject of the National Rifle Association of America.

Leave granted.

The Hon. K.T. GRIFFIN: In recent weeks it has come to my attention that the National Rifle Association of America (which I will describe in brief as the NRA) has drawn South Australia into the United States gun debate by using the internet and a series of infomercials containing blatant falsehoods regarding the level of crime in this state and its relationship to gun laws. It does this falsely in order to promote its own pro-gun agenda in the United States. When I was informed about these misrepresentations, I expressed publicly my concern and disgust that the NRA had used information in this way incorrectly and out of context.

The NRA has a short video available on its internet site which is also being shown as an infomercial. A large portion of the video was filmed in South Australia last year. A reporter from the United States, Ms Ginny Simone, claimed she was a freelance journalist interested in South Australia and expressed an interest in attending a press conference which I held at the time of the rally related to home invasion. She interviewed me and others and, with dramatic footage of speakers at the rally related to home invasions, has put together a video using vision and statements taken out of context to promote a cause for which my comments were never intended. I am not able to speak for others but doubt they intended their comments to be used for this purpose. Ms Simone's role and mission was clearly something other than she represented it to be. She now appears to have been employed or engaged during this time by the NRA and continues to present reports on the NRA web site.

The video makes a number of outrageous claims regarding the level of crime as a consequence of the national gun laws being passed in 1996. The video selectively quotes statistics, it takes events and interviews out of context and falsely portrays a number of people as holding views supporting the wide availability of guns. At the time, I made the public statements refuting the claims and referred the issue of this material to my officers for further advice on what other measures may be possible. The commonwealth Attorney-General, Mr Daryl Williams QC, wrote to the President of the National Rifle Association, Mr Charlton Heston, asking that the NRA remove the offending material from its internet site and no longer broadcast the infomercial. The NRA has responded to the commonwealth Attorney-General with what can only be described as contempt. On 28 March, it placed a 'fact sheet' on its web site in response to the Attorney-General's letter. It has not removed the offending material and, as an infomercial time schedule on the NRA web site demonstrates, intends to continue to show this program on US television on a high rotation basis. Moreover, the NRA has made further claims using Australian Bureau of Statistics figures in its so-called 'fact sheet'.

I am particularly disturbed by the way it has also used selective quotes from Australian newspapers to prop up its claims, including one from the South Australian Police Commissioner. The NRA, it appears, will turn and twist any fact and any statement in an attempt to justify its arguments. I put on the public record a clear refutation of the NRA's claims. The NRA has made four main claims on the video and infomercial. It is unclear from what source the NRA has gained its information, but it appears it has selectively quoted national statistics from the Australian Bureau of Statistics, against a background of incidents in South Australia, suggesting there is a correlation. In either case, whether national or state statistics, they are not accurate.

Let me deal first with armed robberies where the video and infomercial claims they are up by 69 per cent. There was an increase recorded in the number of armed robberies in South Australia from 1997 to 1998. However, while it is true that there was an increase during this period, South Australia, according to the Office of Crime Statistics in my Attorney-General's Department, has a rate of armed robbery 26 per cent lower than the national rate of armed robbery. The increase in this area in 1998 was responded to by the South Australia Police, which targeted the area of armed robbery during 1999 in 'Operation Counter Act II', with some reported success. Preliminary statistics for 1999 supplied to me by the Office of Crime Statistics indicate rates of armed robbery have since decreased.

The next issue is assaults with guns, which the infomercial and video claims are up by 28 per cent. The statistics for weapons used for all common assaults are not collected. The statistic is, therefore, fictitious. However, the data is available which identifies weapons used for murder and armed robbery. The proportion of armed robberies with a firearm decreased in the period 1997-98, to 1998-99. Guns were used in about 26.8 per cent of armed robberies in 1997-98, compared with 18.6 per cent in 1998-99. Importantly, 52.5 per cent of all robberies in 1998-99 were unarmed.

The next issue is gun murders, which the infomercial and video claim to be up by 19 per cent. There were 25 murders recorded in South Australia in 1998, two fewer than in 1997. The rate of murder in South Australia was 1.68 per 100 000 head of population. We can compare this with Washington DC, which had a level of murder in 1996 of 73.1 per 100 000 head of population. Guns make up a small percentage of weapons used in murder and, with the small number of murders in Australia, the statistics can fluctuate wildly. However, the actual number of murders in the whole of Australia using a firearm decreased significantly in the period 1996 to 1999 from 99 to 54. There were 11 000 murders in the United States in 1998.

The next assertion relates to home invasions, which again the video and infomercial claim were up by 21 per cent. The last point the video raises is in relation to home invasion. Until last month no detailed study of the statistics for home invasion had been collected or published. Preliminary information relying on police incident reports was published but did not closely analyse each instance, nor did it have an agreed method of determining what category each fitted into. Subsequently, police apprehension reports were analysed. Whatever the source material the NRA is drawing upon, it is not soundly based and so any claim that there has been an increase is not reliable.

A home invasion is a shocking crime. This is why the government responded with tough laws in this area. But home invasions amount to just 0.1 per cent of all recorded crime. It is reprehensible that the NRA promotes an unjustified fear of crime in our community and its communities by using statistics that are simply not supported by evidence and uses them for its own purposes.

The NRA is a highly political lobby organisation with some three million members committed to what it claims is the second amendment constitutional right of Americans to bear arms, and shields itself with the first amendment, right of freedom of speech. I have been advised that the United States Federal Trade Commission is the agency that deals with advertising standards and claims in that country. Its stated aim is to prevent 'the dissemination of false or

deceptive advertisements of consumer products and services, as well as other unfair or deceptive practices'.

We believe the statements made by the NRA are false and deceptive and are advertisements as they are being used to promote a service, that being membership of that organisation. Therefore, I have today written to the Chairman of the Federal Trade Commission, Mr Robert Pitofsky, detailing the instances of deceptive and misleading practice engaged in by the NRA. The commission vigorously enforces 'the requirement that advertisers substantiate express and implied claims, however conveyed, that make objective assertions about an item or service advertised. . . [the] failure to possess and rely upon a reasonable basis for the objective claims constitutes an unfair or deceptive act in practice in violation of section 5(a) of the Federal Trade Practice Commission Act'. Further, 'the advertiser must possess the amount and type of substantiation the ad actually communicates to consumers'.

A complaint can be made by sending the commission a letter setting out the facts in detail accompanied by all supporting evidence, from which it determines if it will follow up the complaint. Should the Federal Trade Commission choose to follow up the complaint, it can issue an order that requires the respondent to cease and desist or to take other corrective action. Not doing so will make the offender liable for the recovery of a civil penalty of up to $US11 000 for each violation and, where the violation continues, each day of its continuance. The information provided to the Federal Trade Commission will also be sent to the United States Congress and the Secretary of Trade.

The Clinton administration in the United Sates has passed a number of laws that have reduced access to guns, particularly assault weapons (the Brady Laws in 1994). In recent weeks the Clinton administration has targeted hand guns, with so-called trigger locks, and waiting periods after a gun is purchased at a gun show so background checks can be carried out. United States gun manufacturer Smith and Wesson recently announced it is no longer going to produce hand guns due to the fear of litigation.

The Hon. T. Crothers interjecting:

The PRESIDENT: Order! This is a ministerial statement.

The Hon. T.G. Roberts: A ministerial with interjections.

The PRESIDENT: Order! That is completely out of order.

The Hon. K.T. GRIFFIN: It is an unfortunate and unwarranted reflection upon South Australia that the NRA believes that it can claim the false statistics it uses to promote its failed arguments. It is patently clear to all but the NRA that an easy availability of guns has a direct relationship to a high level of gun violence. No democratic country has such a high level of gun violence in its community as the United States. That the NRA would wish the same for Australia is an indication of the lengths to which it will go to further its cause, which is not one I support.

What the experience does suggest is the need for a balanced approach to law and order, crime and safety issues and that hysterical or extreme responses always have the potential to be used for purposes for which they were perhaps never intended, ultimately reflecting badly on South Australia and South Australians.

LIQUOR LICENSING

The Hon. K.T. GRIFFIN (Attorney-General): I seek leave to make a ministerial statement about the operation of section 97 of the Liquor Licensing Act 1997.

Leave granted.

The Hon. K.T. GRIFFIN: I wish to make a statement concerning the review of the operation of section 97 of the Liquor Licensing Act 1997. Members will recall that, at the time of debating the provisions of section 97, which creates exemptions from the 'responsible person' requirements of the act in the case of businesses of limited scope, it was agreed, and section 97(6) reflects, that the provision would be reviewed after the elapse of 12 months of operation.

Accordingly, in March 1999, I wrote to members of the Liquor Licensing Review Working Group, which represents participants in the industry and other stakeholders, seeking comment on the operation of the provision. Details of the comment received were furnished to all members in September 1999 with an invitation for members to advise me of any concerns known to them about the operation of the provision.

I received only one response to this invitation to comment, which was to the effect that the provision was not known to be causing difficulties. No member has drawn to my attention any difficulties of any kind arising out of the operation of this provision. Accordingly, a report on the provision has been tabled indicating that it does not appear to have given rise to any concerns nor to threaten the responsible service and consumption principles of the act and that no amendment of this provision is required.

Members will note that the report should have been tabled within six months after the first period of continuous operation of the provision: that is, by 19 September 1999. Unfortunately, it was not possible to complete the review, including allowing reasonable time for comment from industry and members, in that time. However, in view of the satisfactory result of the review, I consider that no prejudice has resulted from the late tabling of the report.

QUESTION TIME

TOURISM MINISTER, STOLEN DOCUMENTS

The Hon. CAROLYN PICKLES (Leader of the Opposition): I seek leave to make a brief explanation before asking the Attorney-General a question about freedom of information.

Leave granted.

The Hon. CAROLYN PICKLES: In February this year the Minister for Tourism's principal freedom of information officer, who also happens to be the minister's ministerial adviser, wrote to the member for Mitchell denying his FOI request for information relating to documents stolen from the minister's car on the night of 8 November last year. The member for Mitchell had requested copies of files that had been created in the Minister for Tourism's office relating to the theft, including a list of the documents that had been stolen and remained missing. The minister's ministerial adviser and FOI officer, Mr Birmingham, wrote:

> No file was created as a result of the incident, and apart from the police report. . . no other document exists. . . I note from your request for internal review that you believe this office would have created documents concerning the matter, such as documented actions and

inquiries and prepared a list and description of the stolen items. I advise that this has not occurred.

In other words, the minister is claiming that not one document has been created anywhere in her office that related to the theft of government property, and that included confidential cabinet documents, or the minister's property.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order, the Hon. Mr Davis!

Members interjecting:

The PRESIDENT: Order! I have called for order.

The Hon. CAROLYN PICKLES: In answer to a question without notice supplied to me by the Attorney-General last week, I am advised that in December last year the police had been in recent contact with the Minister for Tourism's office and had been told that a full inventory of the property stolen was being compiled at that time. My questions are:

1. Given his role as the chief law officer in this state, is the Attorney-General concerned that the minister's office may have misled either the police in their investigations or, alternatively, the member for Mitchell in his pursuit of a freedom of information request?

2. Is the Attorney concerned that a minister's office would not keep one document or any record whatsoever that a crime had been committed against government property, including cabinet documents, while under her care?

3. Can the Attorney outline what, if any, procedures or protocols are in place for keeping records of crimes against government and ministerial property?

The Hon. K.T. GRIFFIN (Attorney-General): I would be surprised if there has been any misleading of anybody. I will have to take the question on notice. I am not the minister responsible for the Freedom of Information Act; and I am not the minister responsible for the Minister for Tourism. Quite obviously, when the police undertake their inquiries, they do not have to report to me on every stage of every investigation or at all: they have an independent statutory responsibility in relation to the enforcement of the law. I will take the question on notice and bring back a reply.

FOOD INDUSTRY

The Hon. P. HOLLOWAY: I seek leave to make a brief explanation before asking the Treasurer and Minister for Trade and Industry a question about research and development.

Leave granted.

The Hon. P. HOLLOWAY: The recently released report 'Exporting Australian Processed Foods—Are We Competitive?', which was commissioned by Agriculture, Fisheries and Forestry Australia (AFFA), makes some critical remarks about a significant decrease in funding for research and development in the processed food sector. The report states:

> R&D expenditure in the food/beverages/tobacco manufacturing industries declined by almost 38 per cent between 1995-96 and 1997-98. There was a 21 per cent decline in the number of people in the industry employed in R&D. The study also found that processed foods ranked last among manufacturing sectors in terms of its use of modern technology. . . If investment in innovation is declining, close attention to the industry's awareness and uptake of government support for R&D is warranted. Relatively few survey respondents knew about government support for R&D and even fewer were enjoying any form of government support.

Given the state government's stated goals for its Food for the Future program, does the minister have comparable figures for research and development in the South Australian food and beverage sector and, if so, what are they? Is he concerned that falls in R&D expenditure in the South Australian food process sector will reduce growth prospects for this sector? Does he still believe that the government's targets for growth in the food sector to $15 billion by 2010 can be met?

The Hon. R.I. LUCAS (Treasurer): I do not have the figures in relation to research and development as requested by the honourable member. I am happy to seek advice as to whether figures exist and, if they do, I am happy to share information with him. In relation to some of the other questions by the honourable member, I think he should be well aware of the sterling work of the Premier, my colleague the Hon. Caroline Schaefer and others, who have been extraordinarily active in the past year or so in relation to the bold and ambitious Food for the Future program. The figures are very impressive already in terms of growth not only in production but also for export in food and beverages. In relation to the detail of those figures, again, I am happy to get some information and share that with the honourable member, so that he, too, can congratulate the Premier and my colleague the Hon. Caroline Schaefer, and others, in terms of the extraordinary growth that we have seen.

The other issue was whether or not the objective is too bold and too ambitious. I think that is perhaps a sad statement about the long-term vision of the Deputy Leader of the Opposition and the shadow minister for finance, that he is not prepared to get in behind the Premier and the Hon. Caroline Schaefer, and others, and support them, rather than, as we see from Mike Rann and Kevin Foley, and now the opposition here, the whingeing, whining, complaining and negative criticism all the time of anything that the Premier and my friend and colleague the Hon. Caroline Schaefer have been doing.

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: We hear a lot of rhetoric about bipartisanship and being prepared to support the government in positive initiatives, but on something I would have thought as broadly non-controversial as trying to expand the food and beverage industry in South Australia, to expand exports and to provide extra jobs, all we get from the shadow minister for finance is whingeing and whining and complaint about the government's approach to the food and beverage industry, and trying to cast doubt and to white-ant the shared—

Members interjecting:

The PRESIDENT: Order! The Council will come to order.

The Hon. P. Holloway interjecting:

The PRESIDENT: Order! The Hon. Mr Holloway will come to order.

The Hon. R.I. LUCAS: All we hear from the opposition is an attempt to white-ant a joint objective between government and industry. One of the great attractions that I have learnt in my short period as Minister for Industry and Trade of the Food for the Future program has been the joint development of objectives, the cooperation between industry, government departments and the government and the willingness for everyone, sadly with the exception of the opposition in South Australia, to try to work together for more jobs within the industry and for greater export income.

The Hon. A.J. Redford interjecting:

The PRESIDENT: Order!

The Hon. L.H. Davis interjecting:

The Hon. R.I. LUCAS: As my colleague the Hon. Mr Davis reminds me, if I can conclude on this note, the

government's performance in relation to exports and export income, not just from the food and beverage industry, is amply demonstrated by the export figures from South Australia for the last calendar year, 1999, which show that exports from South Australia have increased by some 14 per cent, at a time when exports from Australia have actually declined by some 2 per cent. I think it is sad and it is disappointing that, whilst everyone else is prepared to share the government's and industry's positive initiatives in relation to the food and beverage industry, all we have is whingeing and whining and white-anting from Mike Rann, from Kevin Foley and from the Deputy Leader of the Opposition in this chamber.

T & R MEATWORKS

The Hon. T.G. ROBERTS: I seek leave to make a brief explanation before asking the minister for industrial relations a question about occupational health and safety.

Leave granted.

The Hon. T.G. ROBERTS: I have been contacted by people in the meat industry on a number of occasions in relation to the problems regarding the casualisation of workers within that industry. It is well acknowledged by members on both sides of the Council that the industry is in turmoil nine months of the year in relation to trying to manage inputs, throughputs and exports. So, I acknowledge that it is not an easy industry to manage. However, in relation to the abattoirs at Murray Bridge, it appears that it is making a rod for its own back in relation to the problems with respect to the number of WorkCover claims. It has been reported to me that, in the first six months of operations by T&R at Murray Bridge, there were 145 WorkCover claims. Even in the meat industry that is quite a high number. It is a very dirty and a very dangerous occupation but, by general standards, 145 WorkCover claims in six months is quite high. Of those claims, 80 are ongoing WorkCover claims, which means that they are more serious than would normally be expected.

As a part of negotiations to get T&R to continue the operation at Murray Bridge, I understand that the government has made concessions in relation to WorkCover premiums but it appears, from further information I have been able to glean, that some 40 to 50 New Zealand workers are being brought over from New Zealand to work at the abattoirs as a result of its not being able to find local labour. It is not the case that local labour is not available: people are not being selected by the company because of previous disputation and the fact that the employer has a grievance against those employees who potentially could be employed there. The problem I think—perhaps I am not allowed to think, because it is an opinion—

Members interjecting:

The PRESIDENT: Order! The honourable member cannot debate.

The Hon. T.G. ROBERTS: The problem that has been put to me is that an increased turnover of employees will increase the WorkCover claim rate. My questions are:

1. Is the minister concerned about the occupational health and safety record of the T&R operation at the Murray Bridge abattoirs?

2. Will the minister investigate the level of occupational health and safety training procedures at the abattoirs?

3. Will the minister look into the standard of occupational health and safety training that the prospective New Zealand employees will have to prevent the ever increasing number of injuries at those premises?

The Hon. R.D. LAWSON (Minister for Workplace Relations): The matter concerning WorkCover claims comes within the responsibility of the Minister for Government Enterprises. The minister has responsibility for the WorkCover Corporation, and I will refer those aspects of the question to him and bring back a reply.

Of course the government is concerned about any failure to observe occupational health, safety and welfare standards. Our performance in this state has been improving in recent years, and that is a matter of congratulations to employers and also to the unions and workers. We are at about the national average in terms of 60 or more a day absences, which are obviously very serious injuries, but we have shown the largest improvement in recent years in relation to injuries of that kind.

I am not familiar with the situation in relation to T&R, nor with regard to the introduction of New Zealand workers. I would have thought that nothing has been demonstrated in the honourable member's question, and no conclusion could be drawn from the information provided in the explanation, to suggest that New Zealand workers would in any way compromise the standards of occupational health and safety at T&R or elsewhere in the Australian work force. As I said, I will seek further information and bring back a more detailed reply as soon as possible.

LIBRARY FUNDING

The Hon. CAROLINE SCHAEFER: I seek leave to make a brief explanation before asking the Minister for Transport a question about library funding.

Leave granted.

The Hon. CAROLINE SCHAEFER: I have a media release from the Local Government Association entitled 'Minister accused of "fudging" library funds figures'. In part, it states:

> Local councils have accused arts minister Diana Laidlaw of 'fudging' library funding numbers. About 200 delegates from councils across the state met in Adelaide today and unanimously condemned proposals which will see the Libraries Board receive a $1.2 million cut in government grants for public library purposes.

It goes on to say:

> Port Lincoln Mayor Peter Davis moved a motion calling for investigation of a user pays system of either a $25 fee or a $2 per book charge but this was broadened by the meeting to call for a general report on alternative funding in the face of the state cuts.

My questions to the minister are:

1. Are there charges or are charges contemplated on either a per book or a per use fee; if so, what are they?

2. Are there funding cuts and, if so, what are they?

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): This has been an interesting exercise for me to follow in terms of Local Government Association and council politics. Not many groups in our community scream and yell and call foul when they receive an increase in funds in any financial year. On Friday, I was able to advise all mayors and the chairman by letter that the Libraries Board of South Australia had approved total spending of $14.273 million for next financial year, 2000-01, which is an increase of $230 000. The arts generally would love to get inflation and general increases, but that is not always possible, and I suspect that some would suggest that the arts are better off than most. It is interesting to note that, when the Libraries Board has been able to announce this total spending

increase, local councils are still getting excited and claiming cuts.

I confirm that this total funding is also the maintenance in real terms of subsidies for operating costs and the purchase of materials, and there is an additional $800 000 to ensure a full year of access to the internet, with the principal beneficiary being libraries in regional areas. I know that this is an issue for libraries in these areas—how we obtain free access—and I am confident that the extra $800 000 for the next financial year will be most welcome by libraries across the state and particularly regional areas.

I confirm that there will be no impact on the level or timing of receipt of funding to local councils for public libraries in 2000-01. There are some cash management arrangements, and most members would appreciate that the state government—both the former government and the current government—has invested through five year agreements with the Local Government Association for public library purposes and, as part of these agreements, funds are provided for materials. If all the funds are not used in a financial year, they accumulate. At the end of this funding agreement for five years, there was an accumulation of reserves.

The agreement has concluded and, rather than lose those funds back into Treasury or general revenue, the government has agreed that those funds be distributed for library purposes. I would have thought that most people would be pleased to see that those funds were being re-invested and not just sitting there idle, not being fully utilised for public library and library purposes in general. I repeat: there will be no impact on the level or timing of receipt of funding for local councils for public library purposes in 2000-01.

In terms of the Hon. Caroline Schaefer's question about Mayor Davis and his call for charges, I can highlight very strongly and strenuously that the government does not support charges for the borrowing of library materials. We believe that library materials should continue to be made available to the public free of charge. I highlight, too, that this is made very clear in the Libraries Act of South Australia. I highlight for the benefit of Mayor Davis and local government generally that section 21 of the act expressly requires the Libraries Board to reduce government subsidies to specific libraries by the value of funds raised from charging for library materials. This has been in the act for many years to ensure that there is no double dipping by local government, that they are not receiving the state government subsidies—which are to provide a free service—and charging users as well. It is important to highlight that provision in the act and indicate that this government has no intention of amending it.

MURRAY RIVER

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Treasurer, representing the Minister for Water Resources, a question in relation to river health.

Leave granted.

The Hon. M.J. ELLIOTT: Recently the government has been making a bit of running in terms of the state of the Murray River, which is something that I think has the support of all members in this place. At the same time, it appears to have been opposed to environmental flows in the Snowy River system. Some people have sought to highlight what was seen as the hypocrisy of the government in terms of whether or not we are doing enough for the Murray River itself here in South Australia, but that is not the concern I am raising today.

I bring to the minister's attention, if he is not already aware, a front page article in the *Barossa and Light Herald* of 22 March entitled 'Why is our river running black?'. The article states:

> Fish and other wildlife have been found dead in the North Para river which is running as a putrid smelling, black stream.

The lead sentence of the article states:

> The beautiful Barossa Valley has been given a black mark by the Environmental Protection Authority over the state of the North Para river.

It has been brought to my attention that the Marne River, the only stream that makes any real contribution to the Murray River in South Australia, has stopped flowing because of the number of dams that have been placed upon it. In fact, as I understand it, quite a few of our ephemeral streams have large quantities of water drawn from them and they are under some significant pressure. I ask the Treasurer whether he could advise the Council what sort of recovery schemes the government has in mind in terms of the Marne River, the North Para river and other streams that are being put under increasing pressure here in South Australia.

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

JUDGES' SENTENCING RECORDS

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

Leave granted.

The Hon. A.J. REDFORD: Last Friday, following the *Advertiser's* front page article entitled 'Who would be a good samaritan?', our erstwhile shadow Attorney-General took to the airwaves. The first radio station to put him to air was the Leigh McCluskey and Tony Pilkington show. The member for Spence was excited because he made a number of comments on the issue of law and order. Perhaps this was even a sneak preview of ALP policy for the next election. On 5AA, he said:

> Good morning, Leigh. Look, with these suspended sentences, I think it's pretty important that some record is kept of what judges' sentencing records are, because the legal profession knows that different judges. . . sentence in different ways.

He then went on to say:

> So we need to know what the sentencing record of these judges is, and we. . . need to know what happens to these people who are convicted. . . [etc.]

Not bad for a potential Attorney-General—a government sanctioned form guide on judges. Lest people think that this is just another slip on the part of the erstwhile shadow Attorney, he then went on Sonya Feldhoff's program on 5DN and said:

> And the second thing we need is to have a long-term study of individual judges' sentencing decisions. . .

I am not sure what the shadow Attorney-General wants to do with the study when he gets it, but perhaps he might want to travel to Afghanistan, Burma or Nigeria to see what they do before interfering with the independence of the judiciary. Further, the shadow Attorney said:

> The other thing I think we need is guideline sentencing whereby the Supreme Court looks at these cases and lists what the aggravating

factors are and the mitigating factors and says what the range of sentences ought to be so there is some consistency.

I must say that the description used by the shadow Attorney-General sounds awfully like the existing appeals system which we have had for hundreds of years. He called for guideline sentencing or the issuing of guidelines by the court and, indeed—and this was very late in the interview—he rejected mandatory sentencing and grid sentencing. My questions are:

1. Is the Attorney concerned at the suggestion that a form guide be kept on individual judges and their sentencing?

2. Is there any precedent in the common law world—or indeed the western world—for a government sanctioned form guide?

3. Does the Attorney agree with the shadow Attorney-General that we should have 'guideline sentencing' or does he agree with the proposition that we already have this system and that it has been in existence for hundreds of years?

4. Does the Attorney agree with Leigh McCluskey's comments when she said of judges, 'I think they do a great job'?

The Hon. R.R. Roberts interjecting:

The Hon. K.T. GRIFFIN (Attorney-General): Are they friends of yours?

Members interjecting:

The PRESIDENT: Order!

The Hon. K.T. GRIFFIN: I was a bit surprised to hear the remarks of the shadow Attorney-General who hopes one day to be Attorney-General.

Members interjecting:

The Hon. K.T. GRIFFIN: Maybe the number crunchers in the Labor Party will not allow him, but that gives us even more cause for concern as to who might be Attorney-General—if that sad day ever comes. However, I suppose that, on reflection, one should not be—

The Hon. P. Holloway interjecting:

The Hon. K.T. GRIFFIN: Don't worry. I don't know. I suppose that, on reflection, one should not be too surprised at what the shadow Attorney-General comes out with from time to time. I was concerned that he should suggest that we ought to keep a form guide on judges. They do that in some countries that are not democratic because the executive wants to keep tabs on the way in which judges are performing. Some other countries which hold themselves out as being democratic do begin to impinge upon the principle of judicial independence, and that must be a matter of grave concern.

The shadow Attorney-General raises more questions than answers because, if one were to keep a form guide on judges, it would immediately raise the questions, 'What standards do you apply? Are those standards set by the parliament? Are they set by the executive? How are those standards set and by what are they to be measured?' Then one would ask, 'Who is to judge the judges? Do we sit in judgment as a parliament? Do we have a popularity poll in the newspaper? Who applies these standards?'

Members interjecting:

The PRESIDENT: Order!

The Hon. P. Holloway interjecting:

The PRESIDENT: Order, the Hon. Paul Holloway!

The Hon. K.T. GRIFFIN: The very important question is, 'What do you do if a judicial officer does not measure up to the standards, however they might be set?' Is it then a matter for reprimand, re-education, retraining, or dismissal on the basis that judges are presently appointed until age 70 and magistrates until age 65, to give that immunity from executive intervention and direction?

So, it raises some fairly interesting and fundamental questions about the way in which the opposition might wish to deal with judges and, if it is moving in the direction of requiring judges to measure up to standards set by the executive or some other body, then I can tell the chamber that it is on a very dangerous slippery slide.

The Hon. Diana Laidlaw: In what other democracy does it apply?

The Hon. K.T. GRIFFIN: I am aware of no other democracy in which that issue arises. Australia has been very prominent in providing guidance and assistance to some of the developing democracies about how to address the issue of judicial independence. My predecessor, Mr Sumner, became involved in this discussion with the former Chief Justice, Len King, when the Courts Administration Authority was established and the whole issue of judicial independence came very much to the fore in that debate.

The Hon. M.J. Elliott: The people in Burma have these ideas: it is working well there.

The Hon. K.T. GRIFFIN: The Hon. Michael Elliott refers to Burma. There are plenty of other countries where the rule of law does not prevail, where judicial independence is not recognised and supported. They are countries where we would never want to be in terms of subjecting ourselves to their jurisdiction. At all times we set ourselves up as a democracy, both as a state and a federation, which respects both the rule of law and the independence of the judiciary. I think that we would be on the slippery slide downwards if we were to move in the direction in which the shadow Attorney-General, Mr Atkinson, proposes to take us.

In respect of guideline sentencing, there is nothing new. The Court of Criminal Appeal ultimately makes decisions about what the standards should be. With robbery, homicide, assault and causing death by dangerous driving—a whole range of offences—the Court of Criminal Appeal sets guidelines, and periodically the Director of Public Prosecutions takes cases on appeal when he thinks the standard might be slipping. He did that when my predecessor, Mr Sumner, was Attorney-General.

The DPP then took up some armed robbery cases, with the support of the then Attorney-General, because the standards were slipping. He has done it only recently in relation to several cases last year and early this year. So the DPP is constantly watching to see whether or not the standards are slipping, with a view to taking appeals up to the Court of Criminal Appeal, and whether you have in New South Wales Chief Justice Jim Spigelman going for grid sentencing, whether you have the Supreme Court of South Australia which sets benchmarks and guidelines, whether you have some other jurisdiction around Australia, they all do it. So it is nothing new, and I would suggest that the discussion about guideline sentencing is really a discussion in ignorance of what actually happens in the courts.

The other point I want to make is that I must say I was a bit perturbed when I heard that there was discussion about the particular case which prompted the debate. It is still sub judice. It is a matter in respect of which there is a period of appeal which has not yet expired. I must say the two presenters, Leigh McCluskey and Sonia Feldhoff, were pretty good about it, because they indicated that they wanted to be particularly careful about the way they dealt with it. But I must say that I did not think the shadow Attorney-General was in any way as circumspect as I think he ought to have

been, rushing into print and into comment on radio about these particular cases, trying to weave his way through the web which was being established. I was concerned about the things that were said by the shadow Attorney-General. I am not sure whether he did it with the concurrence of Mr Rann, but quite obviously I think if that is the way the Labor Party is going it needs to take a radical look at itself to determine whether or not it is going to maintain confidence in the constitutional framework of our society.

GAMBLING, PROBLEM

The Hon. NICK XENOPHON: I seek leave to make a brief explanation before asking the Treasurer a question about the findings of the Productivity Commission report on gambling and state gambling revenue.

Leave granted.

The Hon. NICK XENOPHON: The Productivity Commission in its final report on Australia's gambling industries, released by the Prime Minister last December, sets out at table 5.7 at page 5.15 of the report the share of spending that is loss accounted for by problem gamblers by different gambling products 1997-98. It sets out the share of spending in percentage terms of moderate and severe problem gamblers of various forms of gambling. The commission's conclusions are that, with lotteries, 5.7 per cent of losses come from problem gamblers; with casino games the figure is 10.7 per cent; with scratchies it is 19.1 per cent; with wagering it is 33.1 per cent; with gaming machines the figure is 42.3 per cent of losses coming from problem gamblers; and, overall, 33.7 per cent of poker machine losses come from severe problem gamblers. My questions are:

1. Does the Treasurer accept, at least in broad terms, the figures set out by the Productivity Commission and, if not, does the Treasurer rely on alternative bases for calculating the percentage of gambling losses by problem gamblers and, if so, could he set out those alternative bases?

2. Does the Treasurer consider that the percentage of gambling losses from problem gamblers, referred to by the Productivity Commission at table 5.7, in relation to gaming machines of 42.3 per cent, is unacceptable, given the impact it can have on such individuals and their families?

3. What strategies does the government have in place to reduce the percentage of gambling losses, particularly with respect to poker machines, from problem gamblers and, if so, by how much?

The Hon. R.I. LUCAS (Treasurer): I am sorry, I do not have section 5.15 of the Productivity Commission's three volume report with me at the moment. I am happy nevertheless to refresh my memory about that section and respond to the honourable member's first two or three questions. In relation to what the government intends to do in relation to problem gamblers, the government has in recent months broadly outlined its comprehensive strategy, through not only myself but the Minister for Human Services and other ministers.

We have indicated that in the development of this year's budget we will give sympathetic consideration to the recommendation from the Social Development Committee's recent report on additional funding being made available to gamblers' rehabilitation. The honourable member knows my view that many of the issues that have been talked about in terms of a comprehensive response to the issue of problem gambling, in my judgment, can perhaps be described as tokenistic. However, there are some issues where I believe they could make an impact, and certainly additional funding being made available to agencies that work with problem gamblers directly in terms of one-on-one counselling and the additional assistance that they do and can continue to provide is probably one of the more sensible and more tangible mechanisms that parliaments and governments can provide to assist the problem gambling issue. That deals with question four or five. In relation to the earlier questions, I am happy to refresh my memory on that provision of the report and bring back a reply.

ELECTRICITY SUPPLY

The Hon. L.H. DAVIS: I seek leave to make an explanation before asking the Leader of the Government, the Hon. Robert Lucas, a question about electricity industry trends.

Leave granted.

The Hon. L.H. DAVIS: My attention has been drawn to two articles which are of interest to followers of developments in the electricity industry in South Australia. First, in the *Advertiser* of Tuesday 4 April there was confirmation that the electricity interconnector through the Riverland, the so-called MurrayLink 250 megawatt interconnector, is to be fast tracked to be operational by June next year. This article confirms that MurrayLink is being developed through TransEnergie,which is a subsidiary of the Canadian major utility Hydro Quebec and the well respected and arguably the largest power group in the world, international company ABB.This interconnector has the advantage of being underground at all stages and therefore, understandably, is attracting the support of Riverland councils, environmental groups and property owners.

This proposal is separate and distinct from the other proposal of the interconnector from New South Wales, the so-called Riverlink connection, which had been backed by members in this chamber and by the Labor Party. I was interested to note that Mr Foley had welcomed the MurrayLink plan and was quoted in the *Advertiser* saying that Labor was 'not convinced it will provide South Australia with access to the cheapest power from New South Wales'.

The second article to which I refer was in yesterday's *Australian*, where very interesting comments are made by Mr Neil Gibbs of PA Consulting Group. He says that, in Norway, New Zealand and the USA, net-based utilities (that is, internet based utilities) are already undercutting traditional players in the energy market. He says that real competition would come from internet upstarts that could service customers for $20 a year compared to $80 for the more traditional monoliths. He says:

> Having a brand will mean nothing in a market fully open to competition.

Mr Gibbs is further quoted as saying:

> The arrival of net-based utilities could provide a nasty shock for Australian power companies. The new breed of utility could go from concept to implementation in less than six months while existing players were locked into high overheads and could face a diminishing customer base.

Mr Gibbs likened electricity and gas to the phone market just a few years ago, with many smaller players nipping at the heels of the big incumbents. Finally, this article refers to the fact that AGL—which is, of course, along with Citipower Energy Australia, seen as a major player in the electricity and gas industries in Australia—has already announced that it is moving to bundle electricity, gas and telecommunications

together to give consumers the option in those various products and services. My questions are:

1. Given Mr Foley's statements with regard to MurrayLink, has the Treasurer any advice as to how Mr Foley can claim that MurrayLink is 'not the cheapest power source from New South Wales'?

2. Has the Treasurer seen the article in yesterday's *Australian* with regard to the dramatic change in the bundling up and sale of power to consumers as suggested by Mr Neil Gibbs of PA, particularly with respect to internet-based utilities with low overheads which, of course, will change very dramatically the nature of competition in this very important market?

The Hon. R.I. LUCAS (Treasurer): In relation to the second question, I did see the article yesterday in the *Australian*, and I think we are already seeing proof positive of the warnings that the government has been given of the risks involved in operating retailing businesses within this cutthroat national electricity market. We have seen the new owner of ETSA Power in South Australia, AGL, moving to try to strengthen its position by consolidating its gas and electricity interests within the company and bundling those services together and offering packaged services to consumers in relation to both electricity and gas. Certainly, there is nothing that I have seen in recent weeks that dissuades me from the view that was put to me last year, when we were looking at many aspects of the operation of the industry, that we are likely to see the growth of multi utilities to a much greater degree here in Australia, and the move by AGL is the first clear sign of that. There are others in the eastern states also in terms of multi utilities delivering both gas and electricity, and possibly in the future telecommunications and other services.

The article yesterday highlights the challenge to those big companies of these smaller net-based companies trying to pick out, or pick off, niche markets. Again, it just highlights the extraordinary risk in terms of being a retailer. In this case, even the major retailers such as AGL will have to fight—and fight hard—a long and expensive battle in terms of holding onto existing market shares. Certainly the view of the gentleman from PA Consulting is that it is likely that the bigger companies will lose market share to some of these smaller companies.

In relation to the honourable member's first question, I must admit that, in response to his comment and quoting of the position of Kevin Foley in relation to electricity supply, I remain forever intrigued as to the Labor Party's policy position on electricity. There seems to be a new position each day. It is really only pulled together by whingeing, whining and negative criticism of everything that the government has done. Mr Foley and Mr Rann led the opposition, together with the Hon. Mr Xenophon, to Pelican Point. As I indicated in interviews over the weekend, I think that if we had listened to the Hon. Mr Xenophon, Mike Rann and Kevin Foley we would be facing significant power blackouts next summer.

Members interjecting:

The PRESIDENT: Order!

Members interjecting:

The PRESIDENT: Order, honourable members!

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order, the Hon. Mr Davis! I have called for order three times.

The Hon. R.I. LUCAS: The Hon. Terry Cameron and I had the rare privilege of listening to the TransGrid Riverlink lobby, with the Hon. Mr Xenophon, Danny Price, Dick Blandy and someone else whose name escapes me putting a position to the Hon. Mr Cameron and me in December 1998 in the conference room of the State Administration Centre. I will forever remember the exchange where the government indicated through me that we said we had to have power up and going by the end of this year, because we were not prepared to accept the prospect of greater potential for blackouts in the coming summer. We got a very angry response from Mr Xenophon's group, the pro-Riverlink lobby and, in particular, from Dick Blandy, who angrily asked the question, 'What is this pressure of blackouts in the coming summer?'—if Riverlink was not ready by the end of this year, which was our contention.

We asked the group, 'Can you guarantee Riverlink will be ready by the end of the year?' It was not prepared to guarantee that. The position of the Hon. Mr Xenophon's group, as espoused by Dick Blandy, was, 'If Riverlink is not ready, rather than the government just saying that we must have power for the summer, it should do a cost benefits analysis of the blackouts in the summer as opposed to the proclaimed benefits of even a delayed Riverlink—even if it came on stream later.' I responded—and I know that the Hon. Terry Cameron rolled his eyes at the time—basically, 'What you are saying is that the government should do the cost benefits of a few blackouts in the coming summer. Can you imagine the heat that will be on the government if there were blackouts in this coming summer? We would have the opposition, Mr Foley, Mr Rann, Mr Xenophon and Mr Holloway and others roundly condemning the government for not having power in the coming summer—

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: Yet we had the proposition being put seriously to the government, 'We should do the cost benefits, because the overall benefits of the Riverlink project may well outweigh the prospect of having blackouts in the coming summer.' The Hon. Mr Cameron was at that meeting and he, too, listened to that argument and he, too, made the same response as I did—that no government could afford to adopt the planning and security strategy that said, 'What the heck. If we can't get Riverlink up, we will just have to work out the costs of a few blackouts in the coming summer.'

I strongly disagree with Dick Blandy's position in the lobby that was being put by the Hon. Mr Xenophon and Danny Price. I think the fourth person in the lobby to the Hon. Mr Cameron and me in November-December 1998 was Richard Powis from Transgrid. Sadly, that has been the sort of thinking. We have this opportunistic criticism coming from the opposition about everything in relation to Pelican Point—trying to stop that. There is criticism of the government because it has not gone ahead with Riverlink and now there is criticism in terms of the government's position on MurrayLink. I am putting together some information in relation to the MurrayLink and the Riverlink costings and the impacts on the market. I hope to be in a position, perhaps tomorrow or Thursday, to put that on the public record.

MENTAL HEALTH

In reply to **Hon. CARMEL ZOLLO** (19 November).

The Hon. R.D. LAWSON: In addition to the answer given on 19 November 1999, the following information is furnished:

South Australian Mental Health Services have a budget of $18 million to assist people with depression and other mental health illnesses.

The Mental Health Services for Older People program is a specialist service providing inpatient and community based

multidisciplinary psychiatric assessment, care planning, treatment and coordinated care.

In addition to the Knowing How program referred to in the original answer, Community Options, a joint project between Mental Health Services for Older People and Home and Community Care, provides individually tailored practical support services to clients to help them remain in their local community, preventing premature or unnecessary hospitalisation.

The National Mental Health Strategy (within which the South Australian Mental Health for Older Persons program operates) has set the following as priority targets:

- promoting community awareness and understanding of positive mental health and ageing;
- reducing the incidence and prevalence of depression and mental health morbidity associated with ageing and caring for the aged; and
- promoting awareness and skills that enhance well-being in older people.

The South Australian Government has also contributed to the Depression Action Plan and a National Suicide Prevention Plan.

Through the International Year of Older Persons, the government actively promoted the positive image and value of older persons in South Australian communities. There were over 315 metropolitan and country programs ranging from national conferences, celebrations of achievements of older people, and social and educative programs throughout the State.

Last year the Government launched *Moving Ahead – A strategic plan for Human Service for Older People in South Australia 1999-2004*. The strategy aims to support older people maintain function, independence and quality of life through improved service coordination, innovation and better practice. Some of the strategic directions are as follows.

- Increase the investment in prevention and the promotion of wellbeing for older people;
- Improve access to information and support;
- Develop common entry processes linked to the primary care and community support system;
- Coordinate care for people with complex/chronic needs.

This strategic plan will lead to the early identification of older people in need of support and achieving more responsive services.

SHOP TRADING HOURS

In reply to **Hon. G. WEATHERILL** (29 July) and answered by letter on 14 March 2000.

The Hon. R.D. LAWSON: As this is now within my portfolio responsibility, I provide the following information in response to your questions:

The latest changes to extended trading hours came into effect on 8 June 1999.

A number of surveys were conducted shortly after the trading hours were extended. Below is a summary of the results of these surveys.

- The June 1999 survey of Australian Retailers Association—SA members indicates that 30 per cent had already made use of the extended trading hours to date, and 76 per cent intended to do so in the lead-up to Christmas.
- The July 1999 consumer survey conducted by the Australian Retailers Association—SA, indicated that 30 per cent of consumers are utilising the ability to shop, predominantly, in supermarkets between 6-7 p.m. The Australian Retailers Association – SA has advised that this has had a positive impact, not only on the major stores (Coles, Woolworths and Franklins), but also on the independently owned Foodland supermarkets, particularly those on major arterial routes.
- A survey by Market Equity (July/August) indicated that 32 per cent of people have taken advantage of the longer hours and has also found that 92 per cent of people are aware of the changes.

The surveys, which were done only a month or two after the introduction of the changes, found that nearly a third of the population had utilised extended hours. Even at this early stage the surveys indicated the demand for more flexible shopping hours and the success of this Government initiative.

The success of the initiative is not confined to supermarkets. The Marion store of Harvey Norman has indicated to the Australian Retailers Association—SA an encouraging level of trade between 6-7 p.m. during weekdays. Specifically, the store has reported sales of 'big-ticket' items such as computers, because families are now able to shop at this time.

It was expected that as summer unfolded more people would take advantage of the extended shopping hours.

In *The Advertiser* on 2 November 1999 it was reported that shops in the city were beginning to use the new trading hours available to them.

In the week before Christmas, the vast majority of the stores in the city, including smaller stores, took advantage of the extended hours. I understand from the Australian Retailers Association—SA that the week before Christmas was very successful. They now estimate that the number of consumers who have taken advantage of the 8 June 1999 extension of shopping hours would be nearer to 50 per cent.

OUTSOURCING

In reply to **Hon. CAROLYN PICKLES** (27 July) and answered by letter on 14 March 2000.

The Hon. R.D. LAWSON: As this is now within my portfolio responsibilities, I wish to provide the following information:

1. Advice has been sought and obtained from the Department of the Premier and Cabinet and the Crown Solicitor regarding the impact on the State Government of the Federal Court's recent decision concerning the outsourcing of public sector services.

2. The decision of the Full Court of the Federal Court upheld the decision of a single judge who had concluded that the outsourcing of psychiatric health services in Victoria constituted a 'transmission of business' for the purposes of the Federal *Workplace Relations Act 1996*. This means that the contractor in that case, who is the new provider of the outsourced function, is required to maintain the rates of pay and other conditions of employment prescribed in the award/agreement applying at the time the function was transferred.

However, it is important to note that the "transmission of business" provisions are prescribed in the Commonwealth *Workplace Relations Act 1996* and so apply only where the work concerned is covered by a Federal award or agreement. There are presently no 'transmission of business' provisions in the South Australian *Industrial and Employee Relations Act 1994*, so the decision has no impact on work covered by a State award or enterprise agreement.

Additionally, I need to point out that the Government is not the party affected by the transmission of business provisions. The provisions affect the successful tenderer and the employees concerned.

The South Australian Government's current outsourcing principles provide for comparable remuneration to be maintained for employees who transfer their employment to a private sector provider when services are outsourced.

However, the rates of pay of employees of a contractor are a matter between the contractor and the employees concerned and accordingly it is not possible to provide an estimate of the number of workers, if any, who will be affected by the decision.

3. Refer above.

MENTAL HEALTH

In reply to **Hon. NICK XENOPHON** (19 November).

The Hon. R.D. LAWSON: The National Injury Surveillance Unit provides the following suicide rates per 100 000 population for South Australia for the period from 1979 to 1997:

Age group 55-64	Highest rate	1979	was	23.2
	Lowest rate	1997	was	9.1
Age group 65-74	Highest rate	1987	was	23.3
	Lowest rate	1997	was	7.6
Age group 75+	Highest rate	1982	was	27.3
	Lowest rate	1994	was	6.2

Over the last ten years the South Australian average rate for all ages has ranged around 11-15 per 100 000 population with no dramatic increases or decreases in suicide rates for older persons over this period.

Recent evidence provided to the House of Representatives Standing Committee on Employment, Education and Workplace Relations by the Australian Institute of Health and Welfare indicates that suicide is a growing issue among middle-aged men in association with unemployment in later life.

CENSORSHIP

The Hon. G. WEATHERILL: I seek leave to make a brief explanation before asking the Attorney-General a question about censorship.

Leave granted.

The Hon. G. WEATHERILL: I have received a copy of a letter from the office of the commonwealth Attorney-General stating that commonwealth and state and territory censorship ministers have agreed to introduce schemes to provide advice on the cover of publications which have been classified unrestricted but which are not recommended for children under 15 years. The information I have received indicates that last November the Liberal Party of South Australia passed a motion calling for books to be marked with appropriate classification and reading age recommendations. Will the Attorney-General be introducing a scheme to label all books with reading age recommendations?

The Hon. K.T. GRIFFIN (Attorney-General): Over the past few months there have been a few developments in relation to censorship and classifications. I will take the question on notice and bring back a reply.

SA WATER

The Hon. SANDRA KANCK: I seek leave to make an explanation before asking the Attorney-General, representing the Minister for Government Enterprises, a question about the downsizing of SA Water workshops in regional South Australia.

Leave granted

The Hon. SANDRA KANCK: My office has received a draft copy of a project brief from SA Water entitled 'SA Water Workshops Business'. The purpose of this project is as follows:

> To consider the maximisation of value from the formation of an enlarged SA Water Workshops Services Centre of Excellence, to support SA Water operations and sell this expertise to external customers at commercial rates.

SA Water has eight mechanical electrical workshops, of which seven are located in regional South Australia. The briefing paper notes that the Riverland workshop in Berri, with a current turnover of $4 million, returns a small profit but is hamstrung by its size. The paper states:

> If SA Water's workshops are combined into one enlarged SA Water workshop business, it would enhance the critical mass and leveraging of external works and subsequently increase the value of the workshops to the corporation.

SA Water employees have contacted my office greatly concerned that the Berri workshop will be enlarged at the expense of employment in SA Water's workshops at Mount Gambier, Murray Bridge, Port Lincoln, Port Augusta, Morgan and Crystal Brook. It should be noted that these workshops have already suffered significant job losses in the past five years. The project team has representatives from the Riverland and Mount Gambier workshops only. My questions are:

1. Will the minister guarantee no further job losses in the regional workshops of SA Water?

2. Will the minister expand the project team to include a representative from each of the regional workshops?

3. Will the minister release the draft report and recommendations in the form in which they are presented to the head of SA Water Technology by 14 April 2000?

4. Will the minister release the final report and recommendations which are to be completed by 28 April?

5. How many jobs have been lost at SA Water since the state government outsourcing contract with United Water?

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

CLIPSAL 500 CAR RACE

The Hon. T.G. CAMERON: I seek leave to make a brief explanation before asking the Treasurer, representing the Minister for State Development, questions regarding the Clipsal 500 car race.

Leave granted.

The Hon. P. Holloway interjecting:

The Hon. T.G. CAMERON: I thank the Hon. Paul Holloway for that information. I would normally start the explanation to these questions with the time honoured statement in this Council that my office has been inundated with calls from constituents about this matter. Whilst I have received calls, one does not need to be inundated by calls to have some appreciation of the problems. Anyone driving a car into the city over the past two days would have encountered severe traffic snarls. Traffic seems to be banked up along all the main roads into the city. At times, traffic can be bumper to bumper all the way from the city to the Adelaide Hills.

I want to state quite clearly that I am a supporter of the Clipsal 500 race: in fact, SA First is sponsoring a car in the event. I would like to support the Le Mans race later this year. However, there will need to be a big improvement in traffic management. Adelaide needs major events as they bring in tourist dollars and create jobs, but there needs to be an equitable balance between the benefits that these events bring and the quality of life for South Australians affected by them. My questions are:

1. Is the Treasurer aware of the traffic problems created by the Clipsal 500 and, if so, what action is being taken to ameliorate them?

2. Why are the major intersections not being manually monitored by the South Australian police to help monitor traffic flow?

3. Will the Le Mans circuit involve the same road closures as the Clipsal 500 and, if so, for the same time?

4. Will the government prepare a traffic management plan for the Le Mans event and release this plan publicly for comment before parliamentary approval is sought for this event to be conducted?

The Hon. R.I. LUCAS (Treasurer): I will refer that question to my colleague in another place and bring back a reply.

TREASURER'S REMARKS

The Hon. NICK XENOPHON: I seek leave to make a personal explanation in relation to remarks made by the Treasurer during question time today.

Leave granted.

The Hon. NICK XENOPHON: Earlier today in question time the Treasurer in response to a question from the Hon. Legh Davis made certain references to the views of Professor Blandy at a certain meeting that took place at the State Administration Centre in November-December 1998. The Treasurer, in effect, stated that Professor Blandy had

certain views as to blackouts for the 1999-2000 summer and imputed that I, in some way, supported those views.

By way of personal explanation I make it absolutely clear that, whilst I have a great degree of regard for Professor Blandy, those remarks were made by Professor Blandy alone. Obviously, if he sees fit to expand on those statements, Professor Blandy can do so by right of reply—that is up to him. In terms of any imputation that I in any way supported the view that it would somehow be acceptable in any way whatsoever that there be blackouts in South Australia at any time, that is simply erroneous.

Further, I am surprised that the Treasurer has made his remarks given that he knows that I have disassociated myself from these remarks previously, and he has acknowledged the same. I will do my best to track down the text where he has done that, but I believe it is in *Hansard* and in correspondence I have had with the Treasurer.

DEVELOPMENT (SIGNIFICANT TREES) AMENDMENT BILL

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning) obtained leave and introduced a bill for an act to amend the Development Act 1993. Read a first time.

The Hon. DIANA LAIDLAW: I move:

That this bill be now read a second time.

This bill is designed to save significant trees—native and exotic species—from inappropriate and indiscriminate removal and lopping, especially in the urban area. The measures will apply across the Adelaide metropolitan area—and exclude those areas already covered by the Native Vegetation Act (the Adelaide Hills, the Hills Face Zone and rural areas and townships). However, councils in these areas can opt to come under the new legislation.

The bill reflects recommendations agreed by all members of the Urban Trees Reference Group. This group was established by the government in January 2000 to report on appropriate policies and legislative mechanisms for the management and protection of urban trees. The group was chaired by Dr Bob Such MP and comprised representatives of a diverse range of community interests—

- Local Government Association
- Royal Australian Planning Institute
- Urban Development Institute of Australia
- Housing Industry Association
- Conservation Council
- National Environmental Law Association
- Department for Environment and Heritage
- Planning SA

I congratulate and thank all members of the group because until now no government in this State has been presented with a workable, agreed process to protect urban trees.

The government has supported the committee's recommendations because we recognise that trees form an important part of our urban environment, that they are highly valued by the community and play a major role in maintaining the livability and landscape character of our suburbs. In addition, trees provide habitat for native fauna, are often an important part of local biodiversity and form part of the Adelaide Plains' remnant native vegetation or rare and endangered species. All these factors contribute to the significance of trees within the urban environment.

There are lots of pressures within the urban environment which have contributed to the removal, damage or destruction of trees. It is these pressures which often result in inappropriate and indiscriminate removal of large trees without any regard to the significance of the tree. However, it also needs to be recognised that not all trees should be retained. Not every tree is of a size or species that can be deemed significant—and even some significant trees may be diseased, be causing a danger to property or be preventing solar access. In these cases removal or lopping of a significant tree may be appropriate.

The Urban Trees Reference Group presented its report 'Managing Significant Trees in the Urban Environment' to the government on 21 March 2000. After considering a wide range of legislative options here and interstate, the group recommends that amendments to the Development Act will provide the most workable and appropriate tools for managing and protecting significant trees in the urban environment. The measures proposed are easily implemented and not too onerous—for either the tree owner or the relevant planning authority (which in most cases will be the council).

The Development Act enables controls to be applied to a wide range of acts and activities that are defined as 'development' in the act and regulations. The advantage of managing significant urban trees using the Development Act is that they can be integrated into other aspects of the development assessment and approval process. Further, the merit assessment process under the Development Act means that a proposal for an activity affecting a tree will be assessed against appropriate and balanced planning policy.

Essentially the amendments to the act are broad enabling provisions. The detail of the process is already provided for in the Development Act and regulations. Further amendments to the regulations which will be prepared in conjunction with the members of the reference group and available for public consultation will define a 'significant tree' and designate tree-damaging activity as 'development'. Overall, it is proposed that:

- activities affecting trees that are more than 2.5 metres in circumference, measured one metre from the ground—such as removal or lopping—will be classed as 'development'. This will protect the most important trees in the urban environment;
- any other individual significant tree (less than 2.5 metres in circumference)—any rare and endangered species—and areas or corridors of trees can be identified by councils in their development plans—subject to public consultation; and
- very important local trees can be listed as 'local heritage places'—for example, trees of special historical or social importance within a local area.

In addition, I highlight that landowners can already enter into land management agreements with their local council to protect a tree or groups of trees on private property. A land management agreement is attached to the property title and identifies important trees to be protected.

Under the proposed changes to the act and regulations, once an activity affecting a significant tree is classed as 'development', a development application will be required for approval, prior to any work being undertaken. If a development application is refused, the applicant will have the option of appealing the decision through the Environment, Resources and Development Court. The Bill also provides:

1. That a person can, in a case of an emergency, undertake a 'tree-damaging activity' to a significant tree provided that it is for the purpose of protecting life or property.

2. That an activity which is being undertaken under part 5 of the Electricity Act 1996 will be exempt from the need for an approval to trim significant trees around powerlines.

3. That Crown agencies wishing to remove or lop significant trees as part of the provision of infrastructure will need to apply for approval to do so.

4. That any activity for which a development application has already been lodged or a valid development approval exists at the time of the operation of the new provisions will not be required to seek a retrospective approval to undertake a tree damaging activity to a significant tree.

In conclusion, I highlight that the government has acted promptly on the reference group's report in order to introduce this legislation at this time, and I ask all members to give immediate attention to the bill in order to provide timely protection for significant trees in our urban environment. I commend the bill to members. I seek leave to have the detailed explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

The measure will be brought into operation by proclamation.

Clause 3: Amendment of s. 4—Definitions

It is intended to make it clear that a tree may constitute a local heritage place and, if a tree is a local heritage place, that a tree-damaging activity constitutes development. Furthermore, another paragraph is to be added to the definition of 'development' that will relate specifically to 'significant trees'. Significant trees will be defined as trees within a class declared by the regulations, or trees declared to be significant trees by Development Plans. It will then constitute development to undertake any 'tree-damaging activity' in relation to a significant tree.

Clause 4: Amendment of s. 23—Development plans

A tree may be designated as a local heritage place on the ground that it is of special historical or social importance within the local area. This will be in addition to the existing criteria. Furthermore, it will now become possible for Development Plans to identify a tree as a significant tree, or a group of trees as a group of significant trees, for the purposes of the definition of 'development' under the Act.

Clause 5: Insertion of ss. 54A and 54B

It will still be possible to carry out urgent work in relation to a significant tree to protect any person or building, or in any prescribed circumstance, without first obtaining development approval, subject to certain conditions.

The controls on tree-damaging activities will apply despite the fact that the activities may be permitted under the *Native Vegetation Act 1991*. However, approval will not be required if the activity is being carried out under the scheme set out in Part 5 of the *Electricity Act 1996*, or under any Act prescribed by the regulations.

Clause 6: Transitional provision

The new controls relating to trees will not affect an activity within the scope of, or undertaken for the purposes of, a development that is the subject of an application, or that is within the ambit of an approval, under Part 4 of the principal Act before the commencement of this provision.

The Hon. T.G. ROBERTS secured the adjournment of the debate.

CRIMINAL LAW CONSOLIDATION (SEXUAL SERVITUDE) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 9 November. Page 320.)

The Hon. SANDRA KANCK: I understand from the explanation given by the Attorney-General that, because of Australia's responsibilities under international conventions, last year the federal parliament passed the Criminal Code Amendment (Slavery and Sexual Servitude) Act 1999. Apparently, that act envisages that there is room for complementary legislation in South Australia. I note that when the Social Development Committee looked at the issue of prostitution it received no evidence of there being any sexual slavery in South Australia. Nevertheless, I see no harm in enacting legislation in case there should be any instances of it.

The sort of sexual servitude we are talking about is that type that is in operation in the eastern state capital cities of Brisbane, Sydney and Melbourne where women are brought in from overseas (I think in almost all cases illegally), kept in locked accommodation—it might be a house that is operating as a brothel, but there are locks on the front doors and the women cannot get out and often they speak no English—and virtually imprisoned.

As part of whatever contract these women have entered into in their native land they are expected to perform a certain number of sexual acts over a period of time before they are returned to their country of origin. Often they are not paid what they were told they would be paid, and they have very few sorts of protections that other women and some men working in prostitution receive. For instance, often they are expected to perform unprotected sex. Whereas in most other brothels women are given an opportunity to refuse to perform oral sex, these women, who effectively are imprisoned in these types of houses, are not given that opportunity. So, I think it is a positive thing that legislation such as this is passed so that anyone who hires women on that basis can have the book thrown at them.

However, I am interested in the fact that this bill is before us at the same time as there are four bills in the House of Assembly relating to prostitution. In his reply, I will be interested to hear whether the Attorney can tell me how the legislation that we are dealing with will enmesh with whatever survives from the House of Assembly debate on the prostitution bills and whether or not he considers that the legislation that we are now dealing with will ultimately require further amendment as a result of decisions made in the House of Assembly. The Democrats support the second reading.

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

SOUTH AUSTRALIAN HEALTH COMMISSION (DIRECTION OF HOSPITALS AND HEALTH CENTRES) AMENDMENT BILL

In committee.

Clause 1.

The Hon. SANDRA KANCK: I had intended to speak during the second reading debate but because of a mix-up last week we moved into committee much quicker than I anticipated, so I would like to make a few comments at this point. I am suspicious about the timing of this bill. The reason the bill is before us is that the minister—or the government—is not absolutely certain whether he can direct hospitals and health services and this bill will allow him to do that.

I do not understand why we are doing this simply because the minister is not certain. I note from the debate in the House of Assembly that the minister said that it was about accountability. I experience a degree of discomfort when I hear this government speaking about accountability and using it as the justification for introducing legislation, because whenever we raise issues about accountability the ministers either give lame excuses or duck for cover.

The Hon. Diana Laidlaw interjecting:

The Hon. SANDRA KANCK: The Minister for Transport is terribly offended by that, but one only need look at the lack of information that we get—

The Hon. Diana Laidlaw interjecting:

The Hon. SANDRA KANCK: The Minister for Transport does answer 80 per cent of questions—she is the star performer in this chamber; there is no doubt about it—but there are plenty of others who do a lot worse. If she is the star, everyone else must be below that. I think that both the government and the opposition have had a great deal of difficulty getting freedom of information requests taken seriously. So, when the government says that its reason for doing something is accountability, I tend to think, 'What's going on here?'

The situation as it currently stands about directions to hospitals and health centres is the same as it has been since the current minister, Dean Brown, took over in late 1997, and it is exactly the same as it was under the previous regime when Dr Armitage was the health minister. So, effectively nothing has happened, yet suddenly we have legislation before us. It is also peculiar because in 1995 the government introduced regionalised legislation which was supposed to give more autonomy to smaller health services.

Suddenly, it looks as if the minister does not want that autonomy to occur. I wonder what has happened to cause this legislation to appear and what the government intends to happen. I am probably right in guessing that that question will not be answered. Although it is partly rhetorical, I would like to hear some other answer other than 'accountability'. I expect that I will not hear an answer to that question. Because I am suspicious of the government's motives I have today put amendments on file to address the possibility of any high-handed action by the government. I indicate that the Democrats support the second reading, if not the bill, and we will wait to see how we go on that.

Progress reported; committee to sit again.

SUPERANNUATION (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 18 November. Page 522.)

The Hon. P. HOLLOWAY: The opposition will support the bill. It is one of a number of superannuation bills that this parliament has dealt with in recent times. Indeed, the Superannuation Act seems to have taken over from the Local Government Act as the bill that more often comes before this parliament these days.

The bill contains three main provisions, and we support each of them as well as the other technical amendments that go with it. I will just say a little about the three major changes that are proposed in the bill. First, clause 3 contains a package of amendments that deal with superannuation arrangements that have been entered into by statutory authorities and like entities within the public service. Those authorities, under section 5 of the current Superannuation Act, can enter into arrangements, although I understand that there is no automatic coverage for members of those schemes.

In recent times we have seen a number of companies and authorities operating in the public sector privatised or otherwise moved out of the public sector. One of those, for example, was Amdel. I understand that 18 months ago it decided that it would no longer be tied into the government's superannuation scheme and so its arrangement under section 5 was terminated. I gather that what happened when that event took place is that it raised the issue about what could happen if there were to be future terminations. For example, currently the government is contemplating privatising certain authorities, including the Ports Corporation. The amendments that are before us in the bill provide a series of checklists which these organisations would have to go through before they could terminate their arrangement under section 5. These amendments are to protect employees' rights, and that is why the opposition will strongly support them.

The amendments in clause 3 relate to matters such as ensuring that any withdrawal under the scheme is agreed to by the majority of employees in the scheme; they require that there be adequate consultation; and they require adequate provision within the corporations to ensure their superannuation liabilities are funded. That is a sensible amendment which the opposition supports.

The next major change in the bill is contained in clause 8, which relates to section 42(a) of the current Superannuation Act. This amendment deals with a public servant who for some time has been in receipt of an invalidity pension under the terms of the Superannuation Act. If that person is restored to health, I understand that under the provisions of the Superannuation Act he or she would be eligible to return to the public service. However, it may transpire that there is no position available for that person, particularly if they had been away for some years; and, in any case, that person may not wish to return to that position.

Under this clause, people in that situation—and we are assured that it is entirely voluntary—would be entitled to a pension until retirement but, if they wished to cash it out, under this clause they will be given the option to do so. There are good reasons why people may wish to cash it out: if a person is restored to health they may not wish it to be known to any prospective employer in the private sector that they had been in receipt of invalidity benefits.

Certainly the opposition agrees that if people in that situation wish to have the option to cash out their pension because they see that it is in their best interests to return to the work force then they should have that option. I note in the explanation to this bill that it is indicated that the Superannuation Board will be ensuring that before any of those offers are taken up financial advice would be offered to the individuals concerned. But what this clause does bring is another option to people within the Public Service, and we in the Labor Party would certainly support that option being made available.

Clause 11 of the bill involves another major change, and this is really to correct a drafting error in relation to section 45 of the bill. It is my understanding that where a person is on an invalidity pension under the Superannuation Act they are able to partake of part-time work for some period of time and providing the amount does not exceed the limit they can earn money above their pension level. The current act refers to a period of time over which that person may earn additional income.

As I understand it, the Superannuation Board has always interpreted that period of time to be the financial year, so at the end of the financial year the Superannuation Board would assess the additional income earned by a person, take into account the pension they are paid and make any adjustments to their retirement pension according to the total amount earned over the financial year. Because the act does not refer to a full financial year but to a period of time, I understand that there has been some uncertainty, and this clause is simply to correct that possible drafting anomaly, to ensure that income is measured over the full 12 months. The opposition believes that is fair and will support that change.

The final amendment to this bill to which I will refer is related to clause 12. It is my understanding that at the moment under the Superannuation Act the Superannuation Board has to maintain accounts for all recipients of superannuation for the entire period in which the pensioner or any future beneficiaries are paid a pension. So of course this means that there is an enormous amount of record keeping that is necessary in relation to pensions. What we are told is that apparently for most beneficiaries they would receive back in a superannuation pension the equivalent of their own contributions plus interest in just a few years.

The protection that this clause was originally to afford was to ensure that everybody who retired would get at least the full amount that they had paid in plus interest. That is what this clause was there to protect. However, given that people are able to reach that limit fairly quickly the cost of administration is enormous. The government proposes here to guarantee everybody in a pension scheme at least a period of four and a half years of pension, so if that person were to die before the time was up the remaining amount would be paid into their estate. So really what is happening is that under the new scheme everyone will be effectively deemed to be surviving for at least four and a half years after retirement.

The benefit of this to the government, of course, is that there will be considerable savings in the amount of records and so forth that need to be kept. There will no longer be that need to keep accounts for as long as beneficiaries and their eligible relatives survive, and therefore there will be considerable savings, and what we are assured is that only once in about every five years would we have a situation where, under this new scheme, a deceased member's estate would benefit from this measure. In other words, it is a situation where there will be considerable savings to the scheme, to the taxpayer and at the same time it should simplify arrangements for the vast majority of superannuants. So for that reason the opposition will also support that measure.

So they are the major provisions. There are a couple of other technical amendments which the opposition also supports. We were also informed during the briefing on this bill that the government might bring forward a couple of amendments to this bill. If that is the case we will have a look at those during the committee stage and make our decision on them there. But as far as the provisions before us in this bill are concerned we will support the second reading.

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

YOUNG OFFENDERS (PUBLICATION OF INFORMATION) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 28 March. Page 683.)

The Hon. IAN GILFILLAN: In addressing this bill I would like to outline an analysis of it. The Young Offenders Act 1993 currently has two different provisions relating to publication of information about young offenders:

1. Offenders dealt with by police caution or family conference. Section 13 is clear that under no circumstances can any such offender be identified in the media. We can contrast this with:
2. Offenders dealt with by the Youth Court. Under section 63C(2) they can be identified if the court permits it.

This bill seeks to remove the first limitation and allow publication which would identify a youth who has been dealt with merely by a police caution or family conference, but only: if it is for a documentary, educational or research project about juvenile justice; secondly, the youth concerned and the youth's guardian have both given written consent; thirdly, the youth concerned and the youth's guardian have been sent an invitation to appear before the Youth Court to consider whether permission should be granted. The court must consider the impact on the youth of such publication, but it need not have the youth before it when it makes a determination.

The Youth Affairs Council of South Australia is opposed to the amendment. Executive Director Kym Davey writes:

> Why would we wish to alter the act to accommodate documentary film makers and educational researchers in their work, particularly as such accommodation would involve court time and resources to determine the merits of the application. Further, any such application would, by definition, involve a matter that had not previously been dealt with by the court, that being a matter involving a police caution or a family conference. Given the original intention of the Young Offenders Act to provide greater flexibility in the juvenile justice system, and specifically to reduce the demands on the court for settlement of matters which could be dealt with elsewhere, this amendment seems to run counter to that original objective.
>
> It is acknowledged in the second reading speech that publication of the identity of a young person who has offended may have an impact on the ability of the young person to integrate into the community. As a further note, YACSA [Youth Affairs Council of South Australia] is aware that most young adults who have offended are no longer in contact with the justice system as adults, and may wish to just 'get on with their lives'. Having to re-enter the system to participate in the application process may be a traumatic or problematic experience for some individuals.

I pause here to indicate what I am sure the Attorney-General will note in his reply, that no offender will be required to participate in this process. They will be engaged in an application process only if they and their guardian have previously indicated their consent. YACSA's submission continues:

> In responding to the proposed amendment, YACSA is mindful of the sensitivities surrounding the issue of suppression of young offenders' identities and other information related to them. On balance, we can see no strong argument for the legislation to proceed. Young people have pointed out that educational projects of the nature described can readily proceed without direct identification of the young person involved.

For example, there could be only a silhouette of their face during an interview. The letter continues:

> Whilst this may at times be a mild hindrance, it should not warrant an amendment to the act which involves the court unnecessarily in a situation that has no bearing on the administration of justice. The amendment also has the potential to open up new areas for pressure to change the general suppression rule. YACSA believes this would be a highly undesirable change to the legislation.

The Law Society has also expressed some reservations. Provisional brief comments have been received from the

society. The author of the comments is not identified but I understand that he or she is from the Criminal Law Committee. The author states:

> My initial concern was whether the bill provided sufficient safeguards to ensure that the consent of the youth was informed, autonomous and revocable. The bill does not make the consent specifically revocable. Situations may arise where, after consent has been given and approved by the court, the youth then changes his or her mind and wants to revoke the consent. This could be for a number of genuine reasons such as change of circumstances, returning to the custody of a different guardian who takes a different view, reconsideration of the attitude towards the research or documentary, etc. Given that research or documentaries could go on over a considerable period of time, I wonder whether there should be scope for revocation of the consent. Alternatively, this issue could be addressed by the bill providing for a sunset clause on the publication pursuant to the consent.

To these comments from YACSA and the Law Society I add my own observations. I am surprised that the bill has been introduced at all. I have not been aware of a clamour of documentary film makers or researchers complaining that their job is impossible because they cannot identify young offenders who have not been brought before a court. The Attorney says that there was one occasion where such a documentary maker was inconvenienced. It is strange to think that here we are, considering a change to the law that could have life-long consequences for a young person who never appears in a court, and the only reason we are doing so is that one film maker was once inconvenienced. Surely there are other difficulties with the law that should have higher priorities in the government and in this parliament.

I think the Law Society and the Youth Affairs Council have hit on important issues in relation to the consent that the bill requires. I am aware that to identify a young offender the subject of merely a police caution or family conference would require not only the consent of the youth and the youth's guardian but also the youth court. This triple consent would be difficult to obtain, and so rarely used. However, it is possible that a film maker could get the footage required, identifying a young offender, obtain from the youth written consent to publish it and then approach the court for permission to use it in a public screening. The court would be obliged to attempt to contact the youth but, if no answer was received, the court may still approve the publication. Young people are often prone to changing their mind, and written consent given by a 16 year old may be regretted by that same person at 17, if that person's criminal exploits are subsequently the subject of, say, a television documentary.

The point I am making is that, apart from the issue of revoking consent, the quality of the youth's written consent will not always be checked by the court. Much depends, therefore, upon the value of the written consent given by the young person's guardian, which may depend upon the wisdom of that person and the judgment of the court as to the impact on the youth of the publication sought. On the other hand, it has been put to me that research or documentaries in this area ought to be encouraged or supported as a public good in their own right.

The argument goes that documentaries or research projects that highlight identifiable young offenders and portray them as real human beings may have positive advantages in offsetting the present push by some ultra conservatives towards mandatory sentencing. Perhaps mandatory sentencing of juveniles receives the public support it does at least partly because the offenders are faceless, unidentified and unknown to them. Putting a real human face on even a single offender in a documentary—subject to the consent of the youth, the guardian and the court—might, so the argument goes, help to reverse the overall negative inhuman image of young offenders. But this is a speculative argument, relying on a mere hunch about the value of such a documentary, and I certainly do not find it particularly persuasive.

I know that the bill merely gives the Youth Court a discretionary power that it currently lacks. I have confidence that, if there was any doubt about possible effects on a child, the court would exercise its discretion in a conservative manner and refuse to admit such publication. The child does not need to appear in court, and applications for documentaries will be rare. However, this brings us back to the points raised earlier in the passage that I quoted from the Youth Affairs Council. Why is this issue so important that we must tie up the valuable time of the Youth Court? What is the danger or mischief that will ensue if we do not? The result of not supporting this bill will be that film makers may have to put their young subjects into silhouette and perhaps give them a fake name, instead of showing their full face and name. To me, that is not a substantial disadvantage to the community—certainly not to the young person—nor does it inconvenience or annoy the victim or victims of this young person's crime. I would imagine that the opposite scenario, seeing a young criminal fully identified and perhaps starring on television, might create angst in that person's victim or victims.

Finally, this bill does nothing to advance the objects of the Young Offenders Act. The first object of the act, pursuant to section 3(1), is:

> . . . to secure for youths who offend. . . the care, correction and guidance necessary for their development into responsible and useful members of the community and the proper realisation of their potential.

I indicate that at this stage I am not persuaded to support the second reading of the bill.

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

OFFSHORE MINERALS BILL

In committee.

Clause 1.

The Hon. K.T. GRIFFIN: I indicated in my second reading reply that I would endeavour to answer the questions raised by the Hon. Sandra Kanck in her second reading contribution when we reached clause 1 of the bill in committee. Whilst a number of my comments might relate to other clauses, I think there would be some value in identifying all the responses now with a view to shortening the period during which we have to consider the bill.

Under the offshore constitutional settlement of 1979, the states and the commonwealth agreed that, as far as it is practicable, a common offshore mining regime should apply in commonwealth and state waters. Commonwealth waters beyond the three nautical mile limit from the baseline—that is, the low water mark—are administered by its Offshore Minerals Act 1994. The New South Wales government's Offshore Minerals Act 1999 was proclaimed on 31 March 2000. Its Offshore Minerals Regulations 1999, addressing environmental issues and fees, were also promulgated on 31 March 2000.

The Queensland government's Offshore Minerals Act 1998 was assented to on 12 March 1998. No regulations have yet been promulgated. The progress of offshore minerals legislation in other states has been slow. Western Australia

has a bill drafted but has not yet introduced it; Tasmania has a bill drafted, but that bill is not likely to be introduced for something like 12 months. Victoria's bill is yet to be drafted, as is the bill for the Northern Territory. One must presume that the form of the legislation will, in each of those jurisdictions, largely mirror what is being proposed in this state.

With respect to the issues raised by the Hon. Sandra Kanck, the first relates to mining under costal waters. Mining of the sea floor currently takes place in other parts of the world. Examples include alluvial tin mining off the Malaysian and Indonesian coasts, and alluvial diamond mining off the coast of South-West Africa. At various times, interest in exploring for analogous deposits off the Australian coast has been shown, particularly in the Northern Territory and Western Australian waters.

If there were to be mining exploration and mining of minerals off the coast of Australia, mining legislation to regulate such activity would need to be in place. The present bill seeks to establish a regime covering activity in South Australian costal waters that is necessarily consistent with legislation covering the entire Australian coastline and mirroring legislation across the boundaries that each state and territory has with the commonwealth, that is, the three nautical mile limit. At present, there are no South Australian licence applications on hand or licences in force covering offshore minerals exploration and mining.

The next issue is the survey reference definitions. The only comment I make on that is that a strength of this bill is the precision with which geographical positioning is defined. The honourable member raised an issue in relation to the Environment Protection Act. This legislation will be subject to the provisions of the Environment Protection Act in the same way that onshore exploration under the Mining Act 1971 is subject to the Environment Protection Act.

The issue of environment protection in the bill was raised. The Environment Protection Act carries the government's mandate with regard to protection of the environment, including the state's costal waters. Environment protection provisions will be in the regulations to this act. The regulations have yet to be drafted. There cannot be in one act an exemption from a provision of another act—there can be, I suppose, legally but in practice it does not quite work that way.

Environmental impact statement.

The minister would require an environmental impact statement if, in the minister's opinion, environmental damage may occur as a result of mining activity.

The size of the tenement.

Sea floor mining may employ a dredging technique to recover minerals which could be present in the form of a flat lying blanket of unconsolidated material. It is a bit spurious to draw comparisons between the deep onshore underground hard rock mine covering ore from an ore body arrayed in the vertical dimension—for example, Broken Hill—and an undersea mining operation which is likely to recover unconsolidated sea floor sediments distributed in a horizontal sheet.

The larger licence area of an offshore tenement reflects the area necessary to support a commercial mining operation, taking into account the extent and orientation of a possible offshore ore body. Significantly, one mining company only is currently operating on the Broken Hill line of lode.

Marine parks and reserves and whale sanctuaries.

Standard environmental regulations will be drafted in due course. Significantly, exploration and development of offshore petroleum is undertaken in an acceptable manner, and it is expected that offshore minerals exploration and development would also be managed responsibly.

Seismic activities.

The Hon. Sandra Kanck asked: what sort of seismic testing, if any, has been done in South Australian waters? Some 119 000 kilometres of seismic recording has been acquired in South Australian waters and commonwealth-South Australian offshore waters. Of this, less than 5 per cent, or around 5 000 kilometres, has been recorded in South Australian costal waters. Sixty per cent of seismic is for oil and gas prospecting, and 40 per cent is for research purposes.

Drilling activities.

The minor quantity of drill cuttings that escape during a drilling program are unlikely to have any material impact on littoral and neritic flora and fauna.

Passage of legislation.

The commonwealth government has been pressing for the offshore minerals legislation to be enacted.

Mining rehabilitation fund.

Under the Mining Act 1971, 50 per cent of the royalty collected on extractive mineral production is earmarked for distribution through the mining rehabilitation fund. Any rehabilitation of operations developed under the offshore minerals legislation will be required to be undertaken by the licence holder.

Clause 22—Minerals to be explored for.

This clause intentionally adopts an all embracing descriptive definition of 'minerals' to include all naturally occurring substances or any mixture of them. The minister may specify certain minerals to be the subject of a licence. An evaporate deposit comprises a mineral or minerals deposited after total evaporation of the solvent fluid, and examples are gypsum and salt.

Clause 40—What is a fully effective licence?

A 'fully effective licence' is one that would come into force following offer, proper acceptance and registration of the grant. Public consultation takes place as a result of the requirement of the licence applicant to advertise the application. The applicant is required to provide information about the methods to be employed in exploration and what technical and financial resources are available to the applicant. The minister determines the form and manner that an application is made (clause 41). Scope exists to require information on anticipated impacts of the exploration activities.

Clause 43—Subordination of native title rights.

A licence does not extinguish native title, and native title rights will be subject to the rights of the licence holder while the licence exists. Native title issues will be considered and dealt with under native title legislation.

Clause 44—Relationships with other costal waters users.

The licence holder must respect and not interfere with the rights of others lawfully in the area, including native title interests. At the same time, the licence holder has rights but also must perform according to the licence. In assessing the exercise of these respective rights, the test of reasonableness applies. The fishing industry was not circulated with copies of this bill. However, the Australian Marine Conservation Society was.

Clause 47—What is licence termination?

Cancellation is termination of the licence by the minister, arising from non-performance by the licence holder. Non-renewal occurs if the licence holder chooses not to renew at the end of its term or if the licence is not renewed by the

minister at the end of its term because of non-performance by the licence holder.

Clause 48—What is licence suspension?

Suspension means one or more rights conferred by the licence are frozen by the minister for a period of time in the public interest, for instance, to determine whether exploration is having an adverse impact on a newly discovered ecology. Restoration of the licence would be envisaged.

Clause 49—Reasons for licence suspension.

If acquisition of property by the minister follows suspension of rights, it shall be on just terms. Acquisition may result from the licence holder forgoing property rights—for example, over mineral recovered—in the public interest and, in such a case, the licence holder would be fairly compensated. The suspension provision allows the minister to call a temporary halt to a lawfully run exploration program in the public interest. Cancellation terminates a licence in breach, irrevocably.

In the event that the state and the person cannot agree on the amount of compensation payable as a result of property acquisition, the state Supreme Court may determine what is fair compensation.

Clauses 57 and 60—Notice available to public to lodge comment.

The bill is explicit that comments may be lodged with the minister and the applicant within 30 days after the date of publication of the advertisement. The minister may refer to public input in framing the licence conditions.

Clause 63—What is a provisional exploration licence?

A provisional exploration licence may be granted to an applicant, which only becomes final (or 'full') when the applicant has paid the prescribed rental fee and accepted the area, term and certain other conditions. It will lapse after 30 days unless the applicant has accepted, lodged any security and paid the fee, or requested an amendment.

Clauses 66 and 67—Are licence conditions made public?

Negotiations regarding conditions, term and area between the Minister and the applicant would not be made public. The minister may consult the Minister for the Environment or any other minister. Reference to initial public input may be made in any amendment to conditions.

Clause 73—Why does the minister reserve blocks?

The minister may reserve a block which has no existing licence or application to enable it to be offered for tender. By reserving the block, it is quarantined from a 'standard block' licence application being made over it. Having reserved a block so it is available to offer to the winning tenderer, the minister will decide whether the tender is to be determined on the basis of program bidding or cash bidding or both. The tender system allows the market to decide the value of the block. Tendering may also be used as a means of expediting exploration and development of an advanced project.

Clause 74—Conditions are gazetted for exploration licences over tender blocks.

The minister must publicly advise that information about the conditions to which the block will be subject is available from the minister. The invitation to tender printed in the *Gazette* has the same effect as the requirement to advertise the 'standard' licence application.

Clause 88—Exploration licence term.

Although configured differently, the maximum term for an offshore exploration licence is 10 years and the maximum term for an exploration licence under the Mining Act 1971 is five years. In the Offshore Minerals Bill, the exploration licence initial term is four years with options for renewals of three terms of two years—maximum term 10 years. However, compulsory 50 per cent area reductions are linked to each renewal. Under the Mining Act 1971 for onshore mining, the initial term or aggregate term for the exploration licence is up to a maximum of five years with no compulsory reduction.

The offshore exploration licence renewal configuration has the effect of providing potentially longer term tenure in recognition of difficulty of exploring under water but encourages accelerated exploration and ground turnover through the mandatory 50 per cent block reduction provision.

Clauses 94 and 95—Licence extension.

These provisions cover the situation where, to the minister's satisfaction, circumstances outside the control of the licence holder have held up the exploration program, then a licence extension is mandatory. The Minister can impose conditions on the extension.

Ultimately the objective of an exploration program is to find mineral; and if, say, a storm impedes progress, then this provision allows for the exploration term to be extended to allow the final critical and possibly definitive phase to be completed.

Clauses 99 and 104—Licence fee levy basis.

Annual licence fees would be levied on the basis of the number of blocks held. Hence voluntary or mandatory relinquishment would mean a lesser annual licence fee.

Clause 101—Is there advertising of renewals?

Although renewal does not require advertising, the conditions attaching to the licence would be reviewed at renewal and the minister would have the power to amend or add conditions at that time. Public views that the minister becomes aware of could be considered at that time.

Clause 137—Retention licence rights.

The retention licence does not give rights to explore for minerals other than those specified in the retention licence.

Clauses 315 to 327—Special purpose consent rights.

Activities under a special purpose consent are of a research nature only and comprise low level preliminary activity to identify mineral prospectivity. This form of access is to accommodate reconnaissance or research activity that may assist in the interpretation of geological features by extrapolation into areas adjacent to the consent area. The subject mineral specified in the special purpose consent may be one that is not designated in an existing exploration licence over the same area. Hence the work program could include taking of samples which is a standard exploratory procedure that could never be construed as mining. The small amount of minerals envisaged would be of the order of a few tens of kilograms.

Such activity could be a precursor to making application for a licence to undertake fullscale exploration which will be subject to the checks and balances that correspond to a higher intensity exploration program. A special purpose consent may be granted over areas which may be reserved or are the subject of an existing licence. Hence the special purpose consent does not give the consent holder any exclusive or proprietary rights over the consent area and therefore would not conflict with the existing tenement.

Clause 332—Mining register is a public document.

The offshore mining register and document file are public documents which are to be made available for inspection at all convenient times on payment of a fee for service aimed at cost recovery.

Clauses 398 and 399—Basis for determination of security amounts.

Security amounts will be determined by the minister and be dependent on the nature and scale of each individual operation and would be pitched at a level commensurate with an assessment of the possible cost of any rehabilitation. The form of security will be designated in a dollar amount and may be lodged in cash or by way of a bank guarantee. Hence the kind of security will be determined through negotiation with the licence holder. Acceptable guarantees would be secure commercial products offered by reputable financial institutions.

Clauses 401 and 402—Disposal of abandoned mining equipment.

The minister may remove and dispose of abandoned mining equipment with recovery of costs from the proceeds of the disposal of the equipment. The cost of rehabilitation of damaged areas may be deducted from the licence holder's security.

Mr Chairman, I appreciate the indulgence that you have allowed to enable me to put that information on the record. I hope by doing so that it will facilitate the consideration of the bill, which I hope will occur this week.

Progress reported; committee to sit again.

PETROLEUM BILL

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

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

That this bill be now read a second time.

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

Leave granted.

INTRODUCTION

This Bill seeks to replace the *Petroleum Act 1940* for governing onshore petroleum exploration and development in South Australia. The intent of this Bill is to improve the confidence of all stakeholders in the ability of the resource industries, to which this Bill relates, to conduct their activities in a sustainable manner acceptable to the community.

The key objectives of this Bill are:

- To create an effective, efficient and flexible regulatory system for the exploration, recovery and commercial utilisation of petroleum and other resources to which this Bill applies, such as geothermal energy, and for the construction and operation of transmission pipelines for transporting petroleum and any other substances to which this Bill applies.
- To minimise environmental damage and protect the public from risks inherent in the activities covered by this Bill.
- To establish appropriate consultative processes involving people affected by the activities covered by this Bill.

The *Petroleum Act 1940* has not undergone a major review since it was proclaimed, although a number of amendments have been made from time to time. Over the past few years the regulatory philosophy underlying the *Petroleum Act 1940* has undergone extensive review. The need for this review was initiated through the recognition of advances in regulatory theory, increased rate of change of technology, changes to community expectations, in particular to environmental issues, and through competition policy reforms.

REGULATORY PRINCIPLES

To achieve its intent, this Bill establishes a new legislative regime grounded on six key principles, namely, certainty, openness, transparency, flexibility, practicality and efficiency. These principles are reflected in the 1993 Australian Manufacturing Council publication on best practice environmental regulation and through the 1995 recommendation of the council of the Organisation for Economic Cooperation and Development (OECD) on regulatory reform.

PUBLIC CONSULTATION ON BILL

The review of the *Petroleum Act 1940* was carried out through extensive public consultation, providing all stakeholders with the opportunity to have input into the establishment of this Bill and understanding of its underlying principles and philosophy. This consultation was undertaken through the public release of an Issues Paper in 1996, a Green Paper in 1997, an exposure draft of the Bill at the end of 1998 and a specific discussion paper on geothermal energy in April 1999. Subsequent to each release, many submissions were received from industry and non-industry stakeholders which were considered and in most cases accommodated in the final Bill. Throughout each phase of consultation a number of meetings were undertaken with various stakeholders to discuss their submissions in detail.

KEY FEATURES OF BILL

The major improvements over the *Petroleum Act 1940* which this Bill achieves are:

- A more effective means for allocating and managing the rights to explore for and develop petroleum and other natural resources so as to promote and maximise competition.
- An extension to the resources administered by the existing Act to include geothermal energy, coal seam methane and underground gas storage.
- Greater security of title of petroleum rights through improved registration procedures and greater flexibility in the types of licences that can be granted.
- A regulatory regime designed to more effectively and efficiently set and achieve environment and public safety protection and security of natural gas supply objectives.
- Effective public consultation processes for the establishment of environmental objectives.
- Effective public reporting to provide all stakeholders with sufficient information on industry performance and government decision-making.
- Compulsory acquisition powers in relation to land where it is necessary to take such action to ensure the construction and operation of pipelines.
- A flexible regulatory approach which allows the selection of the most appropriate level of regulatory intervention and enforcement in order to ensure compliance with the regulatory objectives.
- An appropriate royalty return to the community of South Australia for the exploitation of its natural resources.

More specifically, this Bill makes these improvements through the following key provisions:

More Effective Allocation of Title Rights

This Bill seeks to ensure that title to regulated resources is granted in an open and fair manner and that the granting of rights to one regulated resource such as petroleum does not compromise the rights to another regulated resource such as geothermal energy.

Geothermal Energy Rights

Rights for geothermal energy have been included and are separated from the rights for other regulated resources. This allows for rights for geothermal energy and other regulated resources to be granted over the same area. Such overlapping titles mitigate any anti-competitive behaviour where for example one title holder, whose sole interest may be to exploit petroleum resources, denies other interested parties of access to geothermal energy resources. Concern over the potential for this type of anti-competitive behaviour was raised by a number of submissions made on the exposure draft of the Petroleum Bill.

Exploration & Production Acreage

This Bill makes provisions for the granting of smaller exploration tenements over shorter terms than under the existing Act. This facilitates greater competition for exploration acreage within any given basin by opening areas up to a greater number of interested parties and by the faster turnover of exploration acreage. These provisions are consistent with the key recommendations of the CoAG/ANZMEC Upstream Issues Working Group in relation to ensuring greater competition for acreage through appropriately sized blocks, greater transparency of administration and faster turnover of acreage in light of basin maturity and prospectivity.

Reinforcing this recommendation is also the provision in this Bill for confining the area of production licenses to twice the size of the area underlain by proven and probable reserves of petroleum. The existing Act provides that significantly larger areas can be awarded in certain circumstances, including areas which are more appropriately made available for exploration or held under Retention Licence.

Commerciality Test

This Bill attempts to provide greater objectivity in the granting of Production Licences (Part 6). Under the provisions of the existing legislation the potential for subjective interpretation of what constitutes sufficient quantity and quality of petroleum production

in the granting of a Production Licence can create uncertainty in the grant or refusal of a licence. This can also potentially delay granting of new exploration licences in highly prospective areas. The Bill addresses this issue but does not detract from the court's final determination powers of the granting of such rights.

Improved Security of Title

One of the major fundamental requirements in any free market society is the need for the establishment of secure property rights to allow individuals and corporations to effectively and efficiently operate and trade within such a society. As under the existing Act, this Bill provides for the allocation of secure title through its provisions for the granting of licences which give exclusive rights to:

(a) Explore for regulated resources (Exploration Licence, Part 4).

(b) Use, produce or extract a regulated resource (Production Licence, Part 6).

(c) Construct and operate a transmission pipeline (Transmission Pipelines, Part 8).

However, improvements to security of title provided for under this Bill are as follows:

Improved Title Registration Procedures

As with the allocation of other property rights, licences proposed under this Bill provide essential sovereignty to industry to carry out activities with certainty and security to effectively exploit the relevant resource. The general thrust of allocating secure title under this Bill remains consistent with that provided for under the existing Act but with added improvement to the title registration procedures (Part 13) for any dealings such as transactions or agreements made in relation to the interests and rights conferred by a licence. By requiring such dealings to be approved and registered before legally taking affect, rather than simply taking affect through approval only, provides for greater security of title than in the existing Act.

Associated Facility Licence

In some cases a holder of an exploration or production licence may be denied surface access to the area relating to the licence due to the environmental sensitivity of the area or as a result of the existence of infrastructure or facilities of existing land users. In these cases, the ability to access the regulated resource and therefore the security of title for the resource could be severely infringed. To alleviate the potential for this situation, without infringing on either the values of the sensitive environment or the legal rights of the existing land users, this Bill introduces a new licence known as an Associated Facilities Licence (AFL). An AFL gives the right to the licensee to access or process the regulated resources within the licence area from an area of land covered by the AFL which will be located outside the licence area containing the regulated resource.

Retention Licence

A Retention Licence provides an exploration licensee with security of title over currently non-commercial discoveries for a reasonable period of time until they become commercial. Such a licence provides added security and certainty for the resource industries covered by this Bill.

More Flexible Licensing Regimes

Experience has shown that it is more efficient and appropriate to have a number of different types of licences available and appropriate to the level of activities undertaken. Therefore, in addition to Exploration and Production Licences and the Associated Facility and Retention Licences discussed above, this Bill offers the following types of licences which enable licensees to undertake necessary incidental activities.

- Preliminary Survey Licence, authorises a licensee to survey or evaluate land in preparation of carrying out activities. Such a licence allows licensees to more optimally apply for Associated Facility and Pipeline Licences.
- Speculative Survey Licence, gives a licensee who is not in the business of discovering and producing resources but is in the business of acquiring and selling exploration data to bona fide explorers, the right to acquire such data. This type of licence leads to greater acquisition of exploration data and therefore greater exploration investment.

Improved Environmental & Public Safety Outcomes

The Bill requires that practical and measurable environmental objectives are established and approved by the Minister for all regulated activities governed by this Bill. This Bill proposes the adoption of a broad definition of environment which includes its natural, economic, social and cultural aspects. This definition has been prepared taking into account the principles of ecological sustainable development and the definition used in the *Environment Protection Act 1993*.

To ensure better understanding by other stakeholders of the environmental objectives, this Bill provides for the requirement that the environmental objectives and the criteria upon which their achievement will be assessed will be established through a process of stakeholder consultation.

Subsequent to the completion of the stakeholder consultation process, a Statement of Environmental Objectives (SEO) will be prepared and approved by the Minister (Part 12). The SEO upon approval, becomes a publicly available document open for the use and scrutiny of all stakeholders. The statement of environmental objectives must include:

- The environmental objectives that must be achieved by the regulated activities; and
- The criteria to be used to measure and assess the achievement of the environmental objectives.

It is these key features of the statement of environmental objectives that provide certainty to all stakeholders on what is required of the licensee in terms of its environmental performance. Also by requiring measurement criteria, ensures that each objective is measurable and practical in terms of being achieved. These objectives and measurement criteria will be reviewed every three years.

Stakeholder Consultation

This Bill has an effective and efficient stakeholder consultation process. This process is one of the major improvements made to the existing Act and one of the key features of this Bill.

1) On the basis of an activity's environmental impact report and publicly declared criteria the Minister will determine the level of environmental significance of a proposed activity. Subject to the level of environmental significance determined, the Minister will then classify the activity as either low, medium or high impact.
2) For low impact activities the Statement of Environmental Objectives (SEO) for such an activity will be established and approved through a consultation process with all government agencies which have an interest. Broader stakeholder consultation (ie. public) will not be required for low impact activities because as such activities will be carried out in areas where the environmental consequences are well understood and manageable to a degree where the consequences can be either avoided or confined to be small or of very short term.
3) In the case of a medium impact activity, the SEO will be established and approved through a public consultation process, similar to the Public Environmental Report (PER) process under the *Development Act 1993*. Basically, this involves a 30 business day public review and submission period on the environmental impact report and the proposed SEO.
4) Where an activity is classified as high impact, it will be referred to the Department of Transport and Urban Planning for Environment Impact Statement assessment (EIS) under Part 8 of the *Development Act 1993*.

Effective Public Reporting and Transparency

The environmental performance of licensees—measured and reported against the environmental objectives and measurement criteria outlined in the approved statement of environmental objectives—will be made available for public scrutiny on an environmental register. This public register is a requirement under this Bill and it is to be established and maintained by the Department responsible for this legislation. Public disclosure of such information which is not provided for under the *Petroleum Act 1940* is considered essential for establishing community confidence in both the industry and the regulatory process.

Licence Awarding

This Bill provides for a more transparent process for awarding licences than is provided for under the existing Act. It achieves this through the following provisions:

(a) Gazettal notices inviting exploration licence applications in certain defined cases, which will also state the criteria upon which licence applications will be evaluated.

(b) Gazettal of a statement outlining the basis upon which the successful exploration licence applicant was selected where invitations were sought, and details of the successful applicant's work program.

(c) Notifying unsuccessful exploration licence applicants of the reasons for the rejection of their application.

(d) Gazettal of any variation or reduction made to any exploration work program granted through the competitive tender process.

Activity Approval and Environmental Assessment

In relation to activity environmental assessments and approvals the following will also be publicly disclosed on the environmental register:

- the criteria upon which the Minister will determine and classify the level of environmental impact of a proposed activity;
- the details of the Minister's classification of each activity proposal; and
- copies of every activity environmental impact report.

Security of Natural Gas Supply

In light of the recent adverse effects on the public interest resulting from the Longford gas plant incident in Victoria, this Bill introduces provisions to clarify licensee accountability for security of gas supply.

Access to Land for Pipelines

This Bill makes provisions for the Minister to approve the compulsory acquisition of land under the *Land Acquisition Act 1969* where the land is needed for the construction of pipelines.

Flexible Regulatory Approach

To accommodate for varying levels of internal commitment by companies in complying with the regulatory requirements, this Bill introduces a flexible degree of regulatory intervention. The degree of regulatory intervention is selected on an activity and individual company basis. The level of intervention chosen will be dependant on the degree to which a company demonstrates its competence in achieving compliance through the implementation of effective internal management systems and processes.

Low Supervision Activities

Activities for which a licensee demonstrates a high level compliance culture—ability to comply with the legislation—will be classified as low supervision. For these activities the regulatory role will basically involve establishing the environmental objectives in consultation with other stakeholders; monitoring the achievement of the objectives; facilitating the reporting of company performance against those objectives to other stakeholders; and enforcement of company compliance when needed.

High Supervision Activities

Activities where a licensee cannot demonstrate a high level of compliance will be classified as high supervision. For high supervision activities in addition to establishing, monitoring and enforcing company performance against the environmental objectives, the regulator will also need to assess and monitor on an activity basis the likelihood of the licensee achieving the regulatory objectives and take appropriate corrective action if required.

As a result of classifying activities as either low or high supervision, the most cost effective level of regulatory intervention needed to ensure compliance can be selected on a company by company basis. To reflect the lower costs to the regulator needed to enforce compliance of low supervision activities, the Bill allows for up to a 50 per cent reduction on annual licence fees for such activities. It must be stressed however, that regardless of the level of supervision, the primary regulatory focus is on the achievement of the objectives as documented in the statement of environmental objectives, and only in the case of high supervision activities does the regulatory focus also extend to the practices and procedures adopted by the company to achieve the objectives.

Administrative Penalty System

The new regulatory practice embodied in this Bill provides for industry to report on its performance and to provide geological and geophysical data it has obtained. It is crucial to the efficient operation of the new regulatory system that these reports are made. Many of the reports are crucial in assessing the safety of the environment and the public. To ensure that such crucial administrative acts are treated by the industry with the required degree of diligence the Bill proposes to establish a new type of penalty, called an administrative penalty.

This type of penalty does not require prosecution through the courts. In concept, these penalties are similar to the fine expiation system, and are only levied where there is a clear cut default such as failing to provide information or reports within specified time frames. The penalty for a particular provision will be set by regulation. A penalty will not exceed $10 000 or, in the case of a daily penalty, $1 000 per day. A daily penalty may be applied in cases where a contravention is of a continuing nature.

The imposition of an administrative penalty is reviewable through a right of appeal to the Administrative and Disciplinary Division of the District Court under Part 15 of the Bill.

Fair Royalty Return to Community

The Bill seeks to ensure that a fair return is realised by the community from the exploitation of its natural resources. Contrary to the proposal in the exposure draft of the *Petroleum Bill (1998)*, it is considered that it is currently not an opportune time to raise the royalty rate applied to the upstream petroleum industry in South Australia. This conclusion was reached for the following reasons:

- Strong opposition from industry to the proposed increase, citing the potential detrimental effect such an increase would have on exploration investment in South Australia.
- The potential for putting South Australia at a competitive disadvantage to other states in relation to upstream petroleum industry investment where other states continue to adopt a 10 per cent royalty rate.
- The impact on gas consumers resulting from the flow on effect of the royalty increase to the gas price.
- The potential for additional costs associated with Native Title to be incurred by new explorers and producers.
- Restructuring within the gas industry brought about by competition reform initiatives.

Geothermal Royalty Rates

Geothermal energy is also to be administered under this Bill and will require extensive technical and economic assessment to establish its feasibility as a viable energy source. Therefore to provide an opportunity for the commercial development of this energy resource it was decided that the royalty rate for geothermal energy in this Bill be set at 2.5 per cent.

CONCLUSIONS

In conclusion, this Bill creates a regulatory framework very much in line with the OECD regulatory reform agenda and designed to provide for ecologically and economically sustainable development of the upstream petroleum industry. The Bill, being the culmination of extensive community consultation through the release of the Issues Paper, Green Paper plus in 1998 an exposure draft of the Bill, also reflects the sentiments and concerns of stakeholders to a significant degree.

Community support for the petroleum and other industries to which this Bill pertains is central to ensuring an attractive business environment for responsible natural resource exploration and development to enhance the future wealth and well being of all South Australians.

I commend this bill to honourable members.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

The measure will be brought into operation by proclamation.

Clause 3: Objects of Act

The objects of the measure include to create an effective regulatory system for the recovery of petroleum and other resources, to encourage and maintain an appropriate level of competition in the relevant industries, to create an effective regulatory system for the construction and operation of transmission pipelines and to minimise environmental damage from various activities within the ambit of the Act.

Clause 4: Interpretation

This clause sets out the various definitions required for the purposes of the measure.

Clause 5: Rights of the Crown

The property in petroleum and other regulated resources is vested (or continues to be vested) in the Crown. Property will pass to a person who lawfully produces petroleum or some other regulated substance.

Clause 6: Administration

The Minister will have the general administration of the Act.

Clause 7: Delegation

The Minister will be able to delegate a power or function of the Minister under the Act. A delegation does not prevent the exercise of a delegated power or function by the delegator. Notice of a delegation or authorised subdelegation, or of any variation or revocation, will be published in the *Gazette*.

Clause 8: Appointment of authorised officers

The Minister will appoint authorised officers under the Act.

Clause 9: Identity cards

Each authorised officer will have an identity card issued by the Minister.

Clause 10: Regulated activities

The Act will control regulated activities, which are defined by this clause as being exploration, operations to establish the nature and extent of a discovery and the commercial feasibility of production

and appropriate production techniques, actual production, the utilisation of a natural reservoir for storage purposes, production of geothermal energy, the construction of a transmission pipeline, or the operation of a transmission pipeline.

Clause 11: Requirement for licence

A licence is required to engage in a regulated activity.

Clause 12: General authority to grant licence

The power to grant a licence will be vested in the Minister.

Clause 13: Licence classes

There will be seven classes of licence, being preliminary survey, speculative survey, exploration, retention, production, pipeline and associated facility.

Clause 14: Preliminary survey licence

A preliminary survey licence authorises the licensee to carry out a survey, environmental evaluation or other form of assessment preparatory to carrying out a regulated activity on land. The rights under this form of licence are not exclusive.

Clause 15: Term of preliminary survey licence

The term of a preliminary survey licence is one year and the licence may be renewed from time to time up to a maximum aggregate term of five years.

Clause 16: Designation of highly prospective regions

The Minister will be able to designate parts of the State as highly prospective regions. A designation will be able to be made in relation to specified regulated resources.

Clause 17: Speculative survey licence

A speculative survey licence authorises the licensee to carry out specified exploratory operations in the licence. The rights under this form of licence are not exclusive.

Clause 18: Area of speculative survey licence

A speculative survey licence may be granted for one or more separate areas. However, the total area covered by a licence cannot exceed 10 000km^2.

Clause 19: Term of speculative survey licence

The term of a speculative survey licence is one year and the licence may be renewed from time to time.

Clause 20: Consultation preceding grant or renewal of speculative survey licence

An applicant for a speculative survey licence that will include an area within an existing licence will be required to consult with the existing licensee.

Clause 21: Exploration licence

An exploration licence will be granted to carry out exploratory operations, and operations to establish the nature and extent of a discovery and the feasibility and appropriate method of production. The holder of a licence will, subject to the Act, have an entitlement to a retention licence or a production licence for a regulated resource discovered in the licence area.

Clause 22: Call for tenders

The Minister will be required to call for tenders for an exploration licence in certain specified cases. A call for tenders must state the criteria by reference to which applications are to be evaluated.

Clause 23: Criteria to be considered for granting exploration licence

On an application for the grant of an exploration licence, the Minister will be required to have regard to the applicant's proposed work program, the applicant's technical and financial resources, and any stated criteria if applications have been invited by public advertisement.

Clause 24: Areas for which licence may be granted

An exploration licence may be granted for one or more separate areas.

Clause 25: Work program to be carried out by exploration licensee

The holder of an exploration licence will be required to carry out a work program approved by the Minister.

Clause 26: Term and renewal of exploration licence

The term of an exploration licence is five years. A licence may be granted on terms under which the licence may be renewed for a further one or two terms, but a licence granted for a highly prospective region cannot be renewed more than once. A specified area of a licence must be relinquished on a renewal.

Clause 27: Production of regulated resource under exploration licence

The holder of an exploration licence will be able to produce a regulated resource from a well in order to establish the nature and extent of a discovery. However, Ministerial approval will be required if production from a well is to exceed 10 days in aggregate.

Clause 28: Nature and purpose of retention licence

A retention licence is to protect certain interests of a licensee in order to allow the proper evaluation of the production potential of a resource, or the carrying out of work necessary to bring a discovery to commercial production.

Clause 29: Retention licence

This clause describes the authority conferred by a retention licence.

Clause 30: Grant of retention licence

This clause sets out the matters that must be satisfied before a retention licence can be granted. The existence of a discovery will need to be demonstrated by the drilling of at least one well. Commercial production must be more likely than not within 15 years.

Clause 31: Area of retention licence

The area of a retention licence must not exceed twice the area under which the discovery is likely to extend and must not exceed 100 km^2.

Clause 32: Term of retention licence

The term of a retention licence is five years. A retention licence may be renewed from time to time, but only while the Minister remains satisfied that production is more likely than not to become commercially feasible within the next 15 years.

Clause 33: Work program to be carried out by retention licensee

A retention licence may include a mandatory condition requiring the carrying out of a work program.

Clause 34: Production licence

A production licence authorises production operations, the processing of substances recovered in the licence area, operations for the use of a natural resource for storage of a regulated substance, and operations for the extraction or release of geothermal energy. A production licence also authorises (subject to its terms) a licensee to carry out other regulated activities within the licence area.

Clause 35: Grant of production licence

This clause sets out the matters that must be satisfied before a production licence can be granted. An applicant must be the holder (or former holder) of an exploration or retention licence over the relevant area. Production must be commercially feasible, or more likely than not to become commercially feasible within the next 24 months. If no person is entitled to the grant of a licence under the general criteria, the Minister will be entitled to grant a licence to an applicant if satisfied that a regulated resource has been discovered in the relevant area and production is commercially feasible, or is more likely than not to be commercially feasible within the next 24 months.

Clause 36: Power to require holder of exploration licence or retention licence to apply for production licence

The Minister will be able to require the holder of an exploration licence or a retention licence to progress to a production licence if the Minister considers that production is commercially feasible. If application for a production licence is not made within a specified time, the Minister may grant a production licence to someone else.

Clause 37: Area of production licence

The area of a production licence must not exceed twice the area under which the discovery is more likely than not to extend and not more than 100 km^2.

Clause 38: Work program to be carried out by production licensee

The holder of a production licence may be required to carry out a work program approved by the Minister.

Clause 39: Requirement to proceed with production

The holder of a production licence must proceed with production with due diligence and in accordance with the conditions of the licence.

Clause 40: Term of production licence

The term of a production licence is unlimited.

Clause 41: Cancellation or conversion of production licence where commercially productive operations are in abeyance

The Minister will be able to convert a production licence into a retention licence, or cancel a production licence, if productive operations have not been carried out on a commercial basis under the licence for 24 months or more. However, the Minister will be required to give a licensee a reasonable opportunity to make submissions about the matter before taking action under this provision.

Clause 42: Unitisation of production

This clause sets out a scheme for unitisation where a natural reservoir extends beyond the area of a production licence into an area covered by an exploration, retention or production licence held by another person.

Clauses 43, 44 and 45

These clauses set out provisions relating to the imposition, calculation and payment of royalty.

Clause 46: Rights conferred by pipeline licence

A pipeline licence will authorise the licensee to operate the transmission pipeline to which it relates. A licence may also authorise construction. A pipeline licence must be held by a body corporate.

Clause 47: Term and renewal of pipeline licence

The term of a pipeline licence is 21 years or a lesser term agreed between the licensee and the Minister.

Clause 48: Alteration of pipeline

A pipeline will only be able to be modified in certain cases.

Clause 49: Ministerial power to require access to pipeline

The Minister will be able to require the holder of a pipeline licence to convey a regulated substance for another person on terms and conditions agreed between the parties or, in default of agreement, by the Minister. This access scheme will not apply in a case where access is governed by another law.

Clause 50: Acquisition of land by holder of pipeline licence

The holder of a pipeline licence must have or obtain pipeline land reasonably required for the purposes of the pipeline.

Clause 51: Pipeline easements

An easement for a pipeline is an easement in gross that does not depend on the existence of a dominant tenement.

Clause 52: Compulsory acquisition of land for pipeline

The Minister will be able to authorise the holder of a pipeline licence to acquire land compulsory under the *Land Acquisition Act 1969* if the Minister is satisfied that the holder of the licence reasonably requires the land (apart from the interest conferred by the licence) and that the holder has been unable to acquire the land by agreement after making reasonable attempts to attempt to do so.

Clause 53: Pipeline to be chattel

A pipeline will be taken to be a chattel (ie., not forming part of the land).

Clause 54: Inseparability of dealings with pipeline and pipeline land

A pipeline will not be able to be dealt with separately from the pipeline land, unless the Minister consents.

Clause 55: Resumption of pipeline

The Minister may proceed to resume a pipeline and pipeline land if the pipeline is not used for the transportation of a regulated substance for a continuous period of three years. The Minister must give notice of an intended resumption to all interested persons.

Clauses 56, 57, 58 and 59

These clauses provide for the granting of associated facilities licences. An associated facility licence authorises the holder of the licence to establish and operate certain facilities on land outside the area of the primary licence and may confer various rights of access. A licence may, in an appropriate case, be granted over the area comprised within the area of another licence.

Clause 60: Right of entry to land

A licensee may enter land to carry out an authorised activity, or to gain access to adjacent land on which the licensee proposes to carry out authorised activities.

Clause 61: Notice of entry on land

A licensee must give at least 21 days notice before entering land under the Act. Once notice of entry has been given, a further notice for re-entry is not necessary unless the activities to be carried out differ significantly, in nature or extent, from previously notified activities.

Clause 62: Disputed entry

An owner who has a right to exclusive possession of land (other than a lessee under a pastoral lease) may object to a proposed entry by notice of objection given within 14 days after the licensee's notice of entry. The Minister may attempt to mediate between the parties to arrive at a mutually satisfactory outcome. The Warden's Court has jurisdiction to resolve any outstanding dispute.

Clause 63: Landowner's right to compensation

The owner of land is entitled to compensation for deprivation or impairment of the use of enjoyment of land, damage to land that is not made good by a licensee, damage to or disturbance of any business or activity lawfully conducted on land, and any consequential loss. Compensation is not to be related to the value or possible value of regulated resources contained in the land.

Clause 64: Right to require acquisition of land

If the owner's use and enjoyment of land is substantially impaired by the activities of the licensee, the owner may apply to the relevant court (*see* clause 4) for an order transferring the land to the licensee and requiring the payment of the market value of the land and compensation for disturbance.

Clause 65: Application for licence

This clause sets out the requirements for making an application for a licence, or for the renewal of a licence, under the Act.

Clause 66: Preconditions of grant or renewal of licence

A licence may be granted on condition that an executed licence is returned to the Minister within a specified period. The Minister may require than an applicant give security (of a kind and amount acceptable to the Minister) for the satisfaction of obligations arising under the Act or a licence.

Clauses 67, 68, 69, 70 and 71

Under these clauses a scheme will be established under which exploration, retention and production licences will be granted either in relation to a source of geothermal energy, or in relation to all regulated resources (*see* clause 4) other than geothermal energy. Two licences will then be compatible if one licence relates to a source of geothermal energy and another does not. Compatible licences may be granted in relation to the same area; licences that are not compatible may not be granted in relation to the same area.

Clause 72: Mandatory conditions

A licence will include any conditions designated by the measure as mandatory conditions.

Clause 73: Mandatory condition as to use of information etc.

It will be a mandatory condition that a licensee authorises the Minister to use information and records provided under the Act, and to disclose information and records as authorised by the regulations.

Clause 74: Classification of activities to be conducted under licence

Regulated activities are to be classified as activities requiring high level official supervision or activities requiring low level official supervision. It will be a mandatory condition that the Minister's written approval is required for activities requiring high level official supervision and that notification is required of activities requiring low level official supervision in accordance with the requirements of the conditions or the regulations.

Clause 75: Discretionary conditions

The Minister will also be able to impose other conditions in relation to a licence.

Clause 76: Non-compliance with licence conditions

It will be an offence to fail to comply with a condition.

Clause 77: Annual fee

An annual fee must be paid by a licensee. The fee will be calculated in accordance with a prescribed scale.

Clause 78: Access to natural reservoir

This clause sets out a scheme to enable access to a natural reservoir for the storage of a regulated resource.

Clause 79: Grant, resumption etc. of Crown and pastoral land

Unalienated Crown land may be granted to the holder of a licence on the recommendation of the appropriate Minister.

Clause 80: Multiple licensees

The multiple holders of a licence are jointly and severally liable for the obligations of the licensee under the Act.

Clause 81: Consolidation of licence areas

Adjacent licence areas may be consolidated unto a single licence area.

Clause 82: Division of licence areas

A licence area may be divided into separate areas and made subject to separate licences.

Clauses 83, 84 and 85

These clauses set out various recording and reporting requirements.

Clause 86: Activities to be carried out with due care and in accordance with good industry practice

A licensee has a general duty to carry out regulated activities with due care for the health and safety of persons, the environment and, where relevant, the security of natural gas supply, and in accordance with good practice as recognised in the relevant industry.

Clause 87: Ministerial direction

The Minister will be able to require a licensee to carry out an obligation under the Act or the licence, or to cease activities that are contrary to the Act or the licence.

Clauses 88, 89 and 90

A licence may be surrendered, suspended or cancelled in certain circumstances.

Clause 91: Notice to be published in the Gazette

Notice of the grant, surrender, suspension or cancellation of a licence will be published in the *Gazette*.

Clause 92: Obligation not to interfere with regulated activities
It will be an offence to interfere with regulated activities conducted under a licence (except as authorised by the measure).

Clause 93: Safety net
The Minister will be able to enter into an agreement to give a licensee a preferential right to the grant of a new licence if the licence is found to be invalid due to circumstances beyond the control of the licensee.

Clause 94: Object of this Part
The object of the environmental protection provisions is to ensure that any adverse effects on the environment from regulated activities are properly managed to reduce environmental damage and to eliminate risk of significant long term environmental damage.

Clause 95: Requirement for statement of objectives
Any regulated activities must be the subject of a statement of environmental objectives under this Act.

Clause 96: Environmental impact report
An environmental impact report will be required to be prepared in accordance with the regulations.

Clause 97: Classification of regulated activities
Activities to which a report relates will be classified as low, medium or high impact activities. The classification will be made on the basis of the report and established criteria.

Clauses 98, 99, 100, 101, 102, 103 and 104
A statement of environmental objectives must be prepared on the basis of an environmental impact report or an EIS. A statement will include a statement of the criteria to be applied to determine if the objectives are being met and conditions and requirements to be complied with in order to achieve the objectives. A scheme for public consultation on a statement will apply if the activities are medium pact activities. A licensee will be required to comply with a statement of environment objectives relevant to the activities carried out under the licence.

Clause 105: Environmental register
An environmental register will be maintained for the purposes of the Act.

Clause 106: Environmental register to be available for inspection
The register will be available for public inspection.

Clauses 107, 108, 109 and 110
The Minister will be able to direct a licensee to take action to prevent or minimise environmental damage. An urgent direction may be given by an authorised officer. The rehabilitation of land may also be required. A right of review will vest in the ERD Court.

Clause 111, 112 and 113
Certain dealings will require registration. These dealings will not be able to take effect until approved by the Minister and registered.

Clauses 114, 115, 116 and 117
The Minister will maintain registers for the purposes of this Act.

Clauses 118, 119, 120, 121 and 122
An authorised officer will be able to carry out various investigations and exercise various powers for the purposes of the Act. Various records may be required to be produced. The Minister will be able to publish a report setting out the results of an authorised investigation.

Clause 123: Decisions etc. subject to review and appeal
Various decisions and other acts will be reviewable under the Act.

Clause 124: Application for reconsideration
An application for review will be made to the Minister.

Clause 125: Constitution of advisory committee
The Minister will, on receiving an application, but subject to this clause, constitute an advisory committee to advise on whether the decision or act should be altered or revoked.

Clause 126: Minister's decision on application for reconsideration
The Minister must consider any advice of an advisory committee but is not bound by that advice.

Clause 127: Right of appeal
A right of appeal will lie to the District Court against a decision of the Minister on an application for review.

Clause 128: Giving of notices
Notices may be given under the Act personally or by post, or by fax transmission or E-mail.

Clause 129: Verification of information
The Minister may require that information given to the Minister under the Act be verified by a signed declaration.

Clause 130: Saving of powers with respect to Crown land etc.
The measure does not limit the power of the Crown to otherwise deal with or dispose of land. However, any such action will be subject to rights earlier conferred under the Act.

Clause 131: Immunity from liability
No personal liability will attach to the Minister or an authorised officer.

Clause 132: Proof of administrative acts
The Minister may prove an act by certificate.

Clause 133: Extension of time limits
The Minister may extend a time limit under the Act.

Clause 134: Secrecy
A person involved in the administration of the Act must observe various obligations with respect to the disclosure of confidential information.

Clause 135: Administrative penalties
This clause establishes an administrative penalty scheme for the purposes of certain provisions of the Act.

Clause 136: Preservation of rights under Cooper Basin (Ratification) Act 1975
The legislation will not affect rights conferred by the *Cooper Basin (Ratification) Act 1975*.

Clause 137: Regulations
The Governor will be able to make various regulations.

SCHEDULE

The *Petroleum Act 1940* is to be repealed. Licences under that Act will continue under the new Act.

The Hon. CAROLYN PICKLES secured the adjournment of the debate.

MINING (ROYALTY) AMENDMENT BILL

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

GOODS SECURITIES (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 20 October. Page 155.)

The Hon. CAROLYN PICKLES (Leader of the Opposition): The opposition supports the second reading of this bill. The purpose of this bill is to implement recommendations made in the Duggan report which was commissioned as part of the National Vehicles Security Register project. The report was prepared in an effort to determine how each State's legislation could be amended to ensure best practice and consistency across the country on matters regarding national vehicle security.

Consultation was undertaken at the time of the preparation of the report. Will the minister indicate whether any issues of concern were raised as part of that consultative process? I also note that New South Wales and Victoria have recently passed similar legislation and that other states have legislation on the way. Is the minister aware of any implementation problems identified by New South Wales or Victoria and why Western Australia has decided against becoming involved in this national framework? If the bill is to pass this chamber today and the minister does not have access to those replies, I am happy for her to provide them to me before the bill goes to another place.

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

HISTORY TRUST OF SOUTH AUSTRALIA (OLD PARLIAMENT HOUSE) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 29 March. Page 711.)

The Hon. CAROLYN PICKLES (Leader of the Opposition): The opposition supports the second reading. The intention of this bill is to transfer the further care, control and maintenance of Old Parliament House from the History Trust to the Crown through the Minister for Government Enterprises. The Speaker as the Presiding Officer will have day-to-day responsibility for the management of Old Parliament House, and I understand that the History Trust is supportive of this move.

Whilst this bill does not debate the closure of the Constitutional Museum, I think it was a bad decision on the part of the government to close the museum—and I know that many South Australians feel the same way. However, it now belongs to the parliament, and it makes good sense to have it under the care of the Presiding Officer. My only question for the minister is: some parts of Old Parliament House remain open for educative purposes; will that still be the case once it has been transferred from the History Trust?

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

The Hon. DIANA LAIDLAW: Mr President, I draw your attention to the state of the Council.

A quorum having been formed:

GOODS SECURITIES (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 770.)

The Hon. T.G. CAMERON: My contribution will be reasonably brief. As part of the National Vehicles Security Register project, this bill amends the Goods Securities Act 1986 by implementing the recommendations of the Duggan report. Australian governments have been working for some time towards the development of a national database for recording security interests in motor vehicles to give buyers peace of mind when purchasing such motor vehicles. As part of that process it was discovered, however, that the legislation governing the registration of security in each state varied greatly. Amendments introduced through this bill will strengthen the protection offered to car buyers by reducing scope for the fraudulent movement of cars between the states and through national uniformity in legislation.

The legislation before the Council will bring South Australia into line with the national model. The major points of the bill include reflecting a nationally consistent approach; recognition of circumstances in which temporary possession should defer the operation of a registered security interest; and the introduction of a 24 hour grace period so that buyers can be sure that a certificate is accurate.

The national working party set up to investigate how best to modify each state's legislation to ensure consistency consulted widely with a cross-section of stakeholders including the Office of Consumer and Business Affairs, the Motor Trades Association, the Insurance Council of Australia, the Australian Finance Conference and the RAA. New South Wales and Victoria have already passed amendments to their respective statutes, and the other states and territories, except for Western Australia, are working towards implementing similar legislation. SA First supports the second reading.

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): I thank all members for their contribution and support for this bill. I have been advised by the Hon. Sandra Kanck, the Hon. Nick Xenophon and the Hon. Trevor Crothers that they do not wish to participate in this debate but support the measure. The Hon. Carolyn Pickles asked two questions and indicated that I that need not hold up the passage of the bill. I will provide those answers to the minister in the other place.

The first question concerned difficulties in implementing measures under the bill and, secondly, she requested an explanation why Western Australia would not fully adopt the new national framework. As all members in this place have indicated, there is good reason for a national framework under the Goods Securities Act: it will ensure that we have a much more effective vehicle security register system in the future.

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

The Hon. DIANA LAIDLAW: Mr President, I draw your attention to the state of the Council.

A quorum having been formed:

GOVERNMENT BUSINESS ENTERPRISES (COMPETITION) (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 30 March. Page 729.)

The Hon. R.I. LUCAS (Treasurer): I thank members for their indication of support for the bill. The Hon. Mr Holloway in his second reading contribution raised a number of questions. He inquired about the outcome of a review of the Competitive Neutrality Policy Statement 1996. I am advised that the outcome of the review was a submission to cabinet in March 1999 recommending that the 1996 Competitive Neutrality Policy Statement be replaced with a new statement and proposing amendments to the Government Business Enterprises (Competition) Act 1996. I am advised that there was no report other than this submission and that as a cabinet document it is not available for public consumption.

The honourable member also asked about the membership of the so-called key agency working group, as he described it. I am advised that the membership was Ms Liz Wilson (chair), then Director of the Cabinet Office; Ms Linda Graham (secretariat); Mr Greg Cox, then with the Justice Department; Ms Linda Hart, from Treasury and Finance; Mr Brenton Nottage, DAIS; Ms Gwyn Rimmington, Office of Local Government; Mr David Meldrum, who at that stage was with the Department of Human Services; and Mr Geoff Wood, who at that stage was with the Department of Education, Training and Employment. The review spanned the period from November 1998 to February 1999.

Concurrent with that review, a joint state and local government working group was also formed to review the 'Clause 7 Statement on the Application of Competition Principles to Local Government'. I am advised that this group comprised representation from the Department of the Premier and Cabinet, the Office of Local Government, Treasury and Finance, the LGA and individual local councils.

The outcome of that review was a new clause 7 statement, which, I am told, was in harmony with the new state government Competitive Neutrality Statement. Both statements reflect the proposed legislative changes and will therefore be

published following successful passage through parliament of the amendments.

The member then asked about the LGA's concerns. I am advised that the Local Government Association was provided with a copy of the draft Government Business Enterprises (Competition)(Miscellaneous) Amendment Bill as part of the consultation process. I am also advised that the LGA provided a number of comments to which the government has responded. I do not have any detail as to which issues were raised and which ones they agreed with and which ones they did not.

In responding to the second reading, can I clarify two small statements that the honourable member made. I understand that in his contribution the honourable member stated that the bill clarified the definition of 'government agencies' so that competitive neutrality will now apply to local government agencies as well as to state government agencies. I am advised that competitive neutrality always did apply to local government agencies pursuant to clause 7 of the Competition Principles Agreement 1995 and proclamations previously made under the Government Business Enterprises (Competition) Act.

The honourable member also, I am told, mentioned that the bill allowed for copies of the report to be published by the minister and for summaries to be made available to the public. I am advised that the bill does not enable the minister to publish the report. The full report will be provided to the minister, the complainant and the government or local government agency alleged to have infringed the principles of competitive neutrality. Only a summary of the report, which must not disclose confidential information, will be published. This is intended to improve public awareness of competitive neutrality and the complaints mechanism available and to provide further transparency of the process. With that, I thank the honourable member for his support for the second reading and for his indication of support for its speedy passage.

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

KOSOVAR REFUGEES

The Hon. R.I. LUCAS (Treasurer): I seek leave to table a ministerial statement made in another place today by the Premier on the subject of Kosovar refugees.

Leave granted.

MINING (ROYALTY) AMENDMENT BILL

Second reading.

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

That this bill be now read a second time.

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

Leave granted.

This bill seeks to amend legislation associated with the assessment of royalties on minerals recovered for sale under Section 17 of the Mining Act 1971 and the payment of these royalties to the Crown.

These amendments will result in a fairer means of assessing the royalty on value-added products and a more equitable assessment of royalty by, not including in the royalty calculation, the costs of handling and transportation of the minerals to the point of sale.

At present, the legislation requires that all royalties under the Act shall be assessed at 2.5 percent of the value of the minerals. This applies to all minerals produced, regardless of the degree of processing that may occur after the minerals have been mined. Thus the current regime penalises the miner who carries out additional processing on the mine site, as the fixed rate of 2.5 percent will then apply to a value added product, resulting in a higher royalty obligation. This discourages the further processing of minerals on site and encourages the establishment of processing either further afield, often adding to production costs, or offshore, resulting in the loss of potential value adding industries and the associated employment.

The introduction of a range of royalty rates, as per these amendments, from 1.5 percent to 2.5 percent will provide the minister with the flexibility to determine a more appropriate rate where such developments occur.

Present legislation, which describes the point at which the assessment of the value of the minerals for royalty purposes should occur, that is Section 17(4) of the Mining Act, is confusing and is often misinterpreted by industry.

It is also inequitable in that it purports to assess royalty on a delivered value of a commodity, which includes handling and freight costs downstream from the mine location.

In order to overcome these problems, it is proposed to amend this provision such that royalty is assessed on the value of the minerals at the mine gate.

The value at the mine gate is clearly defined in the proposed amendments and does not include any handling or transportation costs associated with delivering the minerals to a purchaser.

The other proposed amendments contained in this bill, involve the introduction of penalties for late or non-payment of royalties and the late lodgement of six monthly mining returns. Present legislation in this area is cumbersome and ineffective and is in urgent need of up-grading in the interests of efficiency and good business practice. The proposed amendments will also ensure the finalisation of the State's mineral production statistics within reasonable time-lines.

The amendments contained in this bill have the support of the mining industry and the other agencies contacted and will play an important role in our aim to be both nationally and globally competitive in attracting exploration and mining investment to South Australia.

I commend passage of this bill to the parliament.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

The measure will be brought into operation by proclamation.

Clause 3: Amendment of s. 17—Royalty

Various amendments are to be made to section 17 of the Act. Royalty will now be assessed as a percentage of the value of the relevant minerals at the mine gate. The minister will be able to fix the relevant percentage between a value of 1.5 per cent and 2.5 per cent (inclusive). The value at the mine gate will be a value which, in the opinion of the minister, fairly represents the amount that could reasonably be expected on the sale of the minerals at the time that the minerals leave the area of the relevant tenement or private mine (as the case may be). A penalty will now be payable if royalty remains unpaid for more than three months after the day on which the royalty falls due. The section will expressly provide for when royalty will be taken to fall due under an arrangement that is consistent with the scheme for the provision of returns under section 76 of the Act and existing practice.

Clause 4: Amendment of s. 76—Returns

An expiation fee will be able to be imposed under section 76 of the Act if a return is not furnished to the Director of Mines in accordance with the requirements of the section. If a failure continues, it will be an offence in respect of each month for which the failure continues.

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

ADJOURNMENT

At 5.11 p.m. the Council adjourned until Wednesday 5 April at 2.15 p.m.