LEGISLATIVE COUNCIL

Thursday 29 May 2003

The PRESIDENT (Hon. R.R. Roberts) took the chair at 11.05 a.m. and read prayers.

STATUTES AMENDMENT (ROAD SAFETY REFORMS) BILL

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I move:

That the sitting of the council be not suspended during the continuation of the conference on the bill.

Motion carried.

STANDING ORDERS SUSPENSION

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I move:

That standing orders be so far suspended as to enable petitions, the tabling of papers and question time to be taken into consideration at 2.15 p.m.

Motion carried.

SHOP TRADING HOURS (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 28 May. Page 2460.)

The Hon. IAN GILFILLAN: The Democrats oppose this legislation, as we have consistently opposed any extension of shop trading hours, and basically oppose the deregulation of shop trading hours. In my view, the history of deregulation is a sorry saga right across all the areas where it has been attempted, and this is no exception. It is sold under a mirage that consumers will have a better life. It is pushed by vested interests who know they will get more of the consumer dollar and make a bigger profit—and profits for shareholders is a reasonable motive—but, if it is at the cost of a whole lot of small South Australian businesses for what is presented as a community reform, a social enlightenment, then I think that it is done under very spurious circumstances.

First, apart from some arms of the media and pressure from major supermarkets (which will benefit substantially from it) and this extraordinary dictatorial bullying that is coming from the National Competition Council, I do not believe that the general population of South Australia has any particular desire for this and has not indulged in any ardent campaigning for any extension to shop trading hours. They are, in the main, a very contented lot of shoppers who are spending as much money as they can spend in various retail outlets. If you ask a kid whether they would like an ice-cream, they automatically say yes. That usually means that they are not fully aware of the consequences of having a diet solely of ice-cream and the various other consequences of the question. If you ask the average punter in the street, 'Would you like extended shop trading hours?', the knee-jerk reaction is yes because there is no alternative. These superficial sorts of polls are not a very intelligent basis upon which to push a quite dramatic change in the way South Australia works its affairs.

The Hon. Diana Laidlaw interjecting:

The Hon. IAN GILFILLAN: Would you like to explain that interjection a little further? I am quite happy to deal with it; just make it a little clearer.

Members interjecting:

The PRESIDENT: Order! I am unselective about interjections—they are all out of order. The Hon. Mr Gilfillan will continue.

The Hon. IAN GILFILLAN: The actual question therefore is related to polls and the analysis of which of them is right and which is wrong. The 35 000 people who were polled to assess the effect of the American and Australian invasion of Iraq was taken worldwide and I quoted it. I have already quoted the very high proportion of ordinary punters who were asked whether they would like extended shop trading hours. It is a knee-jerk reaction. I do not resile from my comment about that poll, nor from the fact that I was prepared to use the other one to give information to the council about what is established much wider than just a poll, that is, that the coalition of the willing's invasion of Iraq has made the world a more dangerous place. But I rest my case there. That is not the issue I am discussing, Mr President, before you show your lack of patience with my diverging.

This particular push now appears to be inevitable in some form or another. We have seen a sort of leap-frogging tactic whereby the government came forward with its particular package, which was resisted by an opposition at that time fully cognisant of the damaging effect such measures would have on small South Australian businesses. Then there was one of the more dramatic political somersaults, in which the Liberals jumped ahead. It is not a hare and a tortoise; it is two hares, depending on which one can run faster, and they are running more and more into dangerous country. That move prompted the government to expand even further its ambit of shop trading hours reform, and we now have the situation where a government bill purports to be a major reform and the starry-eyed vision of the Premier (who did not appear to have that vision when he was campaigning for election) is being pushed by an opposition that previously purported to represent the small businesses of South Australia but which has now thrown in the towel, saying bleatingly that we cannot afford to lose any of the competition funding from the National Competition Council.

My proposal in analysing that is this: that at the end of the day the state economy may lose far more than it may gain through a competition council contribution, in that the profits to the major supermarkets from extended trading will go interstate. They will not dwell here. If that comes at a cost to South Australian based industries which reinvest in, have their money and their profits in, and spend in this state, it is my argument that we will be distinctly worse off—although the mirage is that we will be losing arguably 15 to 20 million dollars over a certain period of time if we do not kowtow to the dictates of the National Competition Council.

I have two positions that I would like to make clear in this contribution. Firstly, I think that as a community we have recognised that, for whatever reason, we benefit from a day of relaxation, a day without hysterical trading and a day in which the whole feeling of the state and the city is in a lower gear. I would say that any move that is going to steadily erode that so that we have seven consecutive trading days—none of which is clearly distinguishable from another—is a serious cost to the ongoing health and mental and spiritual prosperity of the state as a community. Others may or may not agree with that. That is my personal view and I believe that it is

important to take that into consideration when we see a push for more and more trading on Sunday.

More pragmatic perhaps is the analysis of deregulation which we have seen in various articles in the national media and I am going to pick through several of these. I have the privilege of sitting on a select committee looking at retail shopping hours. That committee has done some very diligent work and has taken extensive evidence. It appears as if neither the Labor Party nor the Liberals were prepared to wait for the findings of that committee before jumping into this melee—which is rather strange because, as far as GMOs go, the government position has been: 'We will wait for the findings of the select committee. We won't do anything until we hear what the select committee recommends.' But, in this case, neither Labor nor Liberal has considered. They do not apparently give two jots as to what that particular committee will report. On that committee, as I say, we have heard substantial evidence from major players, both Woolworths and Coles Myer, who have treated the committee seriously enough to bring in very substantial position holders in those companies to give evidence.

As I was saying, I would like to refer to some articles so that members can get an indication of some of the background I have been talking about as expressed through the media. Deregulated shop trading hours have been introduced into Tasmania. *The Mercury* provides some examples of the effect it has had. One article, from 25 February this year, headed 'Shop fears. Retailer victim of Sunday trading', states:

> Open-slather shop trading has claimed one supermarket and others are under serious pressure, with jobs and livelihoods being threatened, say traders.

It goes on to give specific examples regarding the effects of seven-day trading. One retailer victim, Wayne Cobbing, has been forced to close his Burnie supermarket. That supermarket had been a locally owned smaller supermarket and that is a very clear example of the sort of victim who gets hit first when the substantial deregulation of shop trading hours allows Woolworths and Coles Myer to take a bigger share. In *The Mercury* of 27 February, an article headed 'Shop hours shirty seek Bacon's ear' says:

> Premier Jim Bacon has been challenged to attend a forum in Launceston tonight as butchers join the outcry against open slather trading.

They are not happy. I refer to another article in *The Mercury* of 28 February, headed 'A vicious circle of falling income', which reports:

> Takeaway owner Denise Bosworth is a comprehensive victim of Tasmania's deregulated shopping hours.
>
> Immaculately kept books show up the personal catastrophe which has hit her family both financially and socially.

We spent a lot of time last night dealing with the impact on people who were disadvantaged by certain actions being taken by the government and we showed, I think, appropriate compassion and consideration for them. But we have now, without considering that, launched into a deregulation program, knowing full well that we are going to have a proliferation of these sorts of cases happening in South Australia. On the same page of *The Mercury*, under the heading 'Shopowners' competition payment call', it states:

> Small business owners had lost up to 85 per cent of their Sunday trade due to the deregulation of shop trading hours, a meeting was told last night.

It goes on and on, but I have cited probably the more significant ones that come from the Tasmanian experience.

Surely we are not so naive that we do not realise that this is a handout to Coles Myer and Woolworths. I would be amazed if any member of this chamber were not fully aware that the deregulated program outlined by the government, and even more so by the opposition, increases the trade and the profit of Woolworths and Coles Myer.

They will be the beneficiaries of it. Neither Woolworths nor Coles Myer denied the fact that one of the major reasons they are pushing for deregulation is that they will get increased trade. Where will they get that increased trade? Are we so naive that we believe that these extra amounts of purchasing power and jobs spring like mushrooms, come from nowhere? Of course they do not. They are at the expense of draining the expenditure power and the job opportunities that have existed in the smaller South Australian businesses. I am not prepared to see that price paid: it is ruthless. And we are being bullied into even considering it.

I know there would have been some toing and froing, as there has been for 20 years, about shop trading hours with the occasional piecemeal alteration, but this is a landslide, and I think it is important that we just have a little think about these two major players who are now moving towards control of huge proportions of the South Australian retail trade. I refer to an article in the *Australian* by Robert Gottliebsen, 'The devil's in the retail: giant chains are squeezing their suppliers to force prices down', as follows:

> Woolworths' food strategy is to lock suppliers into one-year price contracts that give them volume. If costs rise during the year because of, say, a drought, then too bad. Some suppliers are close to going to the wall. And when the contract ends, if the supplier can't match the competition, then it's off the shelves—which destroys the business. The Coles approach places more emphasis on the house brand, putting pressure on the prices of branded products. In the long term, investors will be monitoring which of these two approaches delivers the best sales and profits. But in both cases there is grave danger for suppliers who are number three or four in a market.

Further, the same article states:

> The ACCC under Allan Fels allowed Woolworths and Coles to dominate the food industry and he can fairly claim that the consumers were the winners. His successor will be under pressure to allow similar domination to be achieved among the suppliers. If not, the market will do it for them.

He is also considering the wine industry in this article, and states:

> Meanwhile, Australia's small and medium sized wineries have a lot of capacity. Those relying on major retailers for outlets have been squeezed mercilessly.

And those major retailers, of course, are Coles Myer and Woolworths. The article continues:

> Most slashed prices and these prices were used as a weapon to attack the majors.

Further on the wine issue, an article in the *Australian* of 17 February this year by Michael McGuire, entitled 'Wine flow becomes a headache', states:

> The only winners in this industry at the moment are Coles Myer and Woolworths.'It's becoming tougher and tougher,' says one big distributor. 'The strength of the retail chains means they can dictate terms—

and they will—

> Woolworths and rival Coles Myer have both been gobbling up independent liquor chains such as Dan Murphy's, Theo's and Super Cellars, reducing the number of routes to the consumer for wine-makers and their distributors. Some fear there is worse to come and that Coles and Woolworths may import a few more tricks from the ultra-competitive UK scene—ideas such as the chains taking wine on consignment. Or the horror story of one distributor who found

itself with a bill from a supermarket chain after a rival supermarket was seen selling the wine at a cheaper rate. The bill was for the difference in the price between the chains.

All these articles are worth reading in full, but I do not intend to do that: I have some respect for the amount of time it takes in this chamber. I refer to an article in the *Australian* of 12 May by Jeremy Roberts, Retail, headed 'Woolies a bully: Kemeny's.' The article states:

Bondi beach wine seller Kemeny's has dragged its price war with Woolworths into the newspapers, belittling its giant rival for complaining to the competition regulator over claims made by Kemeny's in Victoria. The privately owned Kemeny's, believed to be Australia's largest mail order wine retailer, picked a fight with Woolworths in *The Age* newspaper in Melbourne on May 3, accusing the Woolworths-owned Dan Murphy's liquor chain of misleading Victorians with claims that Dan Murphy's had the lowest prices.

The ad—headed 'Wake up, Victoria! Woolies are fleecing you'—included a table comparing the prices of wines and beer sold at both outlets showing cheaper prices mostly for Kemeny's' products. Kemeny's received a letter of complaint from Woolworths saying it had been damaged by the ad and would complain to the ACCC. The latest ad, which appeared in Sydney and Melbourne at the weekend, lambasted Woolworths for crying to the ACCC and said it was Woolworths that was misleading the public with claims that Dan Murphy's was the cheapest outlet.

A Woolworths spokesman said it had not heard back from the ACCC regarding the complaint and 'the customer will make the choice' about who was cheapest. 'All our advertising is based on market practice where Dan Murphy's aims to be at or below competitors' prices, the spokesman said.

Andrew Kemeny, who part owns and runs the family Kemeny's business, said 'Woolworths is just a big guy bullying all the independents—there aren't many left now and if there's only (Coles and Woolworths) left, I don't think the consumer will be the winner.' He said he hoped Woolworths was embarrassed by the ads, thought to cost more than $40 000 each, which would show readers the extent of Woolworths' market domination as owners of liquor outlets Harry's, Safeways, Mac's, BWS, First Estate and Dan Murphy's.

That is the end of that article. The last article from which I will quote is from today's *Australian*, entitled 'Retail's fuel war to hurt bush'. It reads:

The Coles Myer-Shell petrol discounting alliance could devastate regional Australia in much the same way as the controversial closure of bank branches, according to the service station industry.

This is an article written by Richard Gluyas, the national business correspondent. It continues:

Service Stations Association executive director Ron Bowden said the big retail chains such as Coles and Woolworths used discounted petrol as a 'loss leader' to increase traffic through their stores.

That is an article worth reading and, as it is today's paper, I am sure members will find time to read it in its entirety. The two heavyweights are ruthless in their acquisition of further areas of commerce. The Managing Director of Coles Myer, Roger Corbett, actually answering a question in the committee on which I sit, agreed that they wanted to take pharmacies inhouse. Pharmacies! Where does it end? The point is that they have the power whereby, having got that particular area of commerce within their purview, they can squeeze, they can manipulate and they can bully to the point that their empires extend. It is good fun for them both: they are seeing each other eye to eye and it is a good old standoff, and shareholders are very interested to see who does better.

But where in the national press or in the assessment of the non-shareholders comes the devastation to the hundreds, probably thousands, of small businesses which, if they do not go to the wall, will be extraordinarily punished by the impact of what eventually, from the pressure that is coming towards us, may well be totally deregulated shop trading hours. The Democrats are not prepared to see that happen. We believe that we are a sovereign state that is empowered, and in fact is duty bound, to run this state for the best, as we see it, for the residents of South Australia. And it does not include deregulated shop trading hours.

We do not bow to the mantra that all government control, all parliament regulation, is bad, release the shackles and we will all prosper. It is rubbish. It has been shown to be rubbish. And on that basis, I indicate that we will be voting against the second reading. We will vote against the third reading and we will vote against any similar legislation that is introduced in the future. We may look with some mild interest at some amendments, if there is any possibility of doing anything that will soften the blow on the thousands of South Australians who will suffer as a result of this very ill conceived panic move to deregulate shop trading hours in South Australia.

The Hon. CARMEL ZOLLO: As a member of both select committees in this parliament on shop trading hours, I thought I should make a contribution. Indeed, as has been said, the second committee established is yet to report. We are only just looking at the contents of the report. The second committee's focus was on the social impact of deregulation. Members on both committees have heard a great body of evidence that deregulation will increase economic wealth in our society; that South Australia is one of the last states to go down this path; and that deregulation is inevitable, especially given the requirements of the NCC. The other important issue that was raised by many giving evidence was that our society has changed in relation to lifestyle and work practices. Consumers want choice because of these changes—and it is difficult to deny that consumers want choice.

I am not certain that I believe the figures bandied about in relation to the number of people we will see in employment by those who want to see total deregulation but, again, one has to concede it will allow for some employment growth. I was impressed by the evidence given by Woolworths and Coles Myer. Woolworths has more than 10 000 employees in South Australia, some 30 per cent of whom are employed in regional areas and more than 50 per cent of whom are young people. The commitment to regional South Australia has been obvious. With both Woolworths and Coles Myer, we have seen a strong movement, also, over the past couple of years to increase the permanent employment of their work force as opposed to casualisation, as well as a roster system for their staff.

In the previous legislation, the government attempted to achieve some change without total deregulation. It was an attempt to make sure that the interests of the majority of the players were accommodated. The opposition ensured that the bill was defeated for obvious political reasons. Since that time we have seen a backflip. We have gone from caution to wanting total deregulation. With all due respect to the Democrats and the Hon. Ian Gilfillan, I think it is now unrealistic to hold back the tide. The opposition has been totally inconsistent and opportunistic. Last year it opposed or stalled any changes yet it now wants total deregulation.

I believe the bill before us is an acceptable package to most parties. In this issue it is difficult to ensure that everyone gets exactly what they want. This government did go to the last election saying that it would not see total deregulation—and this bill keeps to the spirit of that commitment. It does provide a balanced package of reforms. It has listened to the concerns of the stakeholders and is safeguarding the competition policy payments due to this state, as well as making complementary changes to the Retail and Commercial Leases Act 1995 and providing that core hours cannot be

on Sundays. In relation to employees' protection, I am pleased to note that the existing voting arrangements for the determination of core hours are to be retained, and amendments to enhance the existing provisions, consistent with the approach taken for tenants, will ensure that Sunday work is voluntary.

Enterprise bargaining is now long established. A number of parties are doing it. Penalty rates are part of our industrial relations system. Any number of people can apply to the commission to have their awards varied. It is a very open process. During the select committee inquiry last year, we learnt that various parties indicated their willingness to assist small retailers with the drafting of a template enterprise agreement. I understand that government assistance, in the form of seminars, training programs and grants, was offered to individual employers to negotiate enterprise agreements and, where required, representation in the approval proceedings was also available. I place on the record that I personally would prefer the legislation presented to the parliament last year. Nonetheless, the reality is that the government is faced with the risk of losing competition payments because of no change and the threat of total deregulation by the opposition. I add my support to this legislation.

The Hon. A.L. EVANS: Family First remains opposed to any extension of shop trading hours. It does not believe that it will benefit families or small business. All evidence suggests that with partial or total deregulation, competition will be reduced, unemployment will increase, and many small traders will go out of business. My party's main concern is the impact that any change will have on families and their ability to take time out and enjoy one another. An extension in hours means less time at home with one's family, whether one is a shopper, employee or small business owner. I do not believe shops need to be open for longer hours, for the same reason that I do not believe that government departments, electorate offices or banks should be open after hours. There is a time to be involved in the busyness of life and there is a time to relax with your family. It is commonly called leisure time.

However, there are other reasons why an extension is simply not justified. I do not believe that our economy can sustain increased trading hours. There is only so much money to be spent. I refer members to my speech delivered on 29 August 2002. I will not repeat the matter to which I referred, suffice to say there are certain thresholds of spending power. Where will the community find the extra money?

My office received an email from June Carter. She owned a newsagency and, in October last year, purchased another two newsagencies in Burnside Village. Ms Carter has had 26 years in the retail industry. Her email paints a very sad picture of the impact on retailers in the village last year when Sunday trading was allowed for five Sundays over Christmas. The email states:

> As a new tenant at Burnside Village we went along with the five weeks of Sunday trading—four weeks before and the one after. The first week there were 21 tenancies which did not open. The second week there were 14 and the third week 6, and the fourth week (two days prior to Christmas) all were open. We paid huge wages for staff and made a loss each week except the last, but we felt obliged to open anyway. My husband and I worked every shift as well and did from 7.30 a.m. to 9.00 p.m. (late night trading for nearly a fortnight) which meant we worked 86 hours per week each. Even though we have good staff, we always work alongside them as our business is very labour intensive. The rewards for our huge effort were minimal as it was taken up in wages.
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> The other point is that it is pointless having some open and some shut. The consumer is confused and then angry when he hears the Burnside Village is open (management paid for ads on TV and radio) only to find when he/she gets there, that half are closed anyway. I certainly believe we should have Sunday trading for one week before Christmas, but this year was ridiculous. We have had a good retail month, but I believe that it is simply spread further. For instance, our Mondays following each of the opening Sundays was manifestly lower than usual.

I have some concerns about the penalty rates payable to employees of small businesses. In my discussions with local businesses, I have found this to be one of the key areas of concern for them in any proposed extension of trading hours. They simply will not be able to sustain a business that is open seven days a week in competition with the larger retailers if they must continue to pay penalty rates for after-hours work. If shopping hours are to be extended, I believe that a review by the Industrial Relations Commission of ordinary and penalty rates payable is absolutely essential. I understand that the opposition will move an amendment to this effect. I also do not believe that any changes to trading hours should take place, if at all, until the review is completed.

There is no justification whatsoever for an increase in shop trading hours. I have yet to receive a response concerning my query to the National Competition Council. Is there an unequivocal statement from the NCC that these changes will guarantee continued funding? It is all quite nebulous, and I believe that, at the very least, there needs to be this type of a guarantee before we go down a path that has proven to be detrimental in other places, both interstate and in our rural areas.

The Hon. R.D. LAWSON: I rise to make a brief secondary contribution on behalf of the Liberal Party as the lead speaker in the Legislative Council on this bill. On Tuesday this week in another place, the Liberal Party's spokesperson on industrial areas (Hon. Iain Evans) outlined in a very long contribution the position which the Liberal Party is taking. He highlighted a great number of anomalies in the current bill. I commend to members the full account of his speech which sets out cogently and in some detail our position. I will summarise the position for the Legislative Council but, as I say, I commend that speech to those members who want to see a more detailed account.

The position adopted by the Liberal Party is that it is clear from the statements of the National Competition Council—and, in particular, of the chair of that council, Mr Graeme Samuel—that, unless significant steps are taken in this state, the South Australian community stands to lose considerable competition payments. That will have an adverse effect on the budget and it will affect the moneys available for schools, hospitals and other services in this state. Principally because of that, the Liberal Party has adopted its current position, which is to ensure that this state receives its due entitlements for competition payments and also that changes to shop trading hours are handled in a principled and sensible way.

We have publicly announced our support for further deregulation of retail shop trading hours. However, we think it is lamentable that the opportunity which is now presented has not been seized by the government, which is introducing via this bill a number of anomalies and preserving other anomalies which have long been in the act and which ought to be addressed in a measure of this kind. In particular, we believe that the industrial relations issues are of vital importance to the community, shopworkers and business, particularly small business.

The government measure fails entirely to address those important industrial areas. Accordingly, I foreshadow that, in committee, I will introduce amendments to ensure that the Industrial Relations Commission is empowered to address those important industrial issues and that the legislation sets out a clear set of criteria under which the Industrial Relations Commission should deal with those important issues. We take the view that, unless there is a guarantee that those issues will be dealt with, we should not move ahead with the proposed deregulation.

We also take the view that the government's bill, which seeks to introduce changes immediately, is unfair to many businesses which will be affected by the proposed changes. We propose that businesses should have at least 12 months to adjust to changes of this kind to ensure minimum disruption, maximum maintenance of employment, and no corresponding disadvantage to the community. There is no suggestion that, if a statutory commitment to a staged program is agreed upon, our competition payments will be in any way jeopardised.

Our philosophy is to endeavour to simplify deregulation and administration under the act. There is little simplification in the government's bill. There are quite anomalous provisions including the fact that the powers of inspectors are greatly enhanced in a police state type regime whilst, at the same time, it reduces the degree of regulation that is being imposed. It seems anomalous to be, on the one hand, extending trading hours (saying that you can virtually trade in a deregulated environment) yet, for some reason, on the other hand we have to give inspectors all sorts of draconian powers which are really inappropriate. One wonders why this government would seek to change those administrative arrangements which were designed to enhance powers.

As I mentioned, our philosophy in relation to this model which has been advanced by the Liberal Party—although not, of course, embraced in the government's bill—is that traders should have the opportunity to trade whenever they wish provided they pay the appropriate penalty rates under a rate regime that is appropriately set. We believe that the capacity to trade whenever a business wishes to trade should be tempered by special community requirements in relation to Christmas Day, Good Friday, Easter Sunday and Anzac Day, which are public holidays with special significance for the community.

The environment which we advocate is a greatly more flexible environment. It is one with fewer restrictions. It preserves those important industrial issues and it also preserves the community sentiment in relation to those special days. We also believe in a simplified form of administrative arrangements. The government's model, as I mentioned, would allow, from 26 October this year, a change without providing an appropriate lead-in period, and, as I say, without addressing the important issues of industrial relations. We cannot see why the Australian Labor Party would not wish to ensure that the industrial relations issues are addressed. We know of course that the government is under some pressure from the shop assistants union, but we would have thought that, notwithstanding that pressure, there would be support from the government for measures to ensure that employment remains viable in this industry.

The amendments which we propose would give to the Industrial Relations Commission a responsibility to undertake a review of each award relating to the remuneration of people employed in shops. It would be conducted by the Full Commission, which would be required in its review to make fresh determinations in relation to the appropriate spread of hours for ordinary time worked over a period of a week, and over any other appropriate period, where relevant, and also the rates remuneration, including penalties or loadings payable to employees who work in shops.

I emphasise that it is not the position of the Liberal Party and never has been the position of the Liberal Party that we would do away with penalties or special remuneration for working on any particular days. We do not propose abolition. We do not believe for a moment that the Industrial Relations Commission would support total abolition, but certainly we do believe that a strong case can be made for a revision of the remuneration process. The commission would be required to take into account the desirability of maximising employment and economic efficiency within the retail industry in this state by encouraging higher levels of employment in the retail industry, and this is, of course, an industry which employs a great number of people, many of them casual employees, many of them students, many of them with other jobs.

The commission would also be required to ensure that labour costs are economically sustainable for businesses in the retail industry, to ensure that a fair rate of remuneration for employees is maintained. The commission would also be required to ensure that businesses in this industry are able to trade without the imposition of excessive costs, and also to promote efficiency and productivity in the retail industry. The commission would also be required to give consideration to the nature of the labour market that works or is likely to work in the retail industry, including, but without limiting it, the issue of working on Sundays.

Consideration should also be given to the circumstances of the various kinds of businesses in the retail industry that may be open on Sundays, including the circumstances—and they are particular circumstances—of small and medium size businesses operated by proprietors themselves or by members of their family. Consideration would also have to be given to the ordinary time penalty rates that apply in the other states and in the territories for similar trading arrangements, and there is evidence, and it was certainly provided by the Hon. Iain Evans in the other place in a statistical table, of the great variety of rates that apply across this country.

The commission would also be required to give consideration to transitional arrangements which may be necessary, given the change which is about to occur. There are a number of other matters that would have to be examined by the commission in this important review. I emphasise once again that it is deplorable that the legislation brought before this council in this bill does not address these issues. We propose to remedy that defect by seeking the support of the council to amendments to ensure that those issues are addressed.

I mentioned the powers of inspectors, and it does seem to us that the powers are disproportionate in what is now being undertaken. For example, inspectors are given the power to seize original documents, in a way that they do not have under the existing legislation. There is no justification given for the reason why inspectors should be given the power to take documents. And, for example, this bill would give to inspectors the power to go into a person's home and remove their bank statements. We do not support that concept. Under the existing legislation inspectors certainly have powers of entry, they have powers of inspection, they have the power to take copies of documents to use for evidential purposes. There is no need in an amendment of this kind, which is seeking to liberalise shopping hours, to seek to extend powers of inspectors in such an offensive way.

The amendments which I will be moving here are amendments which were moved in another place and not supported by the government and, accordingly, were not successful. However, we hope that in this place the members of the council, including Independent members and members of other parties, will support the amendments which we seek to make, to ensure that this change to shop trading hours is introduced in a principled way, and also in a way which causes minimum disruption to the operation of business, whilst at the same time ensuring that we receive our competition payments, and that the interests of consumers are appropriately addressed at every stage.

The Hon. A.J. REDFORD: I support the second reading of this bill and endorse much of what was said by my colleague the Hon. Robert Lawson, who is managing this bill on our behalf on this occasion. Last year, a bill was introduced to change shopping hours in this state which was very limited in its effect and which was done with all the political savvy that the minister could muster, and that bill ultimately failed. Back in August last year I made a contribution, and, as we are all wont to do in this game, we always check back to see whether what we are about to say is in any way inconsistent with what might have been said on a previous occasion.

Mr President, I am pleased to advise you that a careful reading of my contribution in August last year would indicate to me that I have not changed my position one jot on this issue. Last year when I spoke on this issue I referred to the fact that the legislation that was brought in by the government was piecemeal. It led to a considerable state of uncertainty about the future intention of the government and did not deal with a number of issues. On that previous occasion, I referred to an article in the *Advertiser* written by Greg Kelton, a journalist for whom I have some considerable respect. He said:

> Mr Wright is not proposing anything revolutionary. In fact, his proposals do not go far enough.

Indeed, I endorsed that comment and said that the Labor Party—the government—should go back, reconsider shopping hours and bring back a solution that would bring certainty to this whole sorry saga (which has gone on over the last 20 or 30 years) so that business can get on with its job with an element of certainly.

As I said on the last occasion, the Liberal Party's position was that we were in favour of broad based deregulation that extends not just to the issue of shopping hours but also to other matters which impact on the competitive market such as labour rates and various other issues. I said that, if we are to change this environment of shopping hours and the way in which business is done in that sense, we need to ensure that all business, whether small or large, operates within the same framework and on a basis of fair competition. Indeed, I supported the establishment of a select committee—which at the time was denigrated by the Australian Labor Party—which looked at and continued to look at the issue of shopping hours.

During the course of that select committee, we spent and have spent some considerable time exploring the issue of pay rates and various other issues associated with the concept of deregulated shopping hours. As I said on a previous occasion, the Liberal opposition's position—and, indeed, this is my personal view—is that, if we are to approach this whole issue, we should do so on the basis of principle, and we should do so on the basis of long-term certainty so that business can plan its future.

I would like to draw members' attention to one of the matters that has driven this whole issue, that is, the statements made by the National Competition Council and in particular its executive officer, Graeme Samuel, who did the select committee the courtesy of coming to Adelaide to give evidence. I know that Mr Samuel is held in very high regard by the Treasurer, the Hon. Kevin Foley, in that the honourable the Treasurer was quite outspoken in his statements referring to what Mr Samuel was saying leading up to the debate on shopping hours in the latter half of last year. Indeed, the National Competition Council issued almost a report card in relation to reform of retail trading arrangements. In that report, he reported on each state. In relation to South Australia, he referred to the fact that we restricted shopping hours and prohibited Sunday trading outside the central business district, except on six designated Sundays. Indeed, he made this comment in that report card:

> These are significant competition questions. The provisions typically discriminate between sellers on the basis of their location, size or product sold. They prevent consumers from shopping at the times they find convenient and prevent businesses that consider they would benefit from extended trading hours (including major retailers, national specialty chains, franchisors and many small businesses) from opening.

In that respect—and I will paraphrase his evidence—Mr Samuel is saying that as part of his brief as Chief Executive Officer of the National Competition Council he opposes not restrictions on shopping hours but the lack of a competitive environment or regulatory mechanisms which have no public benefit other than to impact upon a competitive environment.

In relation to the report he gave last year, Mr Samuel referred to South Australia and our Shop Trading Hours Act 1977—a much amended act, I might add. He indicated that, during the assessment which took place last year, the council met with the Treasurer to seek advice on how the government intended to address outstanding national competition principle questions relating to trading hours. It was only then that the Treasurer was determined to revisit the original trading hours issue. We know that the Treasurer takes his orders from time to time from the SDA—a Mr Farrell—and I have no doubt and believe that he was in a very uncomfortable position, having to traverse the rail between the union which supports him in parliament and the demands by the National Competition Council. So, he gave that undertaking.

The report referred to the media release issued by Minister Wright last year concerning proposals that were before the parliament last year. The National Competition Council carried out an assessment of those proposals. Firstly, it pointed out that the government had not provided a public interest explanation for its restrictions. He then went on and criticised, in terms of his brief, the current shopping arrangements. He then went on and said this:

> It is difficult to see how the reforms announced on 11 August 2002 address the problems identified above. The extension of week night trading does not cater for consumers who find it convenient to shop after 9 p.m., and although the number of Sunday trading days will be increased, Sunday trading for suburban nonexempt shops is still prohibited on 42 Sundays of the year. The proposed reforms appear to do little to rectify the discrimination against large suburban department stores and supermarkets that are prevented from opening on Sundays while businesses selling similar merchandise in the central business district or Glenelg may open.

The document further states:

> Given this, and that significant restrictions on competition still remain, the council is unable to conclude that South Australia has complied with its CPA clause 5 obligations in this area.

What we have is a statement from Mr Samuel in a publicly available report that the proposals set out by the Labor government last year did not meet competition council standards, and that was made very clear. What I find absolutely stunning is that that great political genius, Michael Wright, the Minister for Industrial Relations, thought that he would get a good headline over the Christmas break by saying:

> Competition payments are under challenge as a consequence of the failure to pass legislation last year.

What he did not say in this dishonest statement was that competition payments were in doubt with their proposals as well.

He sought to play cheap politics—and he probably got away with it for a short time because the *Advertiser* has not been all that questioning of this government's policies on this issue at any stage. I say that in the most polite way to the people at the *Advertiser* who have time available to them to read my contribution, but they have been less than critical. We had this minister running around over the Christmas break and leading into January thinking that he was on a really good thing; that is, we were not going to get competition payments. He said that it was a figure of $58 million, that we were the bad guys and that health services, education services and all sorts of other things were going to be cut as a consequence of our intransigence. What he did not say is that his reforms were also putting the $58 million at risk.

In terms of his credibility and his standing in the community, by that great omission he did much damage to the standing and the stature that a minister of the crown should be able to hold themselves. He told half the story and gave a misleading impression. The problem with the minister is that he does not think past the next headline. He does not think that in politics things might change. He does not think that, if the opposition has an opportunity to follow through on a principle—and we have been principled in this: we agree with reform but we want a package of reform and we want certainty in reform—he can get away with these cheap headlines. That is what we had. That was the environment in which we were living; that is, this $58 million was in jeopardy.

The Treasurer, who is another political genius, at the same time was running around saying that there was no way in the world he would ever agree to the federal Treasurer's nomination of Mr Samuel to the ACCC, which was hardly going to put South Australia in a strong personal position in relation to this $58 million worth of competition payments. In terms of shopping hours and the rhetoric coming from the minister late last year and early this year, the opposition was placed under some pressure—and I would acknowledge that. I am grateful to the Hon. Terry Roberts for his being a very good chair of the select committee. He has enabled us to get the evidence to mount the case and to demonstrate to the South Australian public and those who are reasonably well educated that this minister did not have a clue about what he was doing other than playing politics and grabbing cheap headlines.

Mr Samuel gave evidence before the committee and he talked about what was required. The first thing he did was confirm that that boxed up set of amendments to the act that was delivered to this place by the minister would not qualify this state for competition payments. There we have one gaping hole in the minister's press releases about the loss of competition payments being caused by the opposition. The loss of competition payments will not be caused by the minister or by anyone else. That is the first thing. The minister said that it was $55 million before Christmas and $58 million after Christmas, but then he is not known for his attention to detail. He is the sort of minister that we on this side of the chamber have to check everything he says because, generally speaking, there are several inaccuracies in anything that he does say.

However, what Mr Samuel said is that the $58 million was the maximum amount. It was not $58 million at all: it was some portion of $58 million. The minister well knew that, but the minister did not worry about his reputation for accuracy, because I suspect he knows that his reputation for accuracy is shredded. He knows that anyone who has followed this issue closely at all would not take the minister's word on some of the facts that he puts in media releases on their face because they are wrong. Mr Samuel confirmed that; that is, it was not $58 million. We in the committee sought to explore exactly how much competition payment we might lose. Mr Samuel gave us an explanation, and the explanation is that he only makes recommendations to the federal government, that is, to the federal Treasurer, Mr Peter Costello, and that Mr Peter Costello has the right to reject, amend or change a recommendation made by Mr Samuel on behalf of the National Competition Council.

I have to say that we all know—when I say 'we all know', I would leave the minister out of this because I am not sure that the minister knows anything about anything, based on the accuracy of his media releases—that the Treasurer has never rejected a recommendation made by Mr Samuel. From that we can assume that, if Mr Samuel makes a recommendation, it is fairly likely that that recommendation will be adopted by the Treasurer. Mr Samuel would not be drawn on a precise dollar figure, but he said:

> It is regarded as a significant issue.

I then asked the following question:

> Over the next 10 weeks we will have to make a decision about shopping hours, and I think that we as members of parliament are entitled to have all the information in front of us so that we can make an objective and careful decision. If it is going to impact on $1 million worth of payments, our reaction might be entirely different than if it is, say, $55 million. You may want to take this question on notice, but I suggest that it is important for us, in balancing what is a difficult issue affecting large numbers of people, that we are given a range. If it is only $2 million we might say that we will cop that sweet; if it is $55 million we might take a deep breath.

Mr Samuel answered:

> Without wanting to bind the council, I will give you a feeling. First, it will not be $1 million; and, secondly, it will not be $55 million—it will be somewhere in between—

I might say that that answer was not all that helpful, and I say that with the greatest respect to Mr Samuel. However, he continued:

> It will not be nominal, and it will not be the whole $55 million. Let me recount what I said before. The sort of things that the council would consider in dealing with this are: impacts on the economy, the consumers and employment. That is area No. 1. I think I have already indicated that governments around the country have taken a view that reform in this particular area is significant in terms of the economy, consumers and employment.

The National Competition Council is saying that it is a significant issue. If we put that in context, what the National Competition Council does is take submissions from the state

government, and there was nothing in any of the information provided to us by Mr Samuel that indicated that the government (led by the Treasurer, the Hon. Kevin Foley, and the erstwhile Minister for Industrial Relations, the Hon. Michael Wright—who I might add is not all that accurate in what he says from time to time) had not given the National Competition Council any indication contrary to the effect that this is a significant area in terms of economy, consumers and employment.

The opposition is stuck with that position. The government's position was that it was significant—it could not convince the National Competition Council that it was not significant. In my understanding, it did not even bother to try. It created a less regulated environment and a level playing field, and that position needs to be made very clear.

Mr Samuel then went on to try to give us a bit of a feel for the sort of money we are talking about, as follows:

> I will give you an example to give you a bit of a feel for what I am talking about. We had to deal with an issue (this is public; it is on the record) involving domestic deregulation of the rice industry in New South Wales.

I suspect that the rice industry is not a particularly big sector of the New South Wales economy; it would not be anywhere near the size of the retail trading sector in the South Australian economy. Mr Samuel continues:

> The council determined that the sort of reductions in payments that should apply then—we are talking about domestic deregulation not export deregulation—should be about $10 million plus. That was for a single industry of rice and domestic marketing of rice within New South Wales.

Therefore, the insignificant rice industry caused $10 million worth of penalty payments. Indeed, Townsville City Council, which did not introduce a two-part tariff for water reform, got a fine of $275 000, which is also a fairly significant sum of money when you look at the context of a water tariff industry in relation to the whole of the Queensland economy.

What Mr Samuel was saying was that this is not going to be an insignificant amount, but it certainly was not going to be the $58 million that this inaccurate minister was waving around out there in the community. As I said, we on this side of the chamber have become accustomed to the serial inaccuracies of the minister's press releases when it comes to an opportunity to make some short-term cheap political point.

In any event, there was the minister out there, belting the opposition over the head—I am sure he would go back to his branch meeting (I understand that he is still welcome there) and say, 'Boy am I doing a good job—I'm getting my name in the paper,' etc., and he would be telling all these people that he is flogging the hell out of the Liberal opposition. What he did not count on was the fact that the Liberal Party was working on a number of issues, and I think all congratulations are due to the shadow minister, the Hon. Iain Evans, for his leadership (and I believe there is no other word that could be ascribed to it) in bringing business together and sitting them down and saying 'Look, there has to be some reform and we are prepared to sit down and listen to you about the process of reform.' At the end of the day, the talk in the corridors in this parliament amongst—

An honourable member interjecting:

The Hon. A.J. REDFORD: Shook who? The Hon. Ian Evans? He got support. They endorsed him. Perhaps I could tell the honourable member a little bit of stuff, because we get to hear these things on this side of the chamber. My understanding is that, when Don Farrell heard about this, the paint blistered off the walls. My understanding was that what paint was left on the walls came off when the minister visited Don Farrell and Don Farrell gave him a lecture about how his foolish political strategy had led to the last thing that the union wanted on this. What this minister has done is quite extraordinary. He has brought all these people, most of whom never talk to one another, together, not in his office but in the shadow minister's office. That is the political genius that we have seen in relation to the process and development that led to the introduction of this legislation in this place. The minister's ridiculous political strategy—

The Hon. T.G. Roberts interjecting:

The Hon. A.J. REDFORD: I am happy to acknowledge the Hon. Terry Robert's interjection which describes the Minister for Industrial Relations' political strategy in dealing with this vexed issue of shopping hours. I will acknowledge that, through his conduct, this minister has managed to bring together all these warring people in relation to retail shop trading hours. They have reached a sense of agreement, and it occurred in the shadow minister's office. In my nearly 10 years in politics I have never before seen a minister who has managed to do that. It was an extraordinary performance. When everybody came together, we discussed exactly what I was talking about when we dealt with this bill last year. That is, we need to look at the whole picture and the long-term future.

You contrast the government's position on this with our position. The government's position has been one of scrambling and playing politics: introduce a bill, hit the opposition around the head, do a whisper campaign out there in the community, keep bashing the opposition with misleading figures about competition payments and then, when they get gazumped, the minister comes up with some half-baked reform. First, it is not full reform at all and, secondly, he acknowledges this because he wants to have a review in a couple of years. Is it not time that, once and for all, we got this reform out of the way and over and done with so that it does not continually come back to this parliament?

That is what this opposition is all about: giving the business community some degree of certainty so that they know what their long-term position will be regarding shopping hours, and giving them an opportunity to adjust to the new competitive environment. Also, finally, to get this interminable argument—this almost annual visit to shopping hours by parliament—off the agenda so that people can get out there and shop and business can get out there and do business. The government bill is deficient because it fails to do any of that. Sure, it gives us a few extra hours of shopping, and then it creates the uncertainty of an inquiry two or three years down the track. That, with the greatest of respect to the minister—and it is not high at the moment—is just stupid. That is the position in relation to the lead up to the changes.

I know that the Hon. Carmel Zollo made a comment that we on this side were hypocritical. All we have said consistently—and we have been consistent throughout the whole debate—is that we want a total package of reform. This is more than just about changing a few hours here and a few hours there. In that respect, I reject what the Hon. Carmel Zollo says. I respect the comments made by the Hon. Ian Gilfillan and understand precisely where he is coming from. He has not sought to play politics with this at all. What he has done is say: 'This is our position. We believe in regulation. We reject what Mr Samuel is saying. We don't believe that we should be dictated to by Mr Samuel and, whatever the money—'and I am sure the Hon. Ian Gilfillan would agree

with me'—we don't know what it is but we are prepared to pay that cost in the absence of reform.'

At least I can understand his position. What I cannot understand is the government's position of half-baked reforms with further reviews, and these reforms coming in and hitting small business on about four weeks' notice. That is to be deprecated. I do not know that I have heard anyone say this during the debate but I advise this place of comments made both by Mr Samuel and by the leading proponents of shopping deregulation. What the National Competition Council wants is legislative certainty. It does not say that the reform has to be in place by 1 July this year. All it is after is legislative certainty.

When Coles and Woolworths have been asked whether they have a problem with a phasing-in period, they have said that they have absolutely no problem with that. In fact, Woolworths has indicated that there was a phasing-in program, albeit not a very good one (but what would you expect from a Labor government), that occurred in Tasmania, and they fully supported that phasing-in program. What we have now is a situation where all the players say, 'We don't mind if this is phased in.' All the players are saying, 'We don't mind some legislative change.' And the majority of players, if not all, recognise the inevitability of total deregulation. So, there is no other solution than that which has been put to this parliament by the opposition.

In that context, in that environment, there is no other solution. If you compare that with the government's position of, 'Well, small business, you can cop it sweet: you can start in six weeks' time. We're not going to change anything else, and if half of you get wiped out because you're competitively disadvantaged in the first six months, we don't care.' Contrast that with the opposition position, which is, 'Look: this is coming; it's inevitable. You have 12 months to get a few things in order, to plan your businesses, to make your financial adjustments, to change whatever you need to change and, importantly, to get in place an award or even an enterprise agreement to enable you, from a wage perspective, effectively to compete with the big guys on a relatively level playing field.'

That is a pretty clear, stark choice and I will be very interested to see what some of those on the cross benches do. I acknowledge that they are in a very difficult position. They have on the table this half-baked set of reforms that only half reform, given by the government, knowing that they are immediately going to adversely impact on small business; or they have our choice. I accept and acknowledge that they genuinely believe there should not be deregulation but, at least with our package, we are saying that small business will have a time to adjust. We will give small business the time to get appropriate award adjustments and enterprise agreements.

That is the stark choice that will confront the cross benchers when we deal with the committee stage of the bill. I would have to say that on any analysis it would appear to me that the best outcome for small business is the proposals of the opposition. I suspect that, when the bevy of lobbyists on this issue go visiting these cross benchers, some of them will say, 'We're not all that happy with what either of the major parties is doing but, if we have to pick one, we will pick the opposition choice.' That will demonstrate what an utter and complete failure this minister is in terms of dealing with this issue of shop trading hours.

If I can give in closing a small word of advice to the minister, it is this: when you are in government, do not play politics all the time. There is a time occasionally when you sit down, apply your principles, think forward beyond the next headline and come up with a set of proposals that South Australia will understand in the long term. To come into this parliament after the vexed history of shopping hours with a clause that says it is going to be reviewed yet again in three years' time is a demonstration of failure on the part of this minister to think past his nose. I commend the bill.

The Hon. DIANA LAIDLAW secured the adjournment of the debate.

PROHIBITION OF HUMAN CLONING BILL

Adjourned debate on second reading.

(Continued from 30 April. Page 2168.)

The Hon. G.E. GAGO: I speak briefly in support of both this bill and the Research Involving Human Embryos Bill. I have listened with great interest to the debate that has surrounded these bills and acknowledge the considerable complexity involved in them. The technical and scientific basis of the bills, along with a wide range of different expert opinion, tends to make consideration of these matters very challenging. So too, of course, are the tough ethical issues confronted in these bills. I appreciate that my parliamentary colleagues have expressed a wide range of different views on these matters and, no doubt, have wrestled with these challenges just as I have.

I respect the fact that the position that each of my colleagues has come to is one they sincerely believe is in the best interests of the community, just as I assert that support for both these bills is indeed in the best interests of the community. These bills are similar to commonwealth acts and, I understand, if passed, will bring SA legislation into line with other states and territories in relation to consistent rules for the use of excess embryos. I understand that this legislation will also support the COAG agreement. The national system being proposed will deal with regulating the use of excess embryos for research, teaching, training, quality control and commercial endeavours. The associated commonwealth acts passed in December 2002 provide for the following:

- prohibit the creation, implantation, export or import of a human embryo clone and certain other embryos for ethical and safety reasons.
- establish the National Health and Medical Research Council (NHMRC) embryo research licensing committee to assess and license research and other uses of excess embryos; and
- provide for centralised, publicly available database of information about all licences issued by NHMRC.

The bill before us gives administrative functions to the NHMRC by appointing the NHMRC licensing committee as the authorised licensing body under state legislation. It also provides the committee with the power to appoint inspectors.

The proposed licensing system has been put in place to regulate the use of embryos for purposes not related to clinical reproductive treatment or treatments for people with fertility problems. Regulation relating to infertility will continue to be addressed under the Reproductive Technology Act. The bill covers all aspects of embryo research, including embryonic stem cell research. It deals with embryos which are used for research and investigating treatments for diseases and injuries. The bill also provides for diagnostic testing of

embryos which would assist in helping couples identify failures in fertility treatment. The bill strictly prohibits the creation of embryos for the purposes of research and relates only to embryos which are excess to reproductive treatment.

Considerable research has continued, and will continue, to occur using both stem cells and embryonic stem cells. I am sure every member is aware of the reported potential for significant advances in the treatment of a wide range of diseases and injuries. Although this work is still at the experimental stage, it heralds the potential for a whole new era in medicine—a bit like what the discovery of penicillin did for the treatment of infections. We all know what impact that has had on alleviating a great deal of human pain and suffering. Stem cells have the potential to replace damaged tissues. However, embryonic stem cells have the significant advantage of being able to form a wide range of specialised cells, such as nerves, skin or brain cells. Embryonic stem cells could not become or develop into a baby if, for instance, they were placed in a woman's uterus, as these cells do not contain the complete material needed to enable this to occur.

There continues to be a great deal of debate around both stem cell and embryonic cell research. Many opponents of embryonic cell research claim that this type of research is unnecessary because of the similar potential that stem cell work holds. However, research, so far, has proven that stem cells are not as versatile as embryonic stem cells. I believe that at this time it would be extremely valuable for our community if research were to continue in both areas.

One of the significant moral dilemmas that this legislation presents is whether embryos created in excess of those created for IVF programs should be destroyed or be allowed to be used for scientific research into treatments and possible cures for a wide range of debilitating and fatal diseases. I believe we have an ethical responsibility to enable such research to occur. Those who oppose this legislation are, in effect, ethically supporting the flushing of all excess embryos down a sink. I do not see this position as serving some higher principle, as many of these opponents claim.

One of the arguments you hear from opponents of this bill—those who oppose it on moral or ethical grounds—is that exposing embryos to research shows a lack of respect for the dignity for human life. My point of view, however, is that allowing these embryos to be flushed down a sink and/or standing by watching a loved one die of a disorder, such as motor neurone disease, or suffer a life with pain and disability, and often humiliation that comes from the loss of control over one's body, is, in effect, demonstrating a lack of respect for the dignity for human life.

I am able to support this legislation because I believe it establishes adequate safeguards. Safeguards, of course, are essential, and I believe this bill, along with complementary federal legislation, provides these by placing strict limitations on embryo research. As well as banning the creation of embryos for research, only certain embryos will be permitted to be used, for example, those embryos created in excess of fertility treatments, which, as I stated previously, in the past have all been discarded. Legislation also ensures that before the NHMRC licensing committee can issue a research licence, evidence is required to be provided that informed consent has been received from those donating the embryos, including enabling the donors to determine the type of research to which they are prepared to donate and under what sorts of conditions.

Researchers are required to account for every single embryo and abide by all the conditions set down by the donors. There are also safeguards imposed by the local human ethics research committee. All research projects have to be approved by this committee in accordance with the NHMRC guidelines of 1999 on ethical research. The NHMRC licensing committee takes a number of issues into consideration before issuing a licence. These include the local human ethics research committee assessment of the project; the requirement to restrict the number of excess embryos likely to be necessary for the project; and the likelihood of significant advances in knowledge, treatment, technologies or other application from the proposed project. The period of the licence will be determined on a case by case basis.

The commonwealth act enables the NHMRC to appoint inspectors who have the power to monitor the activities of research laboratories to ensure prohibitions are enforced. Also, regular national reports are required to be provided by NHMRC to both the South Australian parliament and the federal parliament. Annual reports are also required by the council on reproductive technology. These reports, obviously, and the matters contained therein, are provided and are available to the general public.

I will conclude by speaking briefly about my support for the prohibition of human cloning. I am opposed to the cloning of a human embryo. A human clone is defined as 'a human that is a genetic copy of another living or dead human'. This is a practice which, both internationally and nationally, is considered unacceptable and is generally banned almost throughout the world. The idea of cloning another human being is quite simply abhorrent to me. However, it is interesting to note that the UK has decided to allow SCNT (sematic cell nuclear transfer), which is also commonly referred to as therapeutic cloning. It is a type of research which involves cloning cells from a person to replace their own damaged tissue. The UK has allowed this research to be conducted under very strict guidelines and, no doubt, the world will be closely scrutinising these sorts of developments over time. Currently, in Australia this type of research is continuing in animals only.

These two bills, together with the complementary federal legislation, I believe allow for scientific developments which are in the interests of humanity to progress at a cautious rate. They outline very strict parameters for future research, particularly embryonic stem cell research, while providing a significant number of safeguards. I believe that the potential these developments hold will be quite revolutionary, extremely far reaching and extremely beneficial to our community. I commend the bills to the members.

The Hon. J. GAZZOLA secured the adjournment of the debate.

[Sitting suspended from 12.50 to 2.15 p.m.]

STATUTES AMENDMENT (EQUAL SUPERANNUATION ENTITLEMENTS FOR SAME SEX COUPLES) BILL

A petition signed by 385 residents of South Australia, concerning the Statutes Amendment (Equal Superannuation Entitlements for Same Sex Couples) Bill and praying that this council will support a motion for the Social Development Committee to investigate the bill and implications for the bill arising from the Attorney-General's departmental discussion paper on removing legislative discrimination against same sex couples, was presented by the Hon. A.L. Evans.

Petition received.

VOLUNTARY EUTHANASIA

A petition signed by 295 residents of South Australia, concerning legalising voluntary euthanasia and praying that the council will pass a bill allowing for a statewide referendum on the matter of legalising strictly and properly regulated voluntary euthanasia for the terminally ill, was presented by the Hon. Sandra Kanck.

Petition received.

ELECTORAL MATERIAL

A petition signed by 44 residents of South Australia, concerning the handing out of voting cards to electors at polling booths and praying that the council will urgently move to amend the Electoral Act to ban the canvassing of votes and handing out of electoral material within 200 metres of the entrance to a polling place on polling day, was presented by the Hon. Sandra Kanck.

Petition received.

QUESTION TIME

PRISONERS, SEXUAL OFFENDERS PROGRAM

The Hon. R.D. LAWSON: I seek leave to make a brief explanation before asking the Minister for Correctional Services a question about a sexual offenders program for prisoners.

Leave granted.

The Hon. R.D. LAWSON: Yesterday, in the final chapter of a long-running saga of pre-budget announcements made by the government, the Premier announced that $4 million will be applied over the next four years for the conduct of a sexual offenders program in correctional institutions. The opposition welcomes that initiative, and, indeed, has been calling for it. My questions are:

1. Has the Department for Correctional Services been involved in developing the program announced yesterday by the Premier?

2. Is the program, which will be conducted in South Australian institutions, based on any comparable program in any other jurisdiction; if so, what jurisdiction?

3. Who will be providing this program?

4. When will it commence?

The Hon. T.G. ROBERTS (Minister for Correctional Services): I thank the honourable member for his question and his ongoing interest in all matters rehabilitation in relation to the prison system in South Australia. When we came into government we found that no programs were being run by the previous government in relation to the rehabilitation of sexual offenders—

The Hon. R.D. Lawson: What about the one before that?

The Hon. T.G. ROBERTS: Well, in terms of the previous eight years, in many cases a lot of prisons were not running programs but, in more enlightened years, over time, most prison systems have tried to put in place a program for the rehabilitation of sex offenders. Most other areas have tried and true methods for rehabilitation, including remedial work such as training programs, to teach people how to read and write and to get them job ready and prepared for when they exit prison. That was enough to rehabilitate some prisoners.

In relation to sex offenders, in particular child sex offenders—people in gaol for those crimes the community would describe as heinous—it is not so easy to run rehabilitation programs which would guarantee that when they are released after serving their sentences they will not reoffend. Programs, which have been run and which are operating in other parts of the state and the English speaking world with prison systems similar to ours, are being tested, for want of a better word, in situ. There are some models which we will be considering for adoption within the South Australian state system.

When I was first appointed Minister for Correctional Services, one of the first questions I asked of the then director, John Paget, was what programs he recommended we examine. His reply was that we should look at a range of programs that have been put in place elsewhere, test their validity and then have them evaluated within our own system.

Regarding what, who and when, we have been considering introducing this program during the 12 months since we were elected. We will thoroughly examine programs that are being run both interstate and overseas. I understand a lot of work is being done in this area in the United Kingdom. The type of program that we introduce will not be experimental but based on evaluations by overseas practitioners and experts who believe there is some value in the treatment of prisoners. It must be borne in mind that many offenders are beyond any form of rehabilitation. I think there is an admission by some people in the field that more radical treatments need to be involved, not just psychological counselling services but a whole range of programs.

So, we will probably look at a whole suite of programs. The responsibility for the introduction of these programs will be handled by health in consultation with psychiatrists and psychologists and in conjunction with tertiary institutions which may have evidentiary material that has been evaluated and shown to have some value. I think that covers who will be involved. As to when, we will be doing that as soon as cabinet endorses a program for evaluation to be introduced into South Australian state prisons.

The $6 million allocation that the government is considering for rehabilitation programs includes other issues associated with the sexual offenders program. Although this program represents the cornerstone of the funding, there will be other programs, some of which, as I mentioned before, will be an extension and a continuation of programs that have been in place for a period of time in the prison system under a number of directors and across other governments. This would be a good time to evaluate many of those programs and integrate them into a total rehabilitation package for some offenders.

The Hon. R.D. LAWSON: Will the minister confirm that, notwithstanding yesterday's announcement and today's headlines, the government has not yet decided upon any particular sexual offenders program for prisons?

The Hon. T.G. ROBERTS: Part of the funding allocation in this budget will be spent on examining programs. There is no point in rushing into—

The Hon. A.J. Redford interjecting:

The Hon. T.G. ROBERTS: Well, I have been advised that some of the programs do not work at all, some have a minor chance of success, and others have a medium level of success. These programs are not a panacea for the behavioural correction of a wide range of prisoners in our system.

One of the pieces of advice given is that if we can get admissions, particularly from child sexual perpetrators, they can be part of a rehabilitation program. If there is no admission of guilt or wrongdoing, apparently (this is coming from

experts), there is no point in trying to get prisoners to avail themselves of it. The sentencing system and rehabilitation programs are all part of the program that will be run through Justice, Health and Correctional Services. I assure the honourable member that the government is committed to examining all options but will not rush into and waste money on programs that have been shown not to work that have been introduced overseas or interstate.

We will be taking wise counsel from people dealing particularly with child sex offenders, violent offenders and gamblers, given the problems associated with serious gambling for which people find themselves in prisons. We will also be spending money on culturally appropriate rehabilitation programs with specific reference to Aboriginal offenders. We will be looking at it in a serious way and it will not be something that we will rush into, but we are looking at the best ways to reduce offending and to ensure that the budget allocation is spent in the most appropriate way. If the honourable member has any suggestions about programs that we should be evaluating then by all means I would be prepared to talk to the honourable member about those programs.

DISTINGUISHED VISITORS

The PRESIDENT: I draw the attention of the council to the presence of some distinguished visitors in our gallery: the parliamentary delegation from the Majlis of the Islamic Republic of Iran in the persons of Dr Jafar Kamboozia, leader of the parliamentary delegation, and other members of parliament, and Mr Eshagh Alhabib, Charge d'Affaires of the Iranian Embassy of the Islamic Republic of Iran. On behalf of the members of this council, I welcome the delegation to our chamber, and I trust that your visit to our country will be both enjoyable and educational.

Honourable members: Hear, hear!

BARLEY MARKETING REVIEW

The Hon. CAROLINE SCHAEFER: I seek leave to make an explanation before asking the Minister for Agriculture, Food and Fisheries a question about the Barley Marketing Act review.

Leave granted.

The Hon. CAROLINE SCHAEFER: As I understand it, the act was due for review some four years after its previous implementation, and a committee reviewing the Barley Marketing Act was formed. I understand that that report is due to be released either tomorrow or some time in the near future. Unfortunately—and I think the minister will agree with me—there appears to be a wild rumour throughout agricultural circles in this state with regard to the release of that report.

An honourable member: How wild?

The Hon. CAROLINE SCHAEFER: Fairly wild, actually. When this committee was formed, that is, the committee to review the act, it came up with a process that its members believed would allow them to accurately assess the benefits or otherwise of a single desk to South Australian barley growers while complying with the national competition policy. That process included an executive support person who, I am told, was an appointment from crown law, and the expertise of that person was very much needed within the review process.

It is my understanding that, some time into the review, the minister removed that person from the review process. If this is the case it would mean that the committee has not been able to undertake the type of review process that it had agreed would be best for the review of the single desk process in this state. As a result of a question I asked on 19 February, the minister himself said that the review of the act will be undertaken at minimal cost to the taxpayers of this state but would still fulfil the functions required of the National Competition Council. My questions are:

1. Why did the minister remove this person from the review into the single desk for barley?

2. Given the huge contribution that barley producers make to the South Australian economy and, therefore, the high importance that the review into the barley market has in this state, why did the minister not ensure that the review committee was afforded the freedom to undertake this review as it saw fit?

3. Did the minister, or any person from within the minister's department, change the terms of reference or in any way change the original intent of the review of the act?

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): The Barley Marketing Act review is required not in four years, as the honourable member said, but in two years. The previous amendment to the Barley Marketing Act was proclaimed at the end of 2000—I think it was November 2000—and it was required that a review begin two years from that date. The review process was established by November 2002, so it was last year, as required under the act. Also, under the provisions of that act, the report on that review has to be presented to both houses of parliament.

The chair of the review committee has an appointment with me tomorrow afternoon. It is my understanding that he will be presenting me with an executive summary of the report. I understand that the final version of the report has not yet been completed. So, I am not quite sure where these rumours that apparently have been circulating come from. The information I have been given is that the committee will be presenting me with an executive summary tomorrow, because the report was due to be completed by the end of May.

The honourable member then talked about the background to this review. There was obviously some negotiations in relation to the appointments to the review committee and the terms of reference. It obviously needed to satisfy the requirements not only of the Barley Marketing Act but also of the National Competition Council, since it has made no secret of its interest in the review of the Barley Marketing Act. It is one of those issues on which it has been keeping a close eye in relation to competition payments for this state. I am well aware that in the early stages there was a lot of negotiation in relation to various aspects of this review committee, including the membership, terms of reference and so on. Certainly at that stage, there was—

The Hon. Caroline Schaefer: So you did change them?

The Hon. P. HOLLOWAY: As I said, there were negotiations. They were not personally changed by me. As I said, we had to come up with a set of conditions that were acceptable to the National Competition Council. That was obviously a part of the negotiations that occur in all these national competition reviews in the early days. I will need to refresh my memory in relation to those. It was obviously some time back. The honourable member is quite correct when she says that I mentioned in February that it was my

view that this exercise should cost a minimal amount for the taxpayers of this state. After all, we had a full-blown review of the Barley Marketing Act two or three years ago. If we are to go through this exercise every two or three years, there should be some limit in relation to costs.

Nevertheless, let me make it quite clear that, as part of the ongoing negotiations officers of my department had with the National Competition Council, the review would be robust and independent, and would meet the requirements of the National Competition Council. As I have discovered in this job in relation to some of these reviews—and even the development of legislation nowadays—one needs to have the officers of one's department in fairly regular contact with the National Competition Council to understand its requirements in relation to these pieces of legislation.

I am not sure whether I can add much more in relation to that. As to the matter of the officer of crown law about whom it was alleged that I had intervened, I am not sure. It certainly was not my personal intervention but, whether any actions were taken in relation to the officers of my department as to who should be involved, I do not know. I certainly know that some discussions were held in relation to the methodology and so on of this particular review, but, as I said, it is the nature of these sorts of inquiries that there are ongoing discussions with the NCC during the course of the review. The best thing I can do is to arrange a briefing for the honourable member in relation to the history of this matter, but what will probably be far more important than the process will be the report itself.

I have no idea what is in that report. I look forward to receiving the report tomorrow. Obviously that will be considered very closely by the government when deciding where we go from here, and I think that is probably much more important than what may have happened in the development of the review. However, let me again stress that the review was a very independent robust process and I would expect that not only would it meet the requirements of the national competition policy but the other requirements of the government.

The Hon. CAROLINE SCHAEFER: I have a supplementary question. Did the minister, or someone from his department, remove the legal executive support person from the review committee; and did the review committee agree to the change in direction halfway through the review?

The Hon. P. HOLLOWAY: I was not aware that there was a legal support person, as the honourable member says, permanently attached to the committee. I would have thought that, from time to time, the review committee sought the services of officers of my department and other departments such as crown law in relation to issues, but let me say that I do not normally become involved in that sort of level of detail, but I will obtain the answer for the honourable member.

The Hon. CAROLINE SCHAEFER: I have a further supplementary question. Does the minister read his briefing papers on matters such as this or does he not?

The Hon. P. HOLLOWAY: In relation to this matter, I have had ongoing discussions in relation to it, but I do rely on the officers of my department to conduct the negotiations with the National Competition Council. I have had at least one or two meetings with the chair of this committee, Professor David Round of Adelaide University, to receive reports on how the review is being conducted, and I look forward to meeting with him tomorrow to receive the executive summary of the report.

GAS SUPPLY

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I lay on the table a copy of a ministerial statement relating to natural gas pricing made earlier today in another place by my colleague the Minister for Energy.

ADELAIDE AIRPORT

The Hon. DIANA LAIDLAW: I seek leave to make an explanation before asking the Minister for Agriculture, Food and Fisheries, representing the Premier, a question about Adelaide Airport.

Leave granted.

The Hon. DIANA LAIDLAW: Late Monday afternoon on the Adelaide Cup holiday weekend, I returned from Melbourne by plane to Adelaide Airport to be greeted by fierce rain and a thunderstorm. The Queenslander sitting next to me was most bemused when he told me that the last time he had been to Adelaide in 1993 it was so hot—45 degrees—that his thongs stuck to the tarmac. Now, 10 years later, he wished he was wearing his thongs, or rubber boots, rather than his good leather shoes, which he feared would be ruined by the rain and all the big puddles on the tarmac. I could not help but be sympathetic, but I was unable to assure him what the state of play was with the new terminal. I did recall that the Premier had promised to get this all fixed. I found an interesting article in the *Advertiser* of 12 July—

The Hon. G.E. Gago interjecting:

The Hon. DIANA LAIDLAW: It is very interesting when interjections are made out of ignorance. All the parties had signed up for the new airport development. It collapsed only because Ansett collapsed. Do not blame that on the Liberals.

Members interjecting:

The Hon. DIANA LAIDLAW: It was a federal government.

The ACTING PRESIDENT (Hon. J.S.L. DAWKINS): Order! The honourable member should return to her explanation.

The Hon. DIANA LAIDLAW: It is interesting how proud some people are of showing their ignorance in this place. The Premier said on 12 July 2002 that he vowed to resolve the impasse between all the players and he would be going to Sydney to meet Qantas and Virgin. He said that he had decided to take the issue on personally and fix it. Well it is not fixed, agreements have not yet been signed and nothing has been finalised. I ask the Premier, in terms of his commitment to fix the issue: when does he propose it will be fixed? Can I meet my commitment to this Queenslander and be able to write to him and say that within the next 10 years he can return to Adelaide safely, without fear of his thongs sticking to the tarmac or having to wear his wellington boots or bring his umbrella?

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I will refer those questions to the Premier and bring back a response.

RIO TINTO AUSTRALIAN SCIENCE OLYMPIADS

The Hon. G.E. GAGO: I seek leave to make a brief explanation before asking the Minister for Agriculture, Food and Fisheries a question on the Rio Tinto Australian Science Olympiads.

Leave granted.

The Hon. G.E. GAGO: The Rio Tinto Australian Science Olympiads is a non-profit organisation that conducts a series of programs, at school level to begin with but working up to national and finally international competition, in partnership with Rio Tinto and the commonwealth Department of Education, Science and Training. Recently the South Australian awards were announced. Can the minister advise the council of the outcomes of these awards?

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I can do that. I thank the honourable member for her question. I had great pleasure in being asked to present the Rio Tinto Australian Science Olympiad (RTASO) awards to the South Australian winners a couple of weeks ago. I was most impressed with the high standards that the students had attained. Certainly the Olympiad Awards do an excellent job in providing students throughout Australia with the opportunity to enhance their knowledge, their understanding and their skills in biology, chemistry and physics.

The RTASO also has the responsibility to foster Australia's participation at the International Biology, Chemistry and Physics Olympiads. Only the best students from over 50 countries participate in what is the Olympic Games for the students in their chosen field. I understand that each year over 3 000 Australian students take national qualifying examinations to participate in the Biology, Chemistry and Physics Olympiads. From the national qualifying examinations, around 20 students in each discipline are then selected to undertake accelerated learning from which a final team of four is chosen for each olympiad.

The ceremony that I attended recognised the first, second and third ranked candidate in each discipline who participated in the national qualifying examination in South Australia. Those winners for 2003 were as follows:

For Biology		
Gold	Mark Hosking	Prince Alfred College
Silver	James Clarke	Prince Alfred College
Bronze	Tiger Zhou	Adelaide High School
Bronze	Vicka Poudyal	Glenunga International High School
For Chemistry		
Gold	Ying Xiao	St Peter's College
Silver	Tiger Zhou	Adelaide High School
Bronze	Jessica Lyons	Pembroke School
Bronze	Ashlea Bartram	Glenunga International High School

The Hon. Diana Laidlaw: It is good that public schools did so well.

The Hon. P. HOLLOWAY: Yes, they did. To continue the 2003 winners:

For Physics		
Gold	David Mao	Prince Alfred College
Silver	Ashlea Bartram	Glenunga International High School
Bronze	Ran Li	Glenunga International High School

It is from these students that the RTASO will select student olympiad scholars to receive scholar training programs from which the final Australian Olympiad 'athletes' will be selected. The Rann government recognises the importance of science and technology education to the state's economy and is seeking to further strengthen economic development in South Australia through science and technology. We are committed to strengthening the science and research base in the state, which underpins the continued growth of the economy in South Australia. In June the Premier announced the establishment of the Premier's Science and Research Council (on which I also sit), to be co-chaired by the Premier and the renowned scientist and Director of the South Australian Museum, Prof. Tim Flannery. The government is supporting the development of the technology sector that uses the skills and knowledge of science graduates.

Members would be aware of the recent announcements regarding the establishment of the Australian Proteome Analysis Facility, as well as the government's investment in the Australian Centre for Plant Functional Genomics at the Waite Research Precinct. The rapid advances in the fields of biotechnology and information and communications technology have been instrumental in the creation of exciting new industries and in providing opportunities for science, engineering and information technology graduates.

Finally, in the 2002 Olympiads, Australian teams ranked 8th, 12th and 15th for biology, chemistry and physics respectively. In 2004, Australia will host the International Biology Olympiad, which is very exciting. I anticipate a bright future for all the students who received awards and I wish them every success for their future endeavours.

The Hon. A.J. REDFORD: As a supplementary question, how much money did the state government put into the Rio Tinto project?

The Hon. P. HOLLOWAY: The support that the state government gave, I understand, was through the state department in helping to judge these awards. Obviously, Rio Tinto is the major sponsor and the commonwealth department coordinates it, but the state government does provide some support, I believe, for the judging through the department. I will need to obtain that information from the Minister for Education.

The Hon. A.J. REDFORD: As a further supplementary, am I to understand that the state government contribution was to provide judges and that was it?

The Hon. P. HOLLOWAY: I am aware that the state government does provide some administrative assistance to the scheme. When I presented these awards I met the officer from the state department here. But I will obtain more information about the specific assistance.

CHICKEN MEAT INDUSTRY

The Hon. IAN GILFILLAN: I seek leave to make a brief explanation before asking the Minister for Agriculture, Food and Fisheries a question about the chicken meat industry.

Leave granted.

The Hon. IAN GILFILLAN: I have had approaches and letters forwarded to me from chicken growers in South Australia. It would appear from my reading of these letters that a particular processor, namely Ingham Enterprises Pty Ltd, is engaging in an amount of what politely may be called gamesmanship but what I would prefer to call bullying in anticipation of the government's proposed chicken meat industry legislation. This processor sent out letters around the end of February to growers inviting them to grow chickens on a batch to batch basis until a new agreement could be formed on Ingham's terms. These letters were followed up in mid-April with a second letter saying that negotiations would not continue.

In two cases (and I have copies of the letters) the letters were identical, and I would like to quote significant paragraphs from them, as follows:

> The performance of your facility has fallen below what is expected of a standard farm. In fact, if we were to review your performance over the last five batches that preceded the last batch settled by you on a batch to batch basis by reference to the efficiency criteria which applied under the agreement we previously had with you, you would clearly be inefficient within the meaning of that agreement. In any event, following on a further review we have decided not to enter into negotiations with you for a new growing agreement.

I remind the council that Ingham's is the major chicken meat processor in South Australia. it would appear to me or to any objective reading that this phrase 'in any event' suggests that Ingham's is not choosing to place chickens for reasons that it is not prepared to disclose.

More recently, this processor has offered more favourable contracts to growers, provided that they do not negotiate as a group and also undertake to lobby the government to withdraw the current bill. All this could have been circumvented if the government had not stalled and procrastinated in progressing the bill through parliament. Therefore, my questions are:

1. Does the minister agree that for a chicken meat processor to act in this manner to growers is reprehensible?

2. What will the government do to prevent or counteract this coercion on the part of this processor?

3. How will the government compensate the chicken growers who have lost their livelihood due to government stalling and mismanagement of this legislative process?

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): In relation to the latter question about alleged mismanagement, before legislation can pass through this chamber it has to have a majority of votes—and that is what I am endeavouring to do. It is difficult for me to answer the question comprehensively without referring to the bill that is currently before us. I am not sure how that fits in with standing orders.

In relation to the chicken meat industry, in the past fortnight I think it was the South Australian Farmers Federation chicken growers section that arranged for several prominent chicken growers, including the Australian president, to visit this state, and I think they spoke to a number of people about how arrangements work in particular states. As a result of that visit, I am considering some changes to the present bill to see whether we can find an improved way of dealing with this industry—not only an improved way but also a way that might be acceptable to a majority of the members to enable this bill, which is of utmost importance to chicken meat growers, to pass.

All I can say at this stage is that the government is well aware of the issues in the chicken meat industry. I would be keen to advance the bill as soon as possible. I was hoping that would be this week, but I am still waiting for the advisers in my office who have been working on this bill to complete their work. I hope we will be able to resume debate on that bill as soon as possible and that these issues will be addressed.

In relation to the behaviour of certain processors, I would rather not make any comment at this stage. There has been a lot of speculation around, but no evidence has been provided to me on which I would want to pass public judgment.

SPEED LIMITS

The Hon. T.G. CAMERON: I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs and Reconciliation, representing the Minister for Transport, a question about speed limits.

Leave granted.

The Hon. T.G. CAMERON: A recent University of Western Australia survey identified five triggers that provoke road rage among road users. No. 1 is 'encounters with slow drivers'. A recent RACV survey, which asked drivers what most upset them about other road users, listed slow drivers who do not move over as third on the list. A New Zealand survey, which sought comments on open road speed management, found that many considered slow drivers to be more dangerous than fast drivers. Many felt frustration and impatience with serious issues and that enforcement should target slow drivers who did not pull over or who drove in the outside lane. At some stage, most drivers have been victims of the so-called Sunday driver who drives well below the maximum speed limit on a single-laned road, which has few, if any, passing lanes, oblivious to the traffic building up behind them. The frustration of driving behind someone doing 60 km/h to 70 km/h on an open road with a 100 km/h to 110 km/h speed limit can inevitably lead to impatience when it is not always safe to do so.

A number of countries now have minimum speed limits on some of their roads. For instance, in France there is a minimum speed limit on motorway outside lanes (on level roads with good visibility) of 80 km/h during daylight hours. Some US states have minimum speed limits on large highways because they accept that slow drivers (at least in part) can be the cause of motor accidents. As the country road toll accounts for two-thirds of road deaths in this state, it would be interesting to know whether any of these were the result of driver impatience due to slow drivers. My question is: will the minister provide the council with any local or Australian research which indicates that slow drivers on main highways are a contributing factor in motor vehicle accidents and deaths?

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I will refer that important question to the minister in another place and bring back a reply.

DANGGALI CONSERVATION PARK

The Hon. J.S.L. DAWKINS: I seek leave to make a brief explanation before asking the Minister for Correctional Services a question about an incident at the Danggali Conservation Park.

Leave granted.

The Hon. J.S.L. DAWKINS: an article which appeared in the *Murray Pioneer* of 21 May this year entitled 'Prisoners in stand-off at Danggali' states:

> There was a stand-off between five prisoners and two guards at the Danggali Conservation Park, north of Renmark on Saturday morning [17 May]. The prisoners were from the Port Augusta Prison and were believed to have been in the park as part of a prison training program. Riverland police were called to a house where the prisoners had barricaded themselves. The issue was resolved before police arrived and the prisoners were taken to the Berri Police Station.

My questions are:

1. Has the minister's department provided a report on this serious incident?

2. Will the minister indicate what steps have been taken in relation to this matter and to avoid any recurrence of such an incident?

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I have not yet received a report from correctional services in relation to this incident. I can only assume that it was solved peacefully and that there was no further confrontation that led to any injurious action by either the prisoners or the prison guards. I will seek a report and provide it to the honourable member. I will certainly examine this report to see whether any programs or methods of preventing future similar confrontations can be avoided.

We value the work that prisoners do in conservation parks with the National Parks and Wildlife Service. In the main, prisoners who avail themselves of this program enjoy the activities and the opportunity to be out in the open environment. I will ascertain what caused this incident and whether any prevention programs can be put in place. Sometimes the prisoners who are chosen may not be suited to these outside activities. I will have a look at the selection criteria for prisoners and bring back a reply for the honourable member.

The Hon. J.S.L. DAWKINS: As a supplementary question, when the minister brings back that report in relation to criteria, will he seek information as to whether those criteria cover the particular situation where prisoners are in very isolated parks such as Danggali?

The Hon. T.G. ROBERTS: I will take that into account to see whether there is an occupational health and safety risk in having prisoners who do not match the type of work or the type of environment involved.

CONTRACTORS

The Hon. A.J. REDFORD: I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs and Reconciliation, representing the Minister for Transport, a question about contractors and industrial relations.

Leave granted.

The Hon. A.J. REDFORD: The South Australian Workers' Compensation Review, known as the Stanley report, proposes to change the definition of 'employee' from common law definition to a very convoluted definition that would directly threaten the capacity of independent contractors in South Australia. I understand the proposal is to apply a definition to employment based on that used in the Queensland Industrial Relations Act, which legislation caused independent contractors great expense in a major test case which ultimately they won. I understand that the Independent Contractors of Australia have suggested that if South Australia heads in this direction it will put itself out on a limb and that it could seriously damage business confidence in South Australia, particularly small business confidence. I also understand that similar legislation was considered by the New Zealand Labor government and rejected after protracted public and parliamentary debate.

The New South Wales government introduced similar measures and, after debate, withdrew the definition. The Victorian government attempted similar legislation in 2001 and, despite having full control of the upper house in 2003, has stated that it will not reintroduce anti-independent contractor legislation. Indeed, even the International Labor Organisation (ILO) considered the independent contractor arguments of the mid-1990s and rejected proposals to change the definition. I am told by the association that if it were introduced it would create tax accounting and business quagmires, risk the business tax status of contractors and radically upset individual tradespeople's business operations in relation to the way in which they supply services to the housing industry. In light of that, my questions are:

1. Will the government rule out the recommendations of the Stanley report to adopt a Queensland-style definition of independent contractor?

2. When will the government tell the South Australian people what it proposes to do in relation to the Stanley review and the industrial relations review?

3. Does the government agree with the statement of the Independent Contractors Association of Australia as follows:

> The South Australian proposals show no understanding of why Queensland-style legislation has been rejected across Australasia and would put business confidence in South Australia at risk.

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I will refer those important questions to the minister in another place and bring back a reply.

ABORIGINAL EMPLOYMENT

The Hon. J. GAZZOLA: I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs and Reconciliation, representing the Minister for Employment, Training and Further Education, a question regarding Aboriginal employment initiatives.

Leave granted.

The Hon. J. GAZZOLA: I understand that the state government, through the Office of Employment and in partnership with the Department for Environment and Heritage and the commonwealth Department of Employment and Workplace Relations, has established a number of Aboriginal apprenticeships in land and biodiversity management. Can the minister provide further details of this important initiative?

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I thank the honourable member for his question and his continuing interest in Aboriginal affairs, in this case young Aboriginal people's employment. The state government has established five Aboriginal apprenticeships in land and biodiversity management with the parks and wildlife management. This is a combined initiative of the state public sector Aboriginal recruitment and career development strategy in a government apprenticeship scheme to address the lower representation of qualified indigenous people employed in land and parks management. Some $179 000 has been committed over four years towards these Aboriginal apprenticeship placements. Five apprentices will be employed through the office of employment, which will then host them through the department of environment in the following areas: Ceduna, Balcanoona in the Flinders Ranges, Innes National Park on Yorke Peninsula and Berri and Coorong National Parks.

Participants will gain newly introduced level 3 conservation land management qualifications over a four year period. On successful completion of their contracts of training, apprentices will be permanently appointed to Aboriginal community ranger positions within the Department of Environment and Heritage. It would be an extension of the plan and program that, hopefully, over time we will be able to get fully trained National Parks and Wildlife rangers integrated with those people who can explain Aboriginal culture and heritage built into environmental tourism, and culture and heritage display and tourism through our national

parks. This would enable indigenous park rangers and elders to explain in schools through the education system the significance of various environmentally significant areas within regions and the way in which the Aboriginal people live with and are a part of the spirit of that land. We can have mentors in schools of which the Aboriginal school children can be proud when they come into schools to lecture to the broader classes of non-Aboriginal children. Hopefully, that pride within culture can be developed through the explanation of linkage of spirit and geography.

LOCAL SCHOOL MANAGEMENT

The Hon. KATE REYNOLDS: I seek leave to make a brief explanation before asking the Minister for Agriculture, Food and Fisheries, representing the Minister for Education and Children's Services, a question about local school management.

Leave granted.

The Hon. KATE REYNOLDS: It has been brought to my attention that uncertainty continues to surround the way in which schools will be managed next year, causing confusion and concern for governing councils and school councils. The Partnerships 21 scheme, introduced by the previous government, has been plagued by problems, with many schools reporting difficulties in appropriately and effectively administrating the funds allocated to their individual schools. Other schools who elected not to sign up for Partnership 21 have claimed that they have been discriminated against by government and believe that they have missed out on funding bonuses offered to those schools who did.

The Cox review into the Partnerships 21 model of local school management was commissioned and released last year, but nearly a year later schools are yet to be informed about future management structures, including whether or not Partnerships 21 will be retained or whether it will be replaced by yet another management system. I understand that many councils and representative organisations are concerned that a new system could be imposed without allowing paid staff and volunteer members of school and governing councils adequate time to adjust for the 2004 school year. The Minister for Education and Children's Services has said that 2003 would be a transition year, with any changes to be introduced as a result of the Cox review to flow from 2004.

In her statement to the inaugural meeting of the Partnerships 21 Review Steering Committee in May 2002 the minister said, 'There is a need for true participation, sincere consultation and genuine follow through,' and she noted the intention that the committee report by August 2002 so that 'we can implement change for the benefit of schools and preschools as soon as possible'. The report was presented to the minister within that time line.

In correspondence dated 23 October 2002, the minister assured the AEU that there would be consultation about the future of local management, particularly in relation to staffing entitlements. Community comment on the Cox review report closed on 3 December 2002. A spokesperson for the government was reported in the media as saying on 26 April this year that cabinet was due to consider its response to the Cox review this month, that is, nine months after it was received. This leaves only several months for a new system to be introduced, understood and then implemented by schools. My questions to the minister are:

1. When will the government release its response to the Cox review?

2. When is the minister expecting any recommendations from the Cox review to be implemented?

3. When will the minister announce the process and time lines for consultation with school councils and governing councils and their representative bodies, the principals' associations, the CPSU and the AEU about any changes to be introduced for the 2004 school year?

4. Will the consultation process and time lines be consistent with the minister's statement to the review's steering committee in May last year? If not, why not?

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I will refer those questions to the Minister for Education and Children's Services and bring back a response.

ELECTRICITY SUPPLY

The Hon. A.L. EVANS: My question is directed to the Minister for Agriculture, Food and Fisheries, representing the Minister for Government Enterprises:

1. How many customers since the deregulation of the electricity market have received default notices due to non-payment of their account?

2. Of those who have received notices, how many have had their electricity cut off?

3. How does this figure compare with the same period before the deregulation of the electricity market?

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I will refer those questions to the Minister for Energy and bring back a response.

SOUTH AUSTRALIAN RESEARCH AND DEVELOPMENT INSTITUTE

The Hon. R.K. SNEATH: I seek leave to make a brief explanation before asking the Minister for Agriculture, Food and Fisheries a question about the provisions of agricultural research expertise to overseas countries.

Leave granted.

The Hon. R.K. SNEATH: I understand that the South Australian Research and Development Institute (SARDI) provides research advice and expertise to a number of countries which want to improve productivity in their primary industry sector. Will the minister advise what research supports SARDI is currently providing to our near neighbour Papua New Guinea?

The Hon. P. HOLLOWAY (Minister for Agriculture, Food and Fisheries): I thank the honourable member for his question and his interest in the subject. The nature of the support provided by SARDI can range from world leading technologies to practical applications that farmers with small holdings can easily adopt. South Australian scientists are playing a key role in helping more than 50 000 Papua New Guinea village broiler chicken farmers improve their productivity and income potential. The village sector currently produces six million birds per year, with an annual value of $A54 million. An additional profit of $A10 million could be made thanks to scientists at SARDI who are working with the Papua New Guinea National Agriculture Research Institute (NARI) to reduce poultry feed costs for village farmers.

SARDI scientists, working with local experts, recently helped set up a feed testing facility in NARI's livestock

research centre near Lae. According to SARDI, the centre will develop feed formulations that may save village farmers around 50 per cent of their feed costs, adding $A10 million in profit to the sector. The production of meat chickens is one of the few cash generating activities for the Papua New Guinea village farmers, and the system is under threat because of the rising cost of feed and the livelihood of these family farmers could be adversely affected.

Currently farmers in Papua New Guinea rely on buying commercial feeds to feed meat chickens. Instead of having to do this, the research will enable the farmers to make up their own feed using locally available materials from their gardens or by-products from the processing of their crops, cutting the feed cost down by 50 per cent. Alternatively, the Lae feed mill will be able to make cheaper feeds for the farmers to buy using greater quantities of these by-products than at present.

I thank the honourable member for his interest in the subject. I am pleased to inform the council of how research undertaken by scientists in this state is able to contribute to the wealth and prosperity of our overseas neighbour.

COOBER PEDY POWER SUPPLY

The Hon. T.J. STEPHENS: I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs and Reconciliation, representing the Minister for Regional Affairs, a question about the power supply at Coober Pedy.

Leave granted.

The Hon. T.J. STEPHENS: On Wednesday 21 May, the Premier opened the Northern Regional Ministerial Office. He stated that $250 000 was set aside for economic development and that it was to become a one stop shop for government services. On previous occasions I have made the council aware of the plight of the people of Coober Pedy, where the local council is suffering serious financial difficulties because it has had to lease its own generators. My questions are:

1. Can the minister detail what assistance the government has given the people of Coober Pedy to ensure the long-term provision of both power supplies and other essential services that council would normally provide?

2. Can the minister give an assurance that he will personally see to it that the people of this remote regional community will have continuous power supply and other essential services, and that his office will pursue this on their behalf?

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I will take those questions to the minister in another place and bring back the replies.

PAPERS TABLED

The following papers were laid on the table:

By the Minister for Agriculture, Food and Fisheries (Hon. P. Holloway)—

Budget Paper No. 1, 2003-2004—Budget at a Glance
Budget Paper No. 2, 2003-2004—Budget Speech
Budget Paper No. 3, 2003-2004—Budget Paper
Budget Paper No. 4, Volumes 1, 2 and 3, 2003-2004—Portfolio Statements
Budget Paper No. 5, 2003-2004—Capital Investment Statement
Budget Paper No. 6, 2003-2004—Regional Statement.

PROHIBITION OF HUMAN CLONING BILL

Adjourned debate on second reading.

(Continued from 26 May. Page 2391.)

The Hon. CAROLINE SCHAEFER: These two bills, the Prohibition of Human Cloning and the Research Involving Human Embryos Bill, are to be treated as one for the purposes of the debate. It goes without saying that I support the bill banning human cloning, as does, I think, every member in this council without exception. I therefore propose to address my remarks to the second bill, which is the research bill involving human embryos. It appears at first glance that this is a fair and reasonable bill, even for those of us who find the destruction of human life at any stage repugnant. One cannot help but be attracted to the argument that, if these 'surplus human embryos' are to be allowed to thaw and flushed down the sink when they could be used to save other lives, it is a practical commonsense thing to do.

We have all been regaled in the past couple of years by the miracles that may be wrought by the use of these embryonic stem cells, including cures for Parkinson's disease, multiple sclerosis, Huntington's disease, alzheimer's, paralysis, diabetes and so on. I am sure members of families of people who are afflicted and of course those who are suffering from these diseases themselves are desperate for the introduction of these technologies as soon as possible. For these reasons I too was originally tempted to support this legislation. But I have considered my options carefully and I find that I cannot support it.

At the outset, I object most strongly to the increasing practice of federal governments introducing legislation and then requiring state governments to mirror that legislation. This particular bill is a result of a decision reached at COAG without any scrutiny at that time of any parliament. Yet, if we do not pass this bill, our decision is automatically overthrown by federal law. So we can honestly say that we are wasting our time debating the measures at all.

This is a conscience bill, but it can be overthrown by the collective consciences of our federal colleagues. I pose the question: what will be the next state right to be removed by an overarching federal act? For those who support this bill, I remind them of the outrage when the federal government overthrew the Northern Territory law that permitted euthanasia. There were many throughout Australia, whether they supported euthanasia or not, who vehemently supported the right of the people of the Northern Territory and their democratically elected representatives to make up their own minds. We were reassured at the time that, if they had been a state and not a territory, this could not have happened.

But this pattern of passing legislation and demanding that it be matched and if it is not then the federal law takes precedence, seems to me to be little different from overturning the legitimate legislation of a state or territory. Regardless of the sentiments of these bills, I believe there is a far more wide-reaching consequence, and that is the matter of states rights. May I now address the matter of stem cell research, and may I remind the council that I chaired the Social Development Committee during its inquiry into biotechnology, so I have probably had more opportunity to learn the facts than most lay people.

There is no doubt that this is a contentious and difficult issue and there have been many great theologians, doctors

and scientists who have argued (and will continue to argue) as to when a life becomes a life and at which stage an embryo becomes a human, a potential human or merely, as described by the Hon. Jane Lomax-Smith in another place, human tissue. Suffice to say that a human embryo, allowed to develop, will not turn into a pig, a flower or a rabbit: it is intrinsically human. But, frankly, it will not be necessary for us to have that debate at this time, because science has already surpassed the technology required in this bill. I will, however, address some of the ethical issues later.

The current state of play as I understand it—and we are progressing so rapidly that it may well be changing as we speak—is that no patient has benefited from embryonic stem cells. In fact, there have been numerous problems with immune rejection and the formation of cancers. Nobel prizewinner Sir Gustav Nossal estimates that it will be another 10 years before embryonic stem cell therapy will be workable and safe, and who knows where science will have taken us in that time? By contrast, adult stem cell sources, that is, stem cells taken from birth onwards, are already showing successful results. There are at least 300 documented cases of success.

These range from a cure for immune deficiency by using one's own bone marrow to repair heart muscle and growing new liver tissue. Adult stem cells have also shown some limited success in repairing spinal damage. Stem cells have been grown in laboratory conditions successfully from adult fat, and have most recently been extracted from unfertilised ova. So, my very practical question is: why is there a need to go down this very contentious path of destroying human embryos, whether surplus or not? Is this use of potential human lives merely because it is a cheaper path to travel? Many people feel that, since these unformed humans can save another fully formed life, then their controversial use is justified.

But I wonder if they will feel the same when they learn that the most likely use for these embryos is for testing things like toxins, drugs and even for testing the effects of cosmetics on human tissue. And why? For two reasons. First, because it is cheaper and, secondly, because the use of adult stem cells is not just more successful, it is the only success so far known. Finally, may I express my usual concern on matters such as this, that is, the 'where does this stop' principle? The slippery slope, if you like.

Today we argue that embryo destruction for scientific advance with the strictest of guidelines is okay but that human cloning is not. But, like a tap dripping on concrete, little by little our controls and our principles are eroded. I remind the council that when this state began its IVF program in the 1980s it was recommended that embryonic banks not be developed. IVF units were advised not to create more than two or three embryos for likely implant. We now have about 70 000 frozen human embryos in Australia: 20 000 of those are considered to be surplus. Yet, if the recipient of those embryos becomes pregnant, they do not consider they are carrying mere tissue; they are joyfully carrying a child.

Similarly, when this state agreed to legalise abortion, it was for extreme causes of trauma, such as the victims of rape or to save the life of a mother. Now one in four pregnancies is terminated: abortion is considered no more than another form of birth control. How long before it will be considered okay to create a clone of a human child to save the life of the first child? How long before it will be okay to grow a human foetus to a stage where its organs are useful? How long before it will be okay to create embryos to be used purely for research? To quote Charles Krauthammer of the *Washington Post* who, I am told, is himself unable to walk:

> Once you have countenanced the creation of human embryos for no other purpose than their parts, you have crossed a moral frontier.

No-one is suggesting that this is the purpose of the bill. In fact, it seeks to prevent such abominations. But I again ask: for how long can we protect the human race from itself? As I have previously stated, the use of human embryos is not necessary for successful stem cell therapy and research, and I therefore ask: why do we need to further erode the protective mechanisms currently enshrined in our laws? I do not support the second bill.

The Hon. J.S.L. DAWKINS: I rise to participate in this cognate debate on these two bills. My Liberal colleagues and, I think, everyone in this parliament, are dealing with them under the terms of a conscience or, as others would call it, a free vote. First, I would like to indicate that I support the prohibition of human cloning legislation, as I suspect does the great majority of the South Australian community. I am opposed to any form of human cloning and consider it appropriate to prohibit such practices. However, the Research Involving Human Embryos Bill has resulted in much more community debate. Those who oppose research involving the destruction of excess IVF embryos put the view that the destruction of human life is at issue.

This argument has caused me to think considerably and to seek further information about this issue. I would like to quote some extracts from a paper written by the Reverend Dr Andrew Dutney, Principal of Parkin-Wesley Theological College within the South Australian Synod of the Uniting Church of Australia. The paper was entitled 'The ethics of stem cell research', and it states:

> The real ethical controversy around stem cell research is focused on one matter—where the stem cells are to be obtained. Children and adults have 'multipotent' stem cells that can be used in research and in experimental treatments. But the most versatile, 'pluripotent' stem cells are to be found in the human embryo at an early stage of its development. Adult stem cells can be helped to differentiate into many different kinds of cells but, theoretically, embryonic stem cells could be helped to differentiate into almost any kind of specialised cell. But while adult stem cells can be collected without harming the person, embryonic stem cells are collected from the embryo by destroying it. This is the focus of controversy in stem cell research—do the potential benefits justify destroying human embryos? Christian commentators have presented a range of views.

Reverend Dr Dutney goes on to examine three Christian positions, as follows:

> Roman Catholic teaching affirms that from the moment of fertilisation the embryo's 'rights as a person must be recognised, among which in the first place is the inviolable right of every innocent human being to life' (*Donum Vitae* 1987). In this view the deliberate destruction of an embryo is tantamount to murder.
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> By contrast, Anglican Archbishop Peter Carnley recently argued that the embryo should not be regarded as a human being until after 14 days of development—the stage at which it develops the first signs of a primitive nervous system. In his view, the destruction of the embryo in research can be justified up until that time.
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> My own view is that the conception of a human being cannot be said to have taken place until (and unless) the woman becomes pregnant. In what follows I will attempt to explain this position.
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> In natural conception, several days may pass between the time when the woman's egg is fertilised and when it implants in the wall of her uterus and she becomes pregnant. In in-vitro fertilisation (IVF), the fertilised eggs are allowed to develop for some days before one or two of the healthiest embryos are transferred to the women's uterus, in the hope that one might implant in due course and she becomes pregnant.
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> The important point to note is that there are two distinct stages. First, an egg is fertilised by a sperm (either naturally or by IVF)

creating an embryo. Secondly, the embryo implants in the lining of the mother's uterus, having found its way to her uterus either naturally or by being placed there in an embryo transfer (ET) procedure after IVF. It is to be emphasised that in IVF-ET the clinician does not 'implant' the embryo in the mother's uterus but 'transfers' it to her uterus from its petri dish. Once transferred to her uterus, the embryo implants or it does not. Whether or not it implants depends on the condition of the woman's uterus and the condition of the embryo (especially its chromosomal normality). Implantation is a crucial process and one which is largely beyond the control of reproductive technology. It is something that happens in the interaction between the woman's body and the embryo. Clinicians estimate that a majority of embryos do not implant—neither in IVF-ET nor unassisted conception. Indeed, they have no prospect of implanting because of either their own morphology or because of the receptivity of the woman's uterus.

According to recent South Australian statistics, approximately 3.5 ET procedures are required to achieve one pregnancy. That is, if two embryos are included in each ET, approximately seven embryos are used to achieve one pregnancy. And this high rate of embryos failing to implant is considered by clinicians to be likely to compare favourably with the rate of failure in unassisted conception. In IVF-ET, the embryologist has the opportunity to select the embryos, which appear to be the best formed to be transferred; which ought to improve the implantation rate.

While it is quite true that every human being began life as an embryo, it is not the case that every embryo is the beginning of a human being. Not even most embryos are the beginning of a human being—not in assisted reproductive technology and certainly not in nature. Not until the woman is pregnant can we be confident that an embryo (or at least one of the embryos transferred in an IVF-ET procedure is becoming a human being. It is becoming a human being precisely by implanting in the mother's uterus. In that process, and not before, a human being is conceived.

I will move onto another extract from Dr Dutney's paper in relation to respect for embryos. He writes:

In my view the embryo in-vitro is not a human being, but it is still morally significant and should be treated with respect. This respect is based on:

- Concern for the couple for whom the embryo was made. Having been created for the purpose of infertility treatment, it is associated with the longing for a child. Clinicians treat the embryos with the greatest care and respect out of concern for their patients. Researchers need to take that into account in the way they make use of embryos. The informed consent of the couple must be given before any use of their embryos in research is permitted.
- The symbolic value of embryos. A society can symbolise its respect for life in many ways, including the way it accepts limits on the way embryos can be used (for example, the time limit on storage of frozen embryos). This does nothing for the embryo as such, but makes for the health of the society.
- Concern for social consensus. A society in which people with passionate disagreements can live together peacefully and cooperatively requires compromise. The South Australian Reproductive Technology Act 1988 has been long lasting, in part, because of its success in accommodating competing ethical positions, but that success has required compromises.

Dr Dutney continues:

To say that embryos may be used in research is not to say that researchers should be allowed to do what they like. The embryo is not a human being, but it still has moral significance.

Reverend Dr Dutney concludes:

Human embryos should be treated with respect and limits to their use should be established in law. But within such a legal framework embryos may be destroyed for research purposes if the research is worthwhile and if the people for whom they were made give informed consent to that use.

When it comes to embryonic stem cell research, I tend to agree with those critics who point out that the potential for research using adult stem cells is far greater than has been made clear in recent public debates. I am not convinced that we need embryonic stem cells to advance research in this new field. Nor am I satisfied that we have yet thought through what it might mean for us to pin our hopes for health and wellbeing on an industry based on the destruction of human embryos.

Having taken a considerable amount of information into account, including the paper written by Dr Dutney, I have come to the decision that I will support this legislation. A key factor in making this decision was that, at present, IVF embryos are disposed of after a set period in storage, in consultation with the donor and largely through exposure to room temperature. I was unable to find a significant moral difference between allowing embryos to be destroyed in this way and destroying them through research that might benefit life-saving and life-enhancing techniques. Overall, this is why I came to a view to support continuing research involving excess IVF embryos.

This bill incorporates a comprehensive regulatory system to control the use of such embryos. This system provides for specific procedures and strict criteria which must be followed by researchers and scientists when they undertake work on excess IVF embryos that would have otherwise been destroyed. In my view, this regulatory structure creates a sensible balance between ethical considerations and the potential benefits of the results of medical research. In closing, I commend the Prime Minister for his leadership in the development of federal legislation on these issues, which has been replicated in state and territory parliaments. I support both pieces of legislation.

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

STATUTES AMENDMENT (GAS AND ELECTRICITY) BILL

In committee.

(Continued from 27 May. Page 2411.)

Clause 1.

The Hon. P. HOLLOWAY: Yesterday, the Hon. Rob Lucas raised a number of questions. I would like to place on the record my response. Four issues were raised by the Hon. Rob Lucas. They are: the extent to which new section 32(2)(a) can be applied to the nature of consultation with the gas industry; the nature of consultation with the gas industry; the duration of clause 64 (temporary price-fixing provisions); and the nature of gas licence fees and the impact on entities already licensed by the Essential Services Commission. I will now address each of these issues in turn.

Regarding the first issue, I can confirm that the price determination powers will remain with the Essential Services Commission. The Statutes Amendment (Gas and Electricity) Bill 2003 is clear in this regard; nevertheless, this has been confirmed by the Crown Solicitor's Office. New section 33(1) provides:

The commission may make a determination under the Essential Services Commission Act 2002 regulating prices, conditions relating to prices and price fixing factors.

New section 33(2) provides:

The Minister for Energy may, by notice published in the *Gazette*, direct the commission about—

(a) factors to be taken into account by the commission in making a determination in addition to those that the commission is required by the Essential Services Commission Act 2002 to take into account.

The Statutes Amendment (Gas and Electricity) Bill 2003 is clear that it is the Essential Services Commission that makes price determinations. Further, the Essential Services Commission is required only to take into account any direction from

the Minister for Energy specifying factors when the Essential Services Commission makes a price determination.

In reaching a price determination, the Essential Services Commission must take into account not only any factors specified by the minister but also matters specified in parts 2 and 3 of the Essential Services Commission Act 2002. Those matters include the particular circumstances of the regulated industry and the goods and services for which the determination is being made; the costs of making, producing or supplying the goods or services; any relevant interstate and international benchmarks for prices, costs and return on assets in comparable industries; and the financial implications of the price determination.

It is also worth stating that, in performing its price regulatory function, the Essential Services Commission must consider its primary objective which is to protect the long-term interests of South Australian consumers with respect to the price, quality and reliability of essential services. The Minister for Energy indicated in another place that it is his intention to use his powers under new section 33(2) sparingly. One factor has already been identified, namely, consideration of the inclusion of the Ombudsman's costs in a price determination by the Essential Services Commission.

The word 'factors' allows for wide interpretation. The honourable member suggested that it might be possible to interpret a factor as a cap on retail prices not greater than the CPI. If that is so, the Minister for Energy wants to make it plain that he has no intention to direct the Essential Services Commission to consider such a factor.

I would now like to address the honourable member's issue regarding the nature of consultation with the gas industry. During the preparation of the government's policy positions and the Statutes Amendment (Gas and Electricity) Bill, industry participants met with the government project team at least once every fortnight. This industry group comprised representatives of AGL, Envestra, Origin Energy, REMCo, TXU and Terra Gas Trader. This group was given an opportunity to have input at the very early stages of policy formulation, well before the draft bill was prepared. The government was keen to harness the experience of industry participants who had been involved with the implementation of gas full retail competition in other jurisdictions to help inform the government's policy-making process. Further, this industry group was given an opportunity to provide comments on the draft bill both at a meeting and in writing.

The honourable member specifically asked whether submissions had been made in relation to the price regulation clause of the bill (clause 27). In addressing this question, I will focus on the comments received on the draft bill from industry participants. The minutes of the industry group meeting showed that two issues were raised in relation to clause 27. The representative from Envestra suggested that consideration needed to be given to the interaction of the gas pipelines access law with the act. I am advised that the bill does not change the effect, operation or scope of the Gas Pipelines Access (South Australia) Act 1997. The second issue was raised by Origin Energy, which questioned whether the term 'distributive effect' contained within new section 33(2)(b) was too broad and whether this could allow cross-subsidies to be imposed.

Envestra (in subsequent written comments) also raised concerns that new section 33(1)(b) was too narrowly defined and that it may unduly limit Envestra's ability to recover costs. Envestra has been advised that the specific issues faced by Envestra can be addressed by issuing a notice under new section 33(2)(a). As mentioned earlier, whilst the Essential Services Commission would be required to take into account the factors in a notice, it is the commission that will make the price determination.

REMCo stated in written comments in relation to new section 33(1) that it was concerned that the Essential Services Commission will have the power to regulate prices in such a way as to cause the company to be insolvent. Part 3 of the Essential Services Commission Act requires the commission to have regard to the financial implications of the determination. I am advised that REMCo and the commission have commenced discussions in relation to the price determination.

The next issue raised by the honourable member related to the temporary price-fixing provisions of clause 64. The honourable member asked what the government's position would be if he sought to amend clause 64 to include a firm sunset date. It is clearly the government's intention that temporary price-fixing provisions would apply only up until the gas full retail competition go-live date. Indeed, there could be difficulty if both the temporary price-fixing provisions and the price justification and determination provisions operated concurrently.

Flexibility in relation to the sunset date is needed to ensure that the pricing regulatory framework transitions smoothly on the correct day. There are many tasks yet to be completed that could result in a need to alter the date of transition. One obvious example of a potential delay in the go-live date is a delay in the establishment of gas retail information systems. The government has clearly signalled its intention about how the temporary price-fixing provisions would apply and the need for flexibility. The government is of the view that there is no need to amend clause 64 of the bill.

The honourable member's final issue related to licence fees. As indicated in my previous reply, the costs incurred in regulating the gas industry will be met by gas industry participants through gas industry licence fees, and this includes the administrative costs of the Essential Services Commission. The bill also allows gas licence fees to cover the costs of the Technical Regulator in administering the safety and technical elements of the Gas Act 1997 and for the recovery of other costs that may be prescribed by regulation.

Similar principles apply with respect to the costs of regulating the electricity industry. Electricity licence fees are used to cover the costs of the Electricity Supply Industry Planning Council and the electricity industry functions of the Technical Regulator and the Essential Services Commission. Presently, approximately 50 per cent of electricity industry licence fees are used to fund the Essential Services Commission and 50 per cent fund the Electricity Supply Industry Planning Council and the Office of the Technical Regulator.

Significant changes are currently being made to the regulatory arrangements for the gas industry. The administrative costs of the Essential Services Commission and the Technical Regulator in regulating the gas industry are uncertain at this stage. Accordingly, as explained in my previous reply, it has been agreed that interim funding of the Essential Services Commission will be provided by the government, with gas industry reimbursement to occur once the costs of regulating the gas industry are clearer. Until the gas industry regulation costs are clear, it is not possible to assess whether there will be any flow-on impact on the costs of regulating the electricity industry.

Further, it should be noted that the nature of electricity regulation and administration means that costs are not the same every year. For example, half the cost of the electricity

full retail competition consumer education campaign was passed on to relevant industry participants in the licence approved for 2002-03. This 'FRC' component is expected to be removed from licence fees next year. Furthermore, the Essential Service Commission is currently involved in a substantial review of electricity distribution prices as required by the electricity pricing order, and this may place additional pressure on electricity licence fees over the next few years. I trust that this information will assist members through the committee stage when we rejoin this debate next week.

Progress reported; committee to sit again.

SHOP TRADING HOURS (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 28 May. Page 2460.)

The Hon. DIANA LAIDLAW: For the 20-plus years I have been a member of this place I have championed the extension of shop trading hours in this state and more flexible trading hours generally. One of the interesting aspects of the preparation for my retirement has been clearing out my office and going through the files. I was interested to see my file on shop trading hours and the first paper that I produced for my party back on 10 February 1984, arguing for an extension of shop trading hours to include Saturday afternoons. It is interesting that it took another 10 years for that initiative to be addressed in this state. Other papers in this file are dated 1985, 1987, 1989 and 1991; it seems that every two years I was putting something to my party to address this issue.

Always the issue of shop trading hours appears to have been a fight to get any change and, when change has been made, it has always been very piecemeal, which has meant that today we have a motley lot of regulations that are particularly hard to police. They do provide injustices, with one product trading against another, and other injustices based on floor size and employment levels. I am very keen to see these matters addressed and it seems amazing to me, because I did not dream that I would be standing in this place at this time, still a member of parliament, and looking at such a radical overhaul of shop trading hours in this state. I am therefore particularly pleased that I am able to participate in this debate at this time.

On the last occasion that the shop trading hours issue was before this parliament I did not vote with my colleagues; I crossed the floor and supported the government's bill for limited change to the shop trading hours, following a report from a select committee which I had earlier supported to establish that further inquiry into industrial conditions and pay issues. I remain of the view that we have not adequately addressed industrial relations and pay issues. I mentioned earlier that I have found over the years the inequities between different types of products, floor levels and employment numbers very difficult to accept. I equally would argue together that I continue to find the government's lack of action on, attention to, or even care about, the inequities in the wage issues and the industrial conditions difficult to accept at this time. Therefore, having been rather bewildered by the pace with which my party has been prepared to address this issue in the past fortnight, I believe strongly that that haste is almost indecent. Change has been foisted upon the parliament and the community at large without addressing some longstanding issues that have been the cause of the parliament and this state, over the 20 years I have been here, being reluctant to make the changes that we see before us today. I repeat: I think it is indecent, notwithstanding being such a consistent advocate of change in this area, to see the issues that have hampered change being overlooked at this last minute as we seek to broadly deregulate the hours. Those outstanding conditions are the pay and industrial issues.

While I strongly support what the government and my party are doing in this area and I recognise that my party has brought the government to some conclusion on this issue, which is good, I therefore believe that, as we have dragged our heels for 20 years and more, one year to get some basic fundamental industrial and pay issues under control and fixed is not too much to ask. The Liberal amendments proposing a limited form of extension of hours over the forthcoming Christmas period are what the government argued just some months ago but it has now radically abandoned them. I supported that limited change at that time and I support the government taking a reference to the Industrial Relations Commission to address broader industrial and pay issues.

In terms of my consistency in arguing this, I note that a paper I put to the Liberal Party shadow cabinet on 10 February 1984 argued with respect to the third recommendation that the amended award provisions governing conditions of employment as outlined in Justice Macken's report should be the basis of a reference to the South Australian Industrial Commission.

I have always promoted a proactive stance being taken by the government in relation to the commission and, 20 years on from the recommendation I put to shadow cabinet, I would argue that that is the course that this government should be taking. It is within its power to do so and, in terms of the radical change that the government and my party are promoting, it should do so.

I look forward to participating in the committee stage of this bill and, again, I indicate that, while I am bewildered and rather bemused at the arguments by some who have opposed me over the years within my own party and broadly across the parliament, their new enthusiasm for what I have advocated for 20 years is heartening. It is almost like a retirement present to me, no matter how puzzling it is to me in terms of former positions which they have taken and which they are now prepared to abandon. Nevertheless, on an important matter such as this, it would be good if we could go together as a united force, with the government acknowledging the wisdom of dealing with some outstanding fundamental issues. The government should recognise that the difficulties we have had for some 20 years should not be overlooked now in its indecent haste to grab this new position. Our community would be well served with a reference to the industrial commission to deal with genuine and proper concerns that are outstanding.

The Hon. J. GAZZOLA secured the adjournment of the debate.

STATUTES AMENDMENT (WATER CONSERVATION PRACTICES) BILL

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

GAMING MACHINES (ROOSTERS CLUB INCORPORATED LICENCE) AMENDMENT BILL

The House of Assembly disagreed to the amendments made by the Legislative Council.

Consideration in committee.

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

That the Legislative Council do not insist on its amendments.

The Hon. J.F. STEFANI: I rise to make a contribution in relation to the government's position on this matter. It was the most appalling performance that I have seen in the 14 years that I have been in this place. We have a minister who communicated with Senator Nick Bolkus on 12 May 2003, and the Hon. Jay Weatherill replied to a letter that was written to him by the Hon. Senator Nick Bolkus. In his reply to the senator, the minister stated:

> I am not inclined to consider any amendments to licensing and associated transfer provisions of the Gaming Machines Act prior to the outcome of the Authority's review. I have written to the Authority raising this matter and have asked that they consider this issue in their inquiry. The Authority is expected to complete its inquiry in September 2003.

On 12 May 2003, the minister of the Crown responsible for the gaming machine legislation replied that he was not inclined to consider any amendments. Now the minister—either by coercion or manipulation, or for political purposes—over the weekend felt compelled to change the Gaming Machines Act to accommodate the Roosters bill. If that is not an amendment to the Gaming Machines Act, I do not know what is. We have the minister on the public record answering a federal senator and telling that Labor federal senator that he was not going to change or consider any changes to the Gaming Machines Act. Obviously, this stands as a testimony to the hypocrisy and the double standards of the Labor government and the minister in the Labor government on this matter.

The minister and the government are very happy to accommodate a problem for the Roosters. This house heard the reasons and various arguments on why the government wanted to accommodate such an organisation. Personally I did not agree with the proposal. However, I felt that on balance of justice, as the government was prepared to give it special consideration, as a member of parliament I too would assist in that process. However, I was aware as a member of this place—and I am also aware that a good number of other members of parliament both in this place and another place, both Labor and Liberal—that the Karagiannis family had encountered a particular problem that would not permit them to transfer their legitimately gained licence to another location, I felt obliged to do something for them, because the two major parties, for their own reasons, were not prepared to do something for them.

As I said earlier, the two major parties were aware of their problems. In particular, the Labor government was aware of their problem as the minister had correspondence from a Labor Senator on 10 April 2003. If this place is prepared to deal in double standards with the laws of the citizens of this state, then I am ashamed that the parliament and the government engages in such procedures where we are prepared to make privileges for one group of people and denigrate the legal rights of others. It is a shameful day that this place engages in such a procedure without precedent or proper conduct. It is an absolute disgrace and disgusting to engage in such a process. In particular I condemn the government for engaging in such behaviour and discriminating against honest families, who have invested for 20 years in this state, have paid their taxes, have done nothing wrong and have been caught up in the deficiency of law, promoted and passed by this and the other place. They have nowhere to go and we are not prepared to assist them.

Yet, the government is quite happy for its own political reasons to accommodate the needs of an organisation that has flouted the law and has gone down gambling path—the Full Court of the Supreme Court has said so. Because the government has greater numbers of members in marginal seats that it wants to secure for its own political reasons, it is prepared to introduce legislation to accommodate that circumstance and is prepared to disregard and sabotage the rights of a family who have invested and worked for 20 years in a legitimate business operation, which had a licence granted to it on 22 June 1994.

If this is not a kangaroo court, a dictatorship or a sabotage of the laws of this country, I will never know. I say this with very strong feeling because this family, the representatives of which are here today, have seen a great injustice delivered to them by the parliament of South Australia. They must wonder what on earth members of the parliament in South Australia are doing to them. They must wonder whether there is justice at all in this state and why they are not provided with the same justice as we are trying to give to an association—the Roosters Club. The process that has occurred in the past two days has absolutely destroyed me. I must say that I feel dejected, so strongly do I feel about the conduct of the people engaged in this disgusting process. I have been accused by a member in another place of playing politics with the issue—

The Hon. Diana Laidlaw: By whom?

The Hon. J.F. STEFANI: I will not name the member, but it is a Labor member. I can say without fear or favour that I have taken on the cause of the Karagiannis family because no-one else would. Everyone, including many members of the Labor Party, were aware of the circumstances—

The Hon. Diana Laidlaw: Was their local member?

The Hon. J.F. STEFANI: Their local member was aware of the circumstances. They just walked away from them. I am not prepared to walk away from little people. I was elected to this place to represent them. I was elected to represent the migrant people, people who came to this country with only a suitcase. They did not speak the language and they did not have a home or a job—they had nothing. I am so fortunate to represent them and I will not let them down. That is the point that I am trying to make today. This sort of issue is so fundamental to the principles of justice, fairness, equal opportunity and equity that we cannot walk away from it. I beg every member in this place to consider their position, because, if we walk away from the little people, the people who deserve equal rights, we are abrogating our responsibility as members of parliament.

I say it very forcefully because I know that what I am saying is true. It is with those comments that I implore members of this chamber to consider carefully the position into which we are being put by an arrogant government which wants to say, 'You do as we tell you, otherwise we will not allow equal justice to people who deserve it'. It is a disgusting attitude and one which I deplore and condemn. I hope that a sufficient number of members in this place will recognise that what I have said is true and fair. As members of parliament we should uphold the principles of equality and not discriminate against anyone. We all claim to make laws

which are equitable and which do not discriminate against anyone, and I will always support that principle.

However, from the way in which we are dealing with this legislation, it certainly indicates to me and many others, including the family members who are present today, that parliament is not a fair institution; that it does not deliver equal opportunity or equal laws to everyone. God help us, and may we hang our head in shame, if one day that occurs.

The Hon. T.G. ROBERTS: I cannot do anything about the faith lost by the honourable member in respect of democracy in this chamber, but I can repeat the point I made to him last night. That is, it is the government's intention to solve the very complex issue associated with the North Adelaide Football Club's dilemma. There are two problems: first, the problem regarding the people he is representing, as he has said, in trying to get justice for an anomalous situation in relation to the Renaissance Centre. The position that the government put forward was that this bill should be left uncluttered and, if there is a problem associated with the Renaissance Centre, that should be handled separately by going through the proper channels and talking to the minister. Perhaps the honourable member could introduce a bill and have this matter dealt with separately.

What we did last night was clutter an already complex bill. I am asking the honourable member to separate the two issues and let us deal with the Roosters' dilemma separately from the problem associated with the Renaissance Centre. We all know that it is an anomalous situation that needs to be addressed. The minister has offered to introduce a bill into the other place that will address that anomaly. There will be encouragement by Mr Stefani, or anyone else, to introduce a bill into the other place that will take the same chance of being passed as any other bill.

If Mr Stefani wants to negotiate with the minister on behalf of the people whom he represents, let us separate those two issues. If that is not acceptable, the member will take his chances with the democratic processes of this chamber. However, I believe that there is a recognition that—and the Hon. Mr Stefani should have listened last night a little more closely—

An honourable member interjecting:

The Hon. T.G. ROBERTS: The honourable member can throw away the offer if he likes. Some people will not be blackmailed into a circumstance of feeling as though they are being pressured into a position, and they may react differently if this matter does not proceed in a fair and equitable manner. This issue should be negotiated in a time frame that takes the heat out of the debate. I thought that I would make the offer to the honourable member to separate the two situations. The urgency surrounding the Roosters Club is that, at close of business today, it will have a real difficulty. There is a process whereby we can have a time frame that takes the heat out of the other issue.

I made the observation last night that, by cluttering the Roosters' dilemma with another dilemma, people would be popping out of the woodwork from all over the place. Every member of this chamber and the other place know people who had difficulties—

The Hon. J.F. Stefani: Has it occurred?

The Hon. T.G. ROBERTS: I am just saying that it is a possibility.

The Hon. J.F. Stefani: Don't talk about something that hasn't happened.

The Hon. T.G. ROBERTS: It is a possibility. If the honourable member does not want to avail himself of the offer I have just made, that is his decision. I am suggesting a way to proceed that will allow the opportunity for the Roosters question to be fixed today in this council by this bill. The honourable member could take up the opportunity to discuss with the minister a way of fixing the other anomalous situation in relation to the position in which that the Renaissance Centre has found itself. Everyone has sympathy with the Roosters' situation.

The Labor Party has a caucus, a structure and, by throwing the debate onto the floor last night (and I am not saying that we were ambushed), there was not much presentation. The difficulty with the Roosters Club was forced on us in a very short time frame; no-one can deny that. The cut-off date is the end of this month, at which time the club could be seen to be breaking the law.

We do not want a situation that leads to that, nor do we want to see a football club with a proud history of participation in the community faced with such a dilemma, but we may still be faced with that. I have not done a head count or talked to people about whether they will continue to allow the passage of this bill; it may be that this one collapses, too. However, the government certainly does not want to be put in the position of risking the North Adelaide Football Club being put in a position where it could be bankrupted or forced into liquidation.

It is a matter of process, and probably at this stage a matter of trust. Some people may be able to work with that, but I think that it does us no good to get a consensus drawn out of a very complicated situation in which a lot of people are working behind the scenes to get a positive outcome for both groups. It is not a competitive situation.Last night we had members saying that it was a competitive piece between the tavern and the club: that is not the case. It is a case of wanting to get both circumstances sorted out, and we certainly do not want to put the people in the tavern in a situation where they, too, face having to go into liquidation. It is a balancing act that the government has been forced into, and not one that we have chased or wanted to create for ourselves. However, the chamber has to deal with it and I think we can do so in a democratic way that can achieve a positive outcome.

The Hon. R.D. LAWSON: Before I commence on the substance of the question, I was somewhat distressed to hear the Hon. Julian Stefani speak of his dejection regarding the processes that have occurred here, because I certainly appreciate the compassion and commitment that he has put into ensuring that this amendment, moved by him yesterday and overwhelmingly supported in this chamber, is advanced. The Hon. Julian Stefani talked about people walking away from a situation: I would prefer to see it as walking forward, not walking away from anything. I think there is a way forward in this difficult situation.

The minister mentioned a moment ago that there is a balancing act here. I do not believe that this is a balancing act in which one balances the Renaissance Centre, on the one hand, with the Roosters Club, on the other: that is not the balance to be achieved here. It is not a question of either/or: the causes of both can be advanced, and what we in this place ought to be looking at is the process by which we can advance the cause of both. The position relating to the Renaissance Centre was overwhelmingly endorsed in this chamber but regrettably not accepted in the House of Assembly today, where the government has the numbers.

It ought to be noted that this place overwhelmingly supported the Rooster's Club in its desire to avoid immediate closure. Yesterday, the government's bill in relation to that

matter came in here as a matter of urgency and was supported. No amendments were made at all to the government's proposal in relation to the Rooster's Club. It addressed an exceptional situation in which the Liquor and Gaming Commissioner and Licensing Court had determined that the club could establish premises in a particular location, but the Supreme Court subsequently said that they could not and the club was facing immediate closure. The members of this house were happy to support the Roosters, and I am sure that remains the overwhelming desire of the members of the Legislative Council.

At the same time, the Hon. Julian Stefani introduced a bill to cover another situation, an amendment which was also to address an exceptional situation—a situation not of course the same as the Rooster's Club but an exceptional situation which had arisen and which had, as the honourable member said, been drawn to the attention of the government some time ago. He said (and he read in his contribution earlier in this committee debate) that the minister had declined to accommodate the Renaissance Centre earlier on the ground that he was not entertaining any amendments to the Gaming Machines Act until after he had received the report of the Independent Gaming Authority. That might be deemed to be a reasonable attitude by the minister.

However, what has happened is that the Redlegs situation has arisen and the minister has decided, notwithstanding the fact that the Independent Gaming Authority has not reported, that he would bring in a special amendment for the Roosters. One might ask why the parliament should not deal at the same time with another exceptional circumstance that has been brought to its attention.

It is worth repeating that this company, which will be the sole recipient of the benefit of this legislation, has operated a function centre at the Renaissance Centre for over 20 years. It has an unusual liquor licence called a Special Circumstances Licence. Since 1994, it has had a gaming machine licence in respect of gaming machines on the premises. The lease of the premises has expired, and the family wants to sell the business with the gaming machine licence. That is perfectly reasonable. Any citizen in our community would expect that that could be done. It can certainly be done in relation to other licensed premises. If this was a hotel licence (and it is very similar to a hotel in the way in which it operates), it would be possible to sell the business with the gaming licence. But, owing to an anomaly in this legislation, which arose when the Gaming Machines Act was amended, the family stands to lose the benefit of the licence unless this amendment is passed.

It is important to emphasise once again that this is a unique licence; this is the only one of its kind. The Licensing Court judge has acknowledged the unique situation and expressed great sympathy to the family. He said, 'I can only suggest an approach to the legislature.' The family has taken up that offer: it is now before the legislature. The amendment to achieve the desired result was overwhelmingly supported here by Liberal members, by the Australian Democrats and by the Hon. Terry Cameron.

The Hon. Diana Laidlaw: What about Family First?

The Hon. R.D. LAWSON: I am not entirely sure.

The Hon. A.L. Evans interjecting:

The Hon. R.D. LAWSON: It was also supported, indeed, by the Hon. Andrew Evans. There was no division, in fact, on the question. The minister has indicated that, in the government's view, the Renaissance Centre amendments are cluttering the Roosters bill. I do not think that that is a fair description of it. These are two discrete issues addressed in the same piece of legislation—admittedly, they are on different issues, but they are relatively discrete, are quite clean and their effect is well understood.

I think it is fair to say that there has been a deplorable stance on behalf of the government in relation to the Renaissance Centre because the government has declined, for reasons stated by the minister yesterday, to accept the principle. It was rejected by the government. It has been happy to support a community club with widespread community support and interest—indeed, so have we. But when it comes to a small business family with an asset that they wish to preserve, the government is prepared to abandon them. The government, in effect, has been prepared to wash its hands of the Renaissance Centre, telling them, 'Don't worry about legislation. You go off to the Independent Gaming Authority, get it to make a recommendation, and then at some time in the future we might consider an amendment that it suggests.' I, for one, certainly do not accept that that is a fair proposition.

As I said earlier, the issue is: what is the way forward? This council has indicated strong support for the Roosters Club. We want to see the club continue trading. By the same token, we wish to support the Renaissance Centre. It is, of course, necessary—and I cannot overemphasise this to the Hon. Julian Stefani—to have the support of both houses of this parliament for any legislation. There was not, on a vote earlier today in another place, support for the Renaissance Centre. I strongly suspect that the reason for that failure to gain support was the fact that it was linked with the Roosters bill. There is a view that it would in some way impede the passage of the Roosters bill, and there is a strong commitment throughout the parliament that the Roosters bill advance.

I had understood that the minister was to indicate that, if the amendment moved by the Hon. Julian Stefani were to be incorporated in a separate bill and moved next week, it would, based upon the support for it yesterday in this chamber, be quickly supported. I understood that the minister was to suggest that such a bill would be given priority for debate next week in the House of Assembly, where it could be debated and where of course it would be up to the democratic process to decide whether or not that bill would pass, untied to the Roosters legislation.

That would of course be necessary for the proponents of the bill, to ensure that it received appropriate notice and support in the House of Assembly. That does seem a sensible way forward. It must be acknowledged that this whole process has been truncated. We received the bill only yesterday, and it was debated late last night. Colleagues in another place were not present to hear the debate. *Hansard* was not available until 9.30 this morning. Other business has been occupying the attention of another place and, after all, today is budget day. It is no surprise to me that it was simply not possible to attract the interest of sufficient members in another place to have the matter properly considered and, as a result, the matter has not been properly considered by the House of Assembly. It has been summarily considered as a message from the Legislative Council to which the government has expressed intransigent opposition.

In the face of that opposition it is not surprising that the government, which of course has the numbers in the lower house, was able to brush off the amendment. The way forward, it seems to me, is for the Hon. Julian Stefani to reintroduce his amendment in a bill next Monday, which would receive priority in this chamber, notwithstanding the

fact that it would be a private member's bill, and for it to be debated in the House of Assembly and appropriately dealt with next week.

The Hon. Diana Laidlaw: That is not only appropriate: it should be dealt with as a priority next week.

The Hon. R.D. LAWSON: Yes, dealt with as a priority. No-one would expect the government to indicate that it would support the bill. I am sure that the Hon. Julian Stefani would not expect to receive that commitment. However, he is entitled to expect from a reasonable parliamentary body that the matter is appropriately debated, given priority and determined. That it seems to me is a way forward. It will enable the Roosters Club to continue trading and it will also enable the interests of the Karagiannis family, proprietors of the Renaissance Centre, to be addressed next week.

The Hon. IAN GILFILLAN: I indicate the Democrats' support for insistence on our amendment. I believe that alternative procedures are certainly not a bird in the hand. I have seen too many proposed legislative birds take wing and disappear. Undertakings are very easy to give and very glib, and there is no cement guarantee that any procedure will be followed through with dotted i's and crossed t's. This parliament, sovereign in its own determination, decided with a very substantial majority that this matter deserved support and that it was appropriate for it to ride with the Gaming Machines (Roosters Club Incorporated Licence) Amendment Bill.

To argue that this complicates legislation becomes ludicrous if we look at the omnibus bills and the range of legislation that goes through this place that has a variety of matters embraced in it. This issue has a commonality of dealing with gaming machines, the proprietors of premises who have a problem with the continuing use of gaming machines and licences, and it fits very comfortably in this bill. It is clearly a unique case: it is not setting a precedent which will open floodgates. I think it is very small minded of the government.

Incidentally, to argue that the government has control of the other place is a little bit of a juggle with numbers. Quite frequently, they are found not to have the majority, and I think would not on this occasion if all opposition members and independents were of one mind and felt as we do about this particular matter. It is a minor matter; it is not a threat to the government's integrity or its program; and nor is it challenging its overriding priorities. In fact, if anything, it should comply with them.

I do not see any reason to resile from our decision of last night. We should insist on our amendment. If other people have other programs which can offer the same assurance and they come forward in a hard form, anyone of a logical mind will look at it. But that is not what I believe is necessary and, if we were not being dictated to by pettiness, this thing would have gone through and two groups of people would have been able to go on with their lives, free from what are quite uncomfortable and embarrassing threats. So, I indicate Democrat support for insistence on the amendment.

The Hon. CAROLINE SCHAEFER: Mr Chairman, as you well know, I did not speak on this bill last night. There appeared to be sufficient people who were making sense that there was no need for me to do so. As has been said on a number of occasions, this is, for the Liberal Party, though sadly not for the Labor Party, a conscience matter.

I would have to say that this is the worst case of moral blackmail I have seen in the parliament in the nine years that I have been here. The government has used a perfectly legitimate amendment, moved by the Hon. Julian Stefani, to blackmail this house into acquiescing to its will for no reason that I can see but its massive ego. The government has shown an absolute lack of respect for the parliamentary process and an absolute lack of professionalism. Had the minister in another place agreed to properly debate this amendment, this bill could have been passed. As it is, we are faced with the decision of either seeing the Roosters Club close—and we have been threatened with that happening tomorrow morning—or supporting the government position (with which none of us agrees) on the amendment moved by Mr Stefani. It seems to me that we are being put in a position where we say that we will put up with either two wrongs or with one wrong in order proceed with—

The Hon. T.G. Cameron: With a gun at our heads.

The Hon. CAROLINE SCHAEFER: Yes, with a gun at our heads—in order to proceed with the saving of the Roosters Club. I am disgusted with the way the government has handled this issue. I want to hear from the minister. I want the minister to stand and assure me that both houses will proceed with a bill to be moved by the Hon. Julian Stefani as a matter of priority next week. If he does that, I am prepared to concede that we must let the Roosters Club at least proceed with its business. I see very little point in closing down both the North Adelaide Football Club and this family simply because we have an arrogant minister in another place.

The Hon. J.F. STEFANI: I want to make my position abundantly clear. I will be voting for insistence on the amendment moved by this house, and I want to flag this: I have taken up the cause of the Karagiannis family in the right context, in the appropriate forum, in the appropriate time frame and in the appropriate legislative amendments that the house of review is able to introduce in the course of legislation. I also want to make it abundantly clear that the challenge will be thrown out to the government and to the minister who said that he was not going to amend any legislation concerning the Gaming Machines Act.

It will be up to him to show his face in the fairness of justice in delivering just laws. I will not be putting the family through the drama of being here to see the circus, underhanded deals and the political muck that is practised in the august chambers of the parliament. I will not put them through that drama. I make it very clear that it will be up to the minister—and the opposition equally—to deliver on the promise that there is a way forward, so they will show their faces in terms of integrity and their intention to deal fairly with people in the state of South Australia. I want to throw down the challenge to the minister. The minister introduced the Roosters Club bill, because the club was in trouble. I want to see whether—

The Hon. T.G. Cameron interjecting:

The Hon. J.F. STEFANI: Well, I want to see whether he is prepared to do the same here. That will be the true test of his integrity, honesty and fair dealing with people. If he does that, then he can be judged. I think that is the way forward. I will not be making that commitment, because I have already made the commitment to the family, who are here today. Members have seen what the parliament has done to them. The government has said, 'No, we won't help you. We'll help the Roosters Club, but we will ignore you and keep you for another day.' If the minister is so honourable and so intent on delivering justice, he will take the matter forward. I will not. The family will not judge me any differently in the end result. They will not judge any differently any other member of this place or the other place as to the result, which they have seen executed in the voting process of the two chambers. We will

see whether the government's intention is to proceed in a priority manner.

The government introduced legislation three days ago and wanted it passed. We will see whether it will give this family the same priority. That will be the true test of the government, and I want to see whether it is prepared to do that. I will not build up the hopes of a family that has worked for 20 years, whose investment is now on hold and whose machines are in a warehouse, for which they are paying rent because this place is not prepared to deal with their amendment in a timely manner. I want to see whether the government is prepared to get that family back on its feet, back in operation in the same manner as it was before we in this parliament passed defective laws that are impeding the justifiable transfer to another location or the selling of their licence in a normal business and legal manner. That is my position.

I will make my reason for voting for insistence clear. I will have completed my commitment to the family in terms of the process I have adopted in attempting to assist them. I had the same opportunity—in fact, a lesser opportunity—which the minister and Labor government had and which the opposition may have had. The fact is that the Labor minister was aware of the problem a long time ago—certainly by 10 April 2003. He said, 'No, I'm not going to do it.' Yet he was prepared to do something, very quickly, for the Roosters Club. The ball is in the government's court. Let this government not get itself off the hook with the false pretence that it will deal with issues introduced by private members as a priority, or whatever else. It has the conduct of the legislation in this place. Let us put those concerned in this place and the other place to the test. Let us put the opposition to the test in another place. I am sure the same numbers that showed support in this place will be there to ensure that this legislation is passed. I put the government on notice that the ball is in its court. The government has the problem of showing decency, honesty and integrity, and it should not play games with people's lives.

The Hon. T.G. CAMERON: I listened very carefully to the contribution made by the Hon. Robert Lawson. I have spent a few years now listening to his dulcet, silky tones wafting across the floor of the chamber. He made a very persuasive speech about walking forward and resolving the problems for both people, and I must confess that for a while there he had me. That probably explains why QCs get $4 000 or $5 000 a day: they are very good at persuading people to their point of view.

As I pondered the possibility of going along with the suggestion being made by the Hon. Mr Lawson, I briefly thought about the wrath that the Hon. Julian Stefani would probably deliver upon me if I went down the path. I then started thinking about the contribution made by the Hon. Terry Roberts, which was a very superficial, thin explanation as to why the government was not prepared to deal with this matter.

They have squealed that they have not had enough time to consider it. How much time have we had to consider the government's bill? Something like an hour or so. We have not had much more time to consider the bill than the government has had to consider the Hon. Julian Stefani's amendment.

I listened very carefully to what the Hon. Terry Roberts was outlining to the committee, and it was pretty woolly. I would like to see a much tighter commitment from him. About the only commitment he made was that there was a lot of sympathy for the position put forward by the Hon. Julian Stefani. However, notwithstanding that there is some sympathy in this place, the member would have to introduce a private member's bill.

All members in this house who have introduced a private member's bill know how difficult it can be to get them through. I have not heard any undertaking from the government, apart from that there is considerable sympathy, that there is any willingness or indication by the government to support a private member's bill if it was put forward by the Hon. Julian Stefani. So, I can appreciate the sentiments that he has just outlined to the committee. In other words, he is concerned that this may well be a pea and thimble trick by the government: 'Let's get the Roosters bill through today, and we will give the Hon. Julian Stefani various assurances.' The minister will probably take the bill back to caucus and declare it a conscience vote. The Labor Party seems to be very flexible about which gambling issues are and are not a matter of conscience.

So, I have sympathy for the plight in which the Hon. Julian Stefani finds himself. The offer which seems to be on the table and which appears to be gaining some favour with members opposite is 'Let's slip this one through now, and next week we'll slip Julian's private member's through.' Well, the Hon. Julian Stefani has indicated that he is unlikely to introduce a private member's bill, because he does not want to put the family through more of what they have already gone through today and yesterday.

If I interpreted what he said correctly, he will leave the matter to the appropriate minister to introduce a bill in the lower house so that we can at least see what the intentions of the government are, but there has been no indication from the government that priority would be given to this bill or, if the Hon. Julian Stefani did introduce a private member's bill, that it would be dealt with next week. The Hon. Julian Stefani may find that at this time next Thursday we have not even got to his bill. I do not need to remind members of this place that we have a few unimportant bills lying around which we do not really have to deal with such as the River Murray Bill and the shopping hours bill which, one would assume, would take precedence over the North Adelaide Football Club's plight. However, we have adjourned those bills and we are now dealing with the Roosters bill.

Where does that leave the Hon. Julian Stefani: somehow or other at the end of next week trying to explain to his constituents that we never got around to dealing with his bill or that it was adjourned. He is concerned that he will look like he is being conned and, at the end of the day, we all know that he will have nowhere to go.

The Hon. J.F. Stefani: And he won't be conned.

The Hon. T.G. CAMERON: The Hon. Julian Stefani does not have to tell the members of this place that he will not be conned; we are already well aware of that. So, where does that leave us? If we pass the Roosters bill we shaft the Northern Tavern. They are already down the gurgler, so in the process we are going to shaft the Renaissance Centre as well. We are not content with just shafting the people who have been running the Northern Tavern for 30 years; we are going to compound that shafting by adding the Renaissance people to this as well.

The minister was not very convincing or persuasive when he attempted to give this house the impression that a private member's bill from the Hon. Julian Stefani would meet with favourable consideration in the other house. Where will the Hon. Julian Stefani be with his bill if the Labor Party caucus

declares that this is not a matter of conscience and does not change its mind?

The Hon. Diana Laidlaw: Right where he is now.

The Hon. T.G. CAMERON: Well, he would be in an even worse position, because this family has been hanging in the breeze like a carcass and, by the time we get to next Thursday, there will be a real stench surrounding this matter. At the end of the week I would not like to be in the Hon. Julian Stefani's shoes when he tries to explain to this family how they have been shafted yet again. It was only 24 hours ago that the President of this chamber (when we voted on the voices) thought that it was so overwhelming that he called it in favour of the amendment. No-one called for an adjournment; the only people who spoke against the Stefani amendment were government members.

I fail to see what has happened in the last 24 hours that would convince members that we should jettison the Renaissance Centre. I have a fair idea why members would be being leant upon to change their mind on this issue. I understand there might have been a bit of arm twisting and wrestling going on today. There would be concern that the Legislative Council may be criticised by Rex Jory in his Saturday column for being obstructionist, a relic from the past, etc.

In my view, it is neither the Legislative Council nor the members who are insisting upon the Hon. Julian Stefani's amendment who are being difficult, obstructionist, stubborn or obstinate: it is the government. Its only reason for refusing to deal with this bill is that we have cluttered it up. I am sure that all members have seen us deal with pieces of legislation that have had 40 or 50 pages of amendments. That is what I would call cluttering up a piece of legislation, not a simple two line amendment that has been moved by the Hon. Julian Stefani, the intent of which is crystal clear to every member in this council.

In fact, it is so clear that even lay people like me can understand it perfectly. I would be very interested to see whether members who supported the Hon. Julian Stefani's amendment yesterday but who do not intend to do so today would have the courage to stand up and put their reasons to the council. That is what they should do. Do not go squirreling around behind the bush saying, 'Oh, well, look, we are prepared to accept what the Hon. Robert Lawson has put forward. That is a shining light forward. That is the golden path to heaven for the Renaissance Centre'.

It is probably unparliamentary but that is just patently crap. You could sell someone anything who believed that. That is not what we are dealing with here. We are dealing with a member of this council who has used every legislative vehicle available to him which, I might add, is provided for under the standing orders of the parliament and our constitution. He has moved an amendment, a very uncomplicated amendment, which has a great deal of sympathy across all sections of the council.

It was carried without division, yet it has gone to the other house and this chamber has been told that it cannot be dealt with because it will clutter up the bill. That would have to be one of the most pathetic excuses for not dealing with a matter I have heard since I have been in this chamber. If there are problems, the minister who has carriage of the bill in here today has not outlined them to the council. The Hon. Julian Stefani is confronted with, 'Look, your amendment will clutter up our bill. We will not deal with it.' This is what they are putting to the honourable member. He has a gun at his head; although I should more correctly say that the gun is at the temples of a few of the members on the other side of the committee.

The government is saying to those members, 'If you do not oppose the Hon. Julian Stefani's amendment, you will wear the North Adelaide Football Club supporters rough if something goes wrong.' We have a situation where it is not the Hon. Julian Stefani who is holding a gun to anyone's head: the government is holding a gun to the head of every member of this chamber. Basically, it is defying us by saying, 'If you do not give us what we want, you will wear what comes out of it.' As I understand it, the House of Assembly has adjourned so it cannot deal with the bill today. What a contemptuous attitude by the other place towards this place.

We know what many of them think: that we are irrelevant; that we should not even be here. They are entitled to hold that view but there is a thing called a constitution, which preserves this council. We are in a situation where the gun is held at the Hon. Julian Stefani's head. The government set it up so that it can pull the trigger. Basically, the government says, 'Well, look, we believe in the old Confucius saying: don't completely surround your enemy; leave him some way to retreat with some honour.'

So, it has cobbled up this suggestion that he should introduce a private member's bill, that it will be given priority and that it will be dealt with next week. The Hon. Julian Stefani, I think, has been in this place for 13 years, and he knows what that is worth. It is not even worth the paper it is not printed on. So, it is the government here that has the gun held at our heads.

I was particularly pleased to see the Australian Democrats not cave in to the government blackmail on this. They have picked the wrong person if they think they can blackmail the Hon. Ian Gilfillan. I do not think anybody could hold a gun at his head; he would say, 'Get nicked; just pull the trigger if you're game,' and I was pleased to hear his contribution today. I think the government in this case is acting dishonourably. It is the Hon. Julian Stefani who is acting honourably. I am one of the people in this council who do not like a gun held at our head. That is what I think the government is doing. It has obviously done a bit of work in the chambers over the past 24 hours and put the wind up a few people in this place. Nobody has approached me. I have not had a gun put at my head; I think the government knows it would be wasting its time to do that. I have considered this very carefully; I will not go on any more. In the absence of any real reasons being put forward by the government as to why we should oppose this amendment other than that it is cluttered, in the belief that there is some mysterious path forward to Nirvana for the centre on this issue, it is my intention to vote on insisting on the Hon. Julian Stefani's amendment. I have not changed my mind in the past 24 hours; I intend to stick with my original position.

The Hon. R.D. LAWSON: During the Hon. Julian Stefani's contribution he expressed a great deal of frustration and indicated that he would be disinclined to reintroduce a bill next week, because he does not believe that it would advance the issue. This is an important matter, as the Hon. Julian Stefani has emphasised. It has been supported by a substantial majority of members of this council. If the Hon. Julian Stefani feels he could not be bothered coming back to the council next week with a bill to encompass his amendments, I indicate to the council that I certainly would. I spoke in favour of the Hon. Julian Stefani's bill. It is a good bill; it deserves to pass and it deserves the support of both houses. At the moment it does not have the support of both houses,

but I am certainly prepared to come back next week and advocate strongly for it. The only path forward is to do that.

It is unfortunate that the minister did not indicate in clear and unequivocal terms what I understood to be the government's position before the debate commenced, namely, that it would facilitate the introduction of a private member's bill on Monday in this chamber and that, if that bill passed, it would give priority to its passage in the House of Assembly next week. That was the clear undertaking I thought I was going to hear. I do not think I have heard it, and it certainly has not been emphasised in sufficiently clear terms. That seems to me a vital element if we are to accommodate the Roosters and move the matter forward.

The Hon. DIANA LAIDLAW: The Hon. Terry Cameron asked for the views of a Liberal who last night supported the amendment but who would not be insisting on it today. I am such a person. The minister was quite rude to me a moment ago when I indicated that this would be my intention to vote. I will not repeat the private conversation, but you are jolly lucky, having spoken to me like that, that I continue to keep my word to my party.

The CHAIRMAN: Order! The honourable member will resume her seat. Interjections and conversations across the chamber are out of order, whether it is the minister or the person on their feet. It is bad practice and it has always been against the lore of parliament to raise private matters on the floor in debate. I ask members to uphold the dignity of the place. The Hon. Ms Laidlaw will complete her remarks without interjection

The Hon. DIANA LAIDLAW: I will not reveal what was said to me. Notwithstanding what was said, I will not insist on the amendment. This has become messier, muckier and more horrible by the minute because principle has been forgotten from the start. Once members do that, it becomes difficult. I go right back to the government's measure to extend the freeze on poker machines. I did not support that legislation, so I feel quite comfortable speaking on this issue more broadly. That has given rise to so much of the mess and contamination of the debate and principle in this matter.

I recall in government that difficult situations arose from time to time and had to be dealt with quickly. The issue was the Roosters Club. I indicated yesterday to my party that, notwithstanding the difficulties, I would be supporting the government's legislation. That was my first position. I subsequently supported the Hon. Julian Stefani, and for very good reasons. However, for whatever reason, whether I think it has been argued rightly or wrongly by the government, the government has taken a position in this matter and it has decided that it will not support the bill as it left the Legislative Council last night. That is its right and it has the numbers. Those are the facts: it is a democratic system. I may not like the fact that the government is not supporting an amendment that I supported last night with good cause, and I still believe in that cause, but I also understand the facts of life.

The government will not do it and, if the government will not do it, the premises close tonight or tomorrow. So I go back to basics. I will be very interested if the government takes as much interest in other small businesses, and bigger businesses, when they get into similar plights in future. This issue will be raised with it from time to time over the years.

Yesterday it was my view that I would support the government bill and the reason why I indicated that support was to see that an operation was not closed and that we could put it on a sound basis for I hoped just six months, but no-one other than the Hon. Terry Cameron supported that, and I thank him for that. I do not want it closed tomorrow and, if it means that I must abandon my insistence on the amendment, that is the position that I must take.

The Hon. CAROLINE SCHAEFER: Similarly, the Hon. Terry Cameron has thrown down the challenge for those of us who will change our mind to give our reasons for doing so. I thought I had done so in my previous speech. It is not with any great glee that I do this, but I cannot see the logic of allowing the Roosters Club to close simply because of our wish for another amendment to be passed in this place. In a bicameral system, we have to work with the realities. I am comforted by the fact that the shadow attorney-general has given this place his assurance that, if Mr Stefani chooses not to move forward with a private member's bill, he will do so. I repeat my question to the minister: regardless of who moves the private member's bill, I would expect a commitment from the government in this house that it will be treated as a matter of priority on Monday next week by both houses of parliament.

The CHAIRMAN: The minister can speak for this place but he cannot speak for the other house. The honourable member knows that.

The Hon. A.L. EVANS: I really believe that an injustice has been done here to innocent people. This will cost these people a lot of money—if not their livelihood—and it is through no fault of their own. I see no reason why the government could not have made an opportunity for the two issues to be resolved in one. When we are dealing with people's lives and the problems and the burdens they carry, it is huge blow to them to find that, through no fault of their own, they are in such a position. As a person who is opposed to pokies, the easy way for me would be to vote with the government, which means that one pokie venue would possibly not be able to function, and then vote against the government on the next issue. However, these are innocent people, and my principles are against pokies, so justice must always be done. I will not be voting with the government on this.

The Hon. J.F. STEFANI: At the risk of intervening in the contributions during the committee stage, I make it abundantly clear again that I will not move any amendment in the form of a new bill, because I have attempted to do so in the appropriate course of this debate in dealing with this legislation. It will be up to someone else to do so, because I will not build any expectation that this or the other place will deliver anything. If the government was serious about this issue, it would be saying to the constituents who are here today and who were here last night that the minister who wrote to them on 12 May 2003 has gone back on his word about dealing with any amendments to the licensing and associated transfer provisions of the Gaming Machines Act—and he did not know about the Roosters bill then; he could not have. It is up to the minister to show his integrity and his government's intention on the overtures that the minister who represents him in this place is making about my doing it. It is not up to me to do it. I have done all I can for the constituents, and they know it. The fact is—

The Hon. T.G. Cameron: What confidence will they have that the minister will deal with their problem when he wouldn't even meet the owners of the Northern Tavern yesterday?

The Hon. J.F. STEFANI: Precisely! The minister had lunch with them on Monday. The minister supposedly received representations in caucus from a member of another

place—the member for West Torrens, dare I say—who said to the constituent, 'I took your case to caucus on Monday. What happened? I got rolled.' The minister had better front up and show his true colours, because I will not carry the can. The constituents who were here today know very clearly that Julian Stefani will not lie to anyone. He will proceed with honesty and integrity in doing his job as a member of parliament to take the interests of the people to heart and represent them properly in this place. With those few words, I indicate that so that there are no illusions or misconceptions or indeed any other misinformation that can emanate from this position.

The Hon. R.D. LAWSON: I repeat—because the honourable member did not acknowledge that I said this just a few minutes ago—that, if he does not move a bill next week, I will introduce a bill to meet all the features of the amendment which was carried in this place last night.

The CHAIRMAN: I am fully aware of the passion within this debate and am fully aware of the passion and commitment some people have put into it, but we are going around and around and getting very close to tedious repetition. If members are to make any further contributions will they confine it to new matters.

The Hon. D.W. RIDGWAY: In response to the Hon. Terry Cameron's request for those of us on this side of the chamber, who supported the Hon. Julian Stefani's—

The CHAIRMAN: It is not compulsory.

The Hon. D.W. RIDGWAY: I realise it is not compulsory, but I intend to respond. We are dealing with a pig-headed and arrogant government and at the eleventh hour they rush something through. We only had a very brief amount of time to consult. The government itself admits to having had no consultation with the owners of the Northern Tavern and it is amazing that at the eleventh hour they would rush it through. I was happy to support it, despite its being in a marginal Labor seat. If the Hon. Julian Stefani is not true to his word, but which I suspect he will be, and does not introduce a private member's bill next week, I will support the Hon. Robert Lawson. It is a very messy situation and that is the best way forward.

The Hon. T.J. STEPHENS: I was quite happy to support the amendment yesterday, but my initial position has always been to support the North Adelaide Football Club. I could not in all conscience let the North Adelaide Football Club situation deteriorate further and on that basis I do not see any other way around continuing my original thought to support the Roosters, and I will watch the Hon. Robert Lawson's efforts next week with great interest and probably continue my support.

The Hon. T.G. ROBERTS: I have been asked to make commitments in relation to supporting the passage of a bill. I also need to make an explanation to the honourable member who declined to pick up an offer I made on the basis of a contribution he made when he said he represented the people. I thought perhaps he might want to sponsor it.

The Hon. J.F. Stefani interjecting:

The Hon. T.G. ROBERTS: You have made an explanation. The government will make sure a bill is sponsored. The opposition leader has made a declaration that a bill will be sponsored. You have a guarantee that a bill will be sponsored to discuss the issue. I cannot give any guarantees on what the other place will do as to its passage. I am not a numbers man for either the government or the opposition and that is a guarantee I cannot give. However, I am aware of discussions that have gone on around the parliament over the past three to four hours. A lot of the rhetoric included in some of the contributions today was unnecessary in relation to the undertakings that have been given. I would hate to make it any more of a political football than it has been made at the moment.

By way of explanation, we see the issues as being separate. The honourable member talked about cluttering: of course the clause does not clutter the bill as it is a single clause. The issues clutter the bill. Members cannot tell the difference between the difficulties and dilemmas that a community club such as the Roosters face in relation to its time frames, which is less than 24 hours I understand, and a private application, which I understand has until 6 June. There is not much time difference, but there is a little bit of time in which we can handle both issues separately.

It was the government's view that we handle the Roosters' dilemma first and that we then handle the situation in relation to the Renaissance Centre. I hope the honourable member understands that a commitment has been given regarding the people he represents; and we all represent their interests in this council and we all have an interest in the outcome. Hopefully, we will be able to separate the two and achieve the outcomes that we require.

The committee divided on the motion:

AYES (10)

Dawkins, J. S. L.	Gago, G. E.
Gazzola, J.	Holloway, P.
Laidlaw, D. V.	Lawson, R. D.
Ridgway, D. W.	Roberts, T. G. (teller)
Schaefer, C. V.	Stephens, T. J.

NOES (5)

Cameron, T. G.	Evans, A. L.
Gilfillan, I.	Reynolds, K.
Stefani, J. F. (teller)	

PAIR(S)

Zollo, C.	Kanck, S. M.
Sneath, R. K.	Redford, A. J.

Majority of 5 for the ayes.

The CHAIRMAN: Throughout the committee stage of this bill, which has been a passionate affair, some members have indicated their passion very strongly. However, I draw to all honourable members' attention that it is not within standing orders, and certainly not within the protocols, to refer to or ask questions of members in the gallery during a debate.

I understand that this is an emotional time, but I ask that in future, when members are making contributions, all members in the gallery should be invisible. All members are skilled politicians, and they do not need to refer to people in the gallery.

Motion thus carried.

STATUTES AMENDMENT (WATER CONSERVATION PRACTICES) BILL

Second reading.

The Hon. T.G. ROBERTS (Minister Assisting the Minister for Environment and Conservation): 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.

It is well known that South Australia is the driest State in the driest inhabited continent on Earth. It goes without saying that the

sustainable use and management of water is critical to the State's development and prosperity, our social well being, and the conservation of natural ecosystems and wildlife.

In recognition of this, successive Governments have supported, through legislation, systems for the management of the State's water resources, which require the use of caution and safeguards to minimise the detrimental effects of water use and its management. However, while there are legislative provisions to restrict water use in certain circumstances, there are limited powers to ensure that water is used wisely.

Despite Australia currently experiencing one of the worst droughts in recorded history, there have not been widespread water restrictions in South Australia. This has been due to the State's conservative approach to allocation of water and the provisions of the Murray Darling Basin Agreement, which ensure that South Australia receives an entitlement flow of water from the River Murray, except under extreme conditions.

South Australia's Entitlement Flow from the River Murray is 1 850 Gigalitres per annum. However, the median flow received is approximately 4 850 Gigalitres per annum.

South Australia has been receiving only the Entitlement Flow since December 2001, resulting in reduced volumes of water (compared to the median annual flows) being available for the river and lake systems in the State. The most striking impact of this has been the significant restriction of flow through the Murray Mouth. It is only through action taken to dredge the Murray Mouth that has prevented its closure.

South Australia now faces a real risk of not receiving even its entitlement flow in the coming water year.

In view of the high level of uncertainty attached to water resource availability in 2003/2004, a range of options to manage low flows and the impact on water quality, quantity and water levels are currently being examined.

On the basis of these considerations, the Government has now announced its intention to impose restrictions on the amount of water diverted from the River Murray using section 16 of the *Water Resources Act 1997*. These restrictions will also impact on the amount of water taken from the River by SA Water, which will in turn limit SA Water's ability to supply its customers at current levels of use.

The Government has also initiated the Waterproofing Adelaide study aimed at determining longer-term solutions for reducing Adelaide's dependence on water sources such as the River Murray.

Importantly, it is the responsibility of all people in this state to value our water resources and use them wisely. The current circumstances in the River Murray and other water storages in South Australia serve to highlight the need for sustainable use of the water resources. However, this Bill is not targeted only at management in drought conditions but seeks to generally ensure that water use in the State is based on sound water conservation practices.

The Bill establishes and clarifies the legislative basis on which controls may be placed on the quantity of water that can be taken and used, the purposes for which water can be used, and the manner in which, or the means by which, the water may be used. These 'regulated use controls' target the conservation of high waste and non–critical water use, and may include restrictions on use in times when water availability is low. For example, the controls may restrict the watering of gardens in the heat of the day, and the hosing down of paved areas in all but emergency situations.

Regulated use controls may comprise both temporary or short term controls, put in place from time to time to respond to changing conditions, and base-line controls of a longer nature which will reflect the need for certain minimum levels of water conservation practices to be met at all times.

This Bill proposes an amendment to *Water Resources Act 1997* to provide the head power to ensure that regulated use controls may be established for all water users in the State. The *Waterworks Act 1932* effectively only applies to the customers of SA Water.

Section 33A together with section 10 of the *Waterworks Act 1932* provide the power to introduce certain controls for SA Water customers.

Section 10 of the *Waterworks Act 1932* gives powers to the Governor to make regulations under the Act and includes a list of purposes for which regulations may be contemplated. Amongst the purposes is clause XI which states '*. . . the Governor may make regulations—for preventing the waste or misuse of water, whether supplied by meter or otherwise*'. While it could be argued that section 10 currently has the flexibility to allow regulations to be made for any purpose of relevance to the Act it is considered desirable to add an additional clause specifically to ensure that regulations may be made for the purposes of '*water conservation*'.

The legislative option has been chosen because while an education program and voluntary controls may achieve some short-term changes to water use practices, based on interstate experience, these changes are unlikely to be sustained over time. Nor does the voluntary option achieve the levels of reduction that regulated use controls are able to produce.

In addition to regulated use controls, an effective and practical management response to achieve water 'savings' in the short term is to place restrictions on the amount of water taken for use. The power to do this is found in the *Water Resources Act 1997* under section 16 and, to some extent, in the *Waterworks Act 1932* under section 33.

In the context of the need to place restrictions on taking water from the River Murray, utilising section 16 of the *Water Resources Act 1997*, it has become apparent that the full range of penalties available under the *Water Resources Act 1997* may not be applied for contravention of a section 16 notice of restriction. For example, the ability to apply financial penalties (set each year) for overuse of water is not available for transgression of section 16 notices of restriction. This Bill, therefore, contains an additional amendments to section 132 of the *Water Resources Act 1997* to provide for financial penalties to be applied in relation to contravention of a section 16 notice of restriction.

Section 33 of the *Waterworks Act 1932* may be limited in its application in contemporary circumstances due to the inclusion of a threshold condition that is required prior to the powers of the section being invoked, namely that the '*quantity of water stored in any reservoir has been diminished to such an extent as to render it necessary or expedient in the opinion of the Corporation to lessen the quantity of water supplied*'. The lack of a definition of *reservoir* within the Act reflects the age of the statute, predating as it does the construction of pipelines from the River Murray to supplement the water supply to Adelaide. A literal interpretation of the current *Waterworks Act 1932* may preclude the powers of section 33 being used except in extreme situations where water cannot be supplemented with River Murray supplies. This limits the flexibility of SA Water to use the powers in any situation where a water supply is threatened whether it is a reservoir, river or groundwater supply and irrespective of whether it can be readily supplemented from another source or not. The Bill, therefore, proposes an amendment to section 33 of the *Waterworks Act 1932* to provide a broader threshold that allows consideration of the state of a water supply source separate from any other related sources.

The introduction of regulated use controls, provided by the Bill, will have a positive impact on the environment by ensuring that water use is underpinned by conservation practices, and wasteful and inefficient water use is discouraged. This will also ensure that our State's precious water resources are used to their best effect for human use, the environment and economic development. All sections of the South Australian community will be able to play a part in the conservation of this essential and valuable natural resource. In addition, a community education and information strategy will be developed which will be run in harmony with drought related strategies for the River Murray and the Water Proofing Adelaide study.

The Bill provides that regulated use controls would be prescribed by regulation. In situations involving a water shortage, the regulations would be established under the *short-term measures* scheme. This scheme is (to an extent) similar to the scheme presently applying under the *Waterworks Act 1932* with respect to SA Water's customers, and the use of regulations would enliven coordination through the Cabinet process.

The Bill makes it an offence to not comply with a regulated use control requirement. It establishes an appropriate penalty for non-compliance that is consistent in both relevant Acts. The maximum penalty will be $5 000 for natural persons and $10 000 for bodies corporate.

The Bill also provides for expiation notices to be issued by authorised officers for people who fail to comply with the requirements established by the legislation. The expiation fee will be $315.

I commend this Bill to Honourable Members.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Amendment provisions

An amendment under a heading specifying a particular Act amends the Act so specified.

Clause 3: Amendment of section 16—Restrictions relating to the taking of water

These amendments relate to the imposition of restrictions or prohibitions with respect to the taking of water. It will now be possible to issue expiation notices under the section.

Clause 4: Insertion of Part 4 Division 1A

The Governor will be able to introduce water conservation practices by regulation under proposed new section 17A. The regulations will bring into effect *longer-term measures* for conservation and related purposes and *short-term measures* in cases involving a decrease in the quantity of water available in a water resource. Longer-term measures will be able to apply for 5 years. Short-term measures will be able to apply for 1 year.

Clause 5: Amendment of section 132—Declaration of penalty in relation to the unauthorised or unlawful taking or use of water

The Minister will be able to use the penalty system under section 132 of the Act to support the measures promulgated under section 16.

Clause 6: Amendment of section 10—Regulations

These amendments will allow measures for the control of the use of water to be introduced by regulations under the Act.

Clause 7: Amendment of section 33—Power to lessen or discontinue supply

Section 33 is currently limited in its operations to situations where a reduction in water has occurred in a reservoir. This is to be revised.

Clause 8: Amendment of section 33A—Restrictions on the use of water

These amendments will ensure that the powers of the Corporation in relation to the conservation or efficient use or management of water can be consistent with the scheme under the *Water Resources Act 1997*.

Clause 9: Amendment of section 35A—Reduction in water supply to cope with demand

Clause 10: Amendment of section 43—Interfering with or by-passing meter

These amendments ensure consistency with the other penalties that are to apply in relation to the conservation or use or management of water under the Act.

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

ADJOURNMENT

At 5.39 p.m. the council adjourned until Monday 2 June at 2.15 p.m.