LEGISLATIVE COUNCIL

Monday 25 October 2004

The PRESIDENT (Hon. R.R. Roberts) took the chair at 2.15 p.m. and read prayers.

PAPER TABLED

The following paper was laid on the table:

By the President—

District Council of Cleve—Report, 2003-04.

AUDITOR-GENERAL'S REPORT

The Hon. P. HOLLOWAY (Minister for Industry and Trade): I lay on the table a copy of a ministerial statement in relation to the Auditor-General's Report made today by the Deputy Premier.

MOUNT LOFTY RANGES

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I lay on the table a copy of a ministerial statement in relation to proscription of the western Mount Lofty Ranges made on 14 October 2004.

QUESTION TIME

AUDITOR-GENERAL'S REPORT

The Hon. R.I. LUCAS (Leader of the Opposition): I seek leave to make an explanation before asking the Leader of the Government a question about Auditor-General's issues.

Leave granted.

The Hon. R.I. LUCAS: Members will be aware of the scandal and controversy that has raged in the past two weeks about unlawful and other improper practices outlined by the Auditor-General in his 2004 annual report whilst looking at the financial administration of the Rann government and its ministers. The opposition has been provided with information from a leaked copy of a letter from the former chief executive of the Department of Justice to Dr Paul Grimes, one of the Deputy Under Treasurers in the Department of Treasury and Finance. The opposition has been advised that the letter states, in part:

> Since your letter I have consulted widely with colleagues and have been astonished to discover that there are many creative and ingenious methods for avoiding the dreaded end of year Treasury sweep. My problem appears to be that I have not been as creative, rather, that I have been incredibly pedestrian and conservative in protecting project money in the Crown Solicitor's trust account, where it can be freely audited and recalled by Treasury at any time. Indeed, over the last two years I have lost $10 million in carryovers to Treasury; I am inept.

Given the statement from Kate Lennon that she had consulted widely with colleagues and was astonished to discover that there are many creative and ingenious methods for avoiding the dreaded end of year Treasury sweep, will the minister categorically rule out that any agency or department reporting to him since the state election in 2002 has been involved in any way in creative or ingenious methods for avoiding the dreaded end of year Treasury sweep?

The Hon. P. HOLLOWAY (Minister for Industry and Trade): First, I ask the Leader of the Opposition to table that letter that he just quoted so I can have it examined.

The Hon. R.I. LUCAS: I am very happy to do so.

The PRESIDENT: You need to move that it be laid on the table.

The Hon. R.I. LUCAS: I am happy to give the leader a copy.

The Hon. P. HOLLOWAY: I think that question raises two issues. First, in as much as the letter is a correct reflection of facts, that it indicates what was happening prior to this government's coming to office in relation to the concealing of information from Treasury, we had the amazing situation—

Members interjecting:

The PRESIDENT: Order!

The Hon. P. HOLLOWAY: —to which I referred before about the health system, where we had tens of millions of dollars being squirreled away, and debts; it was actually debts. It was not so much squirreling assets; they were squirreling away debts within parts of the health system. Of course, we had the Leader of the Opposition (the then treasurer) getting up and telling us after the election that, if they were in government, they would be recovering all those debts that this government inherited. So, with respect to all these tens of millions of dollars that all the health units were in debt, this Leader of the Opposition has been saying that they would have recovered them. So, when we have his colleague, the former health minister, coming out and saying that our health system needs more money, what would have happened under this Treasurer, if his party had been in government, if we believe what he has told us over the past two years? They would be many millions worse off, because they would have had to pay back all the debts that they had under him when he was treasurer before the year 2002. These are the sorts of standards. I just make the comment—

An honourable member interjecting:

The Hon. P. HOLLOWAY: I will get to the comment, but first I make the point that they were the sort of practices that were going on. In relation to the departments which have been under my control, I am certainly not aware of any methods taken to—

The Hon. A.J. Redford: There has been more criminal conduct than there ever was under our government.

The PRESIDENT: Order!

The Hon. P. HOLLOWAY: That is so ludicrous. Under which other government did we have—

The Hon. A.J. Redford: The Auditor-General said that it was criminal conduct.

The PRESIDENT: Order!

The Hon. P. HOLLOWAY: He also said a fair bit about Joan Hall's behaviour, and we could talk about Graham Ingerson and Dale Baker.

Members interjecting:

The PRESIDENT: Order!

The Hon. P. HOLLOWAY: They were so crook, special commissions of inquiry were set up. Dale Baker resigned in disgrace, and then Graham Ingerson, Joan Hall and John Olsen, a premier. It was unprecedented in history.

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. Lucas: So, you can 't rule it out?

The PRESIDENT: Order!

The Hon. P. HOLLOWAY: Of course you cannot rule out those sort of things. However, in relation to the way in which I conducted the department, I believe in the principle that, where money is unspent from one year to the next, it is appropriate that Treasury should require quite rigid justifica-

tion for that carryover. Indeed, there have been a number of these instances in the past where we have had these arguments with Treasury over carryovers and, as far as I am aware, the departments have been treated fairly by Treasury. For example, if for some reason we cannot spend the department's commonwealth funding allocation within a 12-month period, and that funding requires a matching state contribution such as for FarmBis or something like that, one would require a carryover for that. I always found that Treasury was reasonable in relation to those matters if there was reasonable justification for a carryover and agreed to it. Essentially, all this government, under my colleague the Treasurer, has put in place is the requirement for rigid justification for money to be spent in a particular year.

As I have said, there have certainly been cases where departments under my control have had to justify to Treasury the reasons for carryovers and, in some cases, they have been granted and in others they have not. However, I believe the treatment meted out by Treasury was fair in those cases. I am certainly not aware of any devise being used that might in any way be described as illegal.

The Hon. R.D. LAWSON: I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs and Reconciliation a question about the Auditor-General's Report.

Leave granted.

The Hon. R.D. LAWSON: It has been revealed in the Auditor-General's latest report that certain funds were paid into the Crown Solicitor's trust account which were not spent in the year of appropriation. It has been further revealed that funds were included for assistance to the Tier 1 program for the APY lands intergovernmental committee designed to coordinate services on the lands, funding for a high police presence on the APY lands, and the Port Augusta crime prevention program and social inclusion initiatives in Port Augusta, which we would all concede have a considerable effect on Aboriginal communities in Port Augusta. My questions are:

1. What action did the Minister for Aboriginal Affairs and Reconciliation take to satisfy himself that funds allocated to the Tier 1 program, to APY policing initiatives, and also to the Port Augusta crime prevention programs were spent on the purposes for which those funds were allocated?

2. After the disclosure of the fact that funds to these programs were not spent, what action has the minister now taken to satisfy himself that these funds have been appropriately applied?

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I thank the honourable member for his questions in relation to the Auditor-General's Report. Tier 1 was the beneficiary of $80 000 to run Tier 1 itself. Tier 1 is an agency coordinator that was set up under the previous government to deal cross-agency with the issues we all know about in relation to the AP lands. Police services were a part of that build-up on the lands, and funds were allocated for that. The justice system program funding was allocated to that through the normal channels—as I understand that, through Justice—to deal with some of the law and order problems coming out of the Port Augusta region and, in particular, to deal with young people.

There has been difficulty in expending most of the agency funds, including commonwealth moneys, that have been earmarked for the lands because—as I have continually warned in this council—of the low point within the lands in relation to engaging the communities. Attention needs to be directed towards putting programs in place so that communities have the capacity to accept the funding regimes, and that is happening at the moment. I will be meeting with representatives of the new executive some time this week to discuss the roll-out of the funding regimes that will be incurred by government and, in consultation with the APY executive, we will be discussing some of the sensitivities that the government and the APY need to be discussing in relation to how that money is spent. So, there have been some delays in relation to the allocation of funding.

I understand that the $80 000 allocated to Tier 1 has been spent by the cross-agency administrative program that Tier 1 was set up to administer. That has now been collapsed and incorporated into a program running out of the Office of the Premier and Cabinet. My understanding of the funding regimes associated with Tier 1 was that each agency would provide some funding to keep the Tier 1 agency coordinator afloat in relation to administration funds for the role he was to play. Now that the Office of the Premier and Cabinet is involved, it is a new funding stream altogether.

In relation to the allocated funding (and I am not sure whether the honourable member is talking about commonwealth as well as state funding), my office has been involved in monitoring the performance of agencies in relation to the roll-out, and it has been working with the commonwealth. Those responsibilities have now been collapsed into the Office of the Premier and Cabinet, and it is now monitoring the roll-out of commonwealth funding, which includes funding for programs, such as swimming pools and transaction centres, which were promised by the commonwealth. I understand the nature of the question. We hope to be able to build up the capacity of not just the APY lands but also the other remote communities, such as Yalata, Coober Pedy and others, which have found themselves in difficulty.

The funding transfer and the roll-out of programs will be completed effectively and efficiently only if the views and ideas of people within those communities are incorporated into plans and if the professionalism and the skills required of the service providers are built into those programs, and that has been missing over the years. The professionalism involved in health and education programs is second to none. I take my hat off to all those who work in the remote regions. There have never been any complaints about the education system, or the department, but over the years there have certainly been gaps in the services in the way other professional organisations incorporated their program delivery with the local people in those areas, and some of those programs have failed.

The Hon. R.D. LAWSON: I have a supplementary question. When was the $80 000 for Tier 1 first allocated? When was it spent? Was that amount paid into the Crown Solicitor's trust account? Has it been paid out of the trust account and, if so, when?

The PRESIDENT: That sounds very much like another question.

The Hon. T.G. ROBERTS: I do not have the answers to all those questions. However, what I do know is that there was an allocation of $80 000 to the Tier 1 structure for administrative purposes. As it is a multi-agency body, I am not in receipt of any knowledge of how the funding was handled. It was transferred at a time when DAARE took over Tier 1. There was a period when the justice department was sharing, but, when DAARE took over the chair of Tier 1, that

funding was transferred. I will bring back replies to the questions in relation to the exact method of how that money was collected from each agency and transferred to the body itself and in relation to any other outstanding questions.

The Hon. R.D. LAWSON: I have a further supplementary question. Given the minister's statement to the council that his department was carrying out a monitoring function in relation to the roll-out of funds to the APY lands, can he indicate when that monitoring function began? Did it identify the fact that funds allocated to the APY lands were not spent but paid into the Crown Solicitor's trust account?

The Hon. T.G. ROBERTS: I have no knowledge of that funding transfer. As I said, I will obtain a reply from the department and provide it to the council.

HEALTH, REGIONAL

The Hon. D.W. RIDGWAY: I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs and Reconciliation, representing the Minister for Health, a question about regional health.

Leave granted.

The Hon. D.W. RIDGWAY: It has come to my attention that a trend has occurred since the first budget delivered by this government in 2002, that is, significant cuts to our regional health budget. This trend continued in 2003, and, in the most recent budget, it was not so much a cut as a lack of recognition of the importance of this sector of our health budget.

I refer to page 224 of the budget papers where it states that the 2004-05 budget provides additional funding of more than $60 million per annum to maintain current hospital services and to support increased activity levels. But, on page three of the Treasurer's budget speech he goes on to say that there will be $60 million to enhance metropolitan hospital services and to support increased activity levels—no mention of regional health in this state. I refer to an article in this morning's *Advertiser* entitled 'Country hospitals cry for help,' which states:

> In a letter to Health Minister Lea Stephens, Regional Chairs' Group—

that is, the chairpersons of the seven regions across South Australia—

> spokeswoman Barbara Hartwig says 2004-05 budgets for country health are insufficient to maintain services. In discussing this matter recently, the regional chairs were alarmed to be informed that collectively, the seven country regions have identified a shortfall in the recurrent budget of in excess of $10 million.

It goes on:

> The chairs group said it was aware of a case for extra funding was being prepared for Treasury. The letter says in the past additional funding has been allocated to make up for shortfalls, but has been provided on a 'one-off' basis, rather than being added to base funding. This allowed recurrent problems to 'continue to escalate.'

I refer to the Gastin report which has been commissioned by this government and, in particular, the Gastin report into regional health services in South Australia, particularly the South-East, which states:

> The Gastin report recommends that the Millicent Hospital cease low risk caesarean births, which questions the ability to continue births at Millicent altogether. . . that means local doctors will not be using their specialist birthing and anaesthetic skills.

It also goes on to say:

> The report questions the. . . viability of maintaining the operating theatre and surgery at the Bordertown Hospital. Closing the theatre would have a huge impact on the hospital [and the community].

That seems crazy in my own local town where some 288 surgical procedures were performed last year. The school in that town is one of the largest in South Australia outside the metropolitan area. The primary school has some 600 plus students, and the high school has nearly 300 students. In the past 10 to 15 years that town has grown from some 2 000 people to nearly 3 000, so it seems crazy to entertain those sorts of cuts. My questions are:

1. When will the minister be up front with the community, and table this government's plan to destroy our regional health services?

2. If the answer is no, what initiatives has this government undertaken since it was elected in 2002 to improve health services and service delivery to regional South Australia?

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.

GEOTHERMAL ENERGY

The Hon. R.K. SNEATH: I seek leave to make a brief explanation before asking the Minister for Mineral Resources Development a question about geothermal energy.

Leave granted.

The Hon. R.K. SNEATH: Geothermal energy can be produced by pumping fluid between wells drilled into naturally occurring hot rocks.

An honourable member interjecting:

The Hon. R.K. SNEATH: It is a bit like what separates the ears of members of the opposition. Geothermal energy has the potential to provide alternative, emission free and sustainable energy sources. The minister has previously provided information to the council about the development of the geothermal energy industry in South Australia. My question to the minister is: have there been any further developments in this industry in South Australia?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development): I am very pleased to be able to tell the council that the geothermal energy industry is more advanced in South Australia than in any other state. Earlier this year, I was able to inform the council that, three years after South Australia had done it, Queensland was only just starting the process of specific geothermal licensing. I am only too happy to further inform the council of the rapid progress of this industry in South Australia.

There are now seven companies hoping to explore for and commercialise emission free hot rock energy sources in 30 geothermal exploration licences, GELs and GEL applications in South Australia. Whilst only some will probably eventuate, the total five year work programs across all licences represent a total of $325 million of potential investment in geothermal energy in this state. Two companies exploring in this state, Geodynamics and PetraTherm, have already secured considerable capital through initial public offerings on the stock exchange.

Hot rock geothermal energy projects are eligible for federal government initiatives, including renewable energy certificates and R&D funding. Just one GEL has the capacity to fuel, from emission free hot rock geothermal energy sources, electricity generation equivalent to several Snowy Mountains hydro schemes. GLs are a unique type of resource

licence in Australia and are an innovation introduced under the new Petroleum Act proclaimed in September 2000. Other jurisdictions have been fast followers and have undertaken to legislate similar exploration regimes.

The South Australian government is supporting hot rocks by giving the project deserved positive notice in public forums and with expeditious, but effective, processing of activity approvals. South Australia's comparative advantage for sustainable energy solutions was promoted at the 2004 World Energy Conference. The state's exhibit at the WEC featured the vast potential the hot rock geothermal resources represent as a renewable, low-emission fuel source for large scale power generation. I am very pleased that the honourable member asked this question and to inform the council of the significant progress being made in this area.

The Hon. D.W. RIDGWAY: I have a supplementary question. Will the minister explain how the rocks are hot and what causes them to be hot?

The Hon. P. HOLLOWAY: The rocks that we have in this state are some of the hottest rocks in the world. They are up to some 280° centigrade, but, of course, they are some 4 000 metres or more below the surface, particularly within the Cooper Basin. Whereas most of the exploration licences are in the Cooper Basin, there is some thought that there is a potential to find these rocks in some of the old volcanic regions, such as the South-East. There is a potential that similar energy might be found there. I guess, in a sense, that answers the honourable member's question about the source of the rocks. Of course, they are the areas where the rock from the internal parts of the earth come closest to the surface. We are very fortunate—

The Hon. T.G. Cameron interjecting:

The Hon. P. HOLLOWAY: It is not quite the case. The point is that we are fortunate to have some of the hottest rocks in the world closer to the surface. The core of the earth is made up of hot rock. The question is where they appear closest to the surface. We are very fortunate in this state that we have some of the hottest rocks closer to the surface. The idea is to inject water into them and to bring it up as steam, which can be used as emission free—

An honourable member interjecting:

The Hon. P. HOLLOWAY: Well, one assumes that it is the gravitational pressure. It is a long time since I did my structure of matter course in Physics I at university, but it is the core of the earth that has hot rocks, as the honourable member knows. We are fortunate that they are close to the surface here. I understand the energy potential of the hot rocks is equivalent to that of the Saudi Arabian oil fields. That is the potential energy that is contained within those rocks.

DISABILITY SERVICES

The Hon. KATE REYNOLDS: I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs and Reconciliation, representing the Minister for Disability, a question about young people with disabilities.

Leave granted.

The Hon. KATE REYNOLDS: Mr President, as I am sure you are aware after reading the weekend papers and today's *Advertiser*, a new coalition called Dignity for the Disabled has launched a sustained campaign for proper funding for programs for young adult children. After being treated with what they describe as disdain and contempt, hundreds of parents are now involved in a campaign for action, which includes a six-point strategy to draw the attention of the public to the plight of their families.

On 25 May I asked the minister to confirm that 74 young adults were on the waiting list for the Moving On program. I also asked whether the minister thought that having a waiting list for this service was acceptable. I asked what action was being taken to meet future demand for services. I am still waiting for an answer. On 2 June in this place I quoted Mr David Holst, who had suggested in a letter to all members of parliament, I think, that minister Weatherill should consider changing the name of the Moving On program to 'going backwards'. I have not checked *Hansard* but I suspect I agreed.

I spoke at the rally organised by parents on 21 July, which the minister refused to attend, and attended the public meeting held on 22 August, at which the minister did speak. I heard parents tell him that back in 1997 young adults could access day options programs for five days a week, 48 weeks a year. Now there are 312 clients needing more services. There are more than 70 young people on the waiting list and 90 more to be added in 2005. I heard the minister acknowledge the extent of the problem and promise that he would establish a working party to look at solutions. I spent an hour in the car park afterwards talking with exhausted and despairing parents.

Every week I speak with more parents who are genuinely fearful for the future of their families. In two weeks I will be visiting just two of these families in their homes—homes that are three hours away from any respite care, even if it was available. The minister continues to insist that progress is being made, but I note that parents have rejected what they describe as stalling and bullying tactics. They have resigned from the minister's committee and have returned to campaigning in the public arena. My questions to the minister are:

1. When will I receive an answer to my question of 25 May?

2. Will the minister immediately commit to an interim injection of at least $3 million for the Moving On day options program while a substantive review is undertaken to accurately determine the resources needed in the next financial year and beyond?

3. In relation to his comments to *The Advertiser*, reported on 16 October, will the minister publicly identify what he believes is a 'rational outcome' in this situation?

4. What are the good quality policies that the government is supposedly working on and when will they be implemented?

5. What is the current status of the working party appointed by the minister; who was appointed to it; who is still on it; how many times has it met; what outcomes has it achieved; and when is it expected to publicly report?

The PRESIDENT: There are quite a few questions there, minister.

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): Certainly getting value for money out of question time today. I will refer all those important questions to the minister in another place and bring back a reply.

The Hon. NICK XENOPHON: Can the government provide details of the reduction in the number of available hours of respite care for parents of disabled children over the past seven years; and what is the current level of assistance?

The Hon. T.G. ROBERTS: I understand we are coming off a low base in dealing with many of these issues and, hopefully, the funding we are making available will count. I will refer that question to the minister in another place and bring back a reply.

BUSHFIRES

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 Emergency Services, questions regarding South Australian state prisoners and summer bushfires.

Leave granted.

The Hon. T.G. CAMERON: New South Wales plans to recruit prisoners to help tackle bushfires this summer. Under a new plan endorsed by rural fire fighting agencies, minimum security prisoners will soon be allowed to volunteer to assist in fire fighting activities, including hazard reduction and the care of animals injured by smoke and flames. The Commissioner of the New South Wales Rural Fire Service, Commissioner Phil Koperberg, has said that all prisoners involved in the proposal would undergo strict scrutiny by prison authorities before being allowed to participate. Prison authorities would assess the nature of the crime committed in deciding whether a prisoner was eligible to volunteer.

Just last week the Bureau of Meteorology issued warnings that this summer is likely to be the hottest for more than 10 years, and the risk of another Ash Wednesday may be greater than at any time in the past 20 years. My questions to the minister are:

1. Is he aware of the proposed New South Wales scheme?

2. Is the government considering introducing any such similar proposal for South Australia and, if not, would the minister be prepared to have his department investigate the merits of such a proposal and report back to the parliament, or to me if he prefers?

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I will take part of the question and provide an answer in relation to correctional services and I will pass the other part of the question to the Minister for Emergency Services in another place for his reply.

In relation to hazard reduction and animal support, prisoners in this state already undertake hazard reduction—in fact, they will be doing it up to a point where they are advised by the emergency services officers not to continue with it. Sometimes the hazard reduction in itself becomes a fire hazard because of the way in which it is carried out. There are continuing programs, and certificates are provided to prisoners for some of the work they do in relation to handling vehicles and chainsaws, and so on, which builds up their skills and confidence levels for when they exit the prison system. They are hand-picked prisoners (whom the honourable member accurately described as appropriate sentence prisoners), with whom the community would feel comfortable in terms of their sentencing options and supervision.

With respect to the animal support services, I am not aware of any support that the programs that are in place at the moment deal with. However, I certainly raised the issue of mopping up, which is an important part of prevention in relation to fires. Many of the fires that start in the South-East and the Adelaide Hills come from either controlled burn-offs or burn-offs that are carried out in a haphazard way and, later, northerly winds and high temperatures whipping up some of the areas that have not been dampened down properly.

I have looked at that as a way of involving prisoners alongside volunteers in Kangaroo Island, in the South-East, around Port Lincoln and in the Adelaide Hills, where the fire hazard exists and the material that goes with high risk fire times is available. The honourable member is right: it is some time since we have had major bushfires. There was one at Carpenters Rocks this last week, which sends a signal to everyone in the South-East that they have to be on their toes. I am sure it will be driven home to us here in the metropolitan area, when we see smoke on the horizon in the Adelaide Hills, if hazard reduction and prevention methods are not carried out properly and we have the right conditions. No-one wishes to have bushfires, but the law of averages works against us when it has been some time (I think 1983) since we have had major bushfires throughout the state at the same time during the same bushfire season. I will pass the other questions on to the Minister for Emergency Services and bring back a reply.

PREMIER'S ROUND TABLE ON SUSTAINABILITY

The Hon. J.M.A. LENSINK: I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs and Reconciliation, representing the Minister for Environment and Conservation, a question about the Premier's Round Table on Sustainability.

Leave granted.

The Hon. J.M.A. LENSINK: The minutes of the first meeting of the round table contain reflections by and for the members. It was stated that:

> Values of business and government. . . means that the future is not valued beyond 20 years at the most. Governments live largely on short-term horizons around the election timetable (four years).

Three or four paragraphs further down, the round table then decided that it needs to 'be opportunistic to fit into political demands and time frames'. My questions to the minister are:

1. In light of the round table's decision to be opportunistic, do the members adequately understand the terms of reference that ask them to develop an agreed vision and strategic view of the issues in ensuring the long-term environmental sustainability of South Australia?

2. Would the minister not agree that the decision to be opportunistic is clearly opposed to and in breach of the terms of reference?

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 an opportunistic reply.

HEALTH RESPONSIBILITIES

The Hon. T.J. STEPHENS: I seek leave to make a brief explanation before asking the Minister for Industry and Trade, representing the Treasurer, a question about health responsibilities for South Australia.

Leave granted.

The Hon. T.J. STEPHENS: The Inquirer section of last weekend's edition of *The Australian* contained a discussion of Premier Carr's proposal to transfer health responsibilities to the Australian government in exchange for state governments taking over education. The Treasurer was quoted in the article as saying that the situation in health required a radical approach and that the state could not do it alone in the long run. My questions are:

1. Given the Premier's comments, can the Treasurer confirm that it is this government's policy to seek to transfer health to the federal government at some time?

2. Does the Treasurer consider his comments to be somewhat mistaken, given that the states receive GST revenue and federal grants and that the federal government already administers Medicare and private health insurance, amongst other health responsibilities?

The Hon. P. HOLLOWAY (Minister for Industry and Trade): In relation to health, I suspect that the Treasurer was referring to the practice in the health system of cost shifting between various levels of government. The situation in this country at the moment is that areas such as nursing home provision and payment to GPs through Medicare are commonwealth responsibilities, whereas hospitals are a state responsibility, and there are problems at the interface between those two policies. I believe that it is in that context that Premier Carr made his comments and the Treasurer responded to the request from the media for his views. I will inquire as to whether the Treasurer wishes to add to my answer and bring back a response.

CORRECTIONAL SERVICES, VOLUNTEERS

The Hon. G.E. GAGO: I seek leave to make a brief explanation before asking the Minister for Correctional Services a question about the work that volunteers contribute to the day-to-day functions of the community correctional services in the Department for Correctional Services.

Leave granted.

The Hon. G.E. GAGO: The Premier regularly describes the work of volunteers as the glue which keeps communities together. It has been estimated that in excess of 400 000 South Australians give up some of their own time each year to do some form of volunteer work within their community. The significant contribution that volunteers make to the correctional services department is under-recognised by the wider community. Can the minister inform the council how volunteers contribute to the Department for Correctional Services?

The Hon. T.G. ROBERTS (Minister for Correctional Services): Volunteers do a very good job in our community, in and across all fields of endeavour, particularly in regional areas, where a lot of services would not be started, completed or carried out if we did not have volunteers. In fact, the volunteer ethos within country regions binds them together, and a lot of volunteer hours are contributed. If volunteer hours were withdrawn from a whole range of areas, taxes within our state system would certainly have to rise accordingly. The same could also be said in relation to the metropolitan area.

More than 80 accredited volunteers work for the Department for Correctional Services. They have all completed an orientation program. They are an integral part of the department's support and assistance to prisoners and offenders, and they are a link between the department and the community. Just recently, I met with another such organisation, which was starting up on the basis of assisting exiting prisoners in a wide range of ways. Their involvement is a cost-effective way of offering a range of rehabilitative opportunities which might not be available were it not for their assistance.

Among their duties, volunteers assist offenders in preparing job resumes in preparation for release; provide transport to job interviews, universities, medical appointments, and school and work sites; provide library services within institutions; provide assistance to pre-release prisoners looking for accommodation; provide educational support for prisoners who are studying; and transport the children and families of prisoners to prisons for visits, where possible. During the past 12 months, volunteers have actively been involved in five prisons and 13 community correctional centres throughout the state.

During the last financial year, the unit carried out 560 voluntary service contracts, which involved volunteers travelling more than 85 000 kilometres. It has been calculated that volunteers contributed in excess of 7 900 hours to the department during the year. I acknowledge that that work is appreciated by all who work in the prison system, including the authorities and the department, etc. Country volunteer numbers have increased and their work now extends to Port Augusta, Cadell, Whyalla, Berri and Murray Bridge.

In addition, the Department for Correctional Services has around 25 inspectors, all of whom are volunteers. The state's nine prisons are visited on a weekly basis, and volunteer inspectors hear prisoner complaints, liaise with prison management on behalf of prisoners, help to resolve prison issues of contention (some personal), and inspect prison conditions. Each inspector would talk to between 50 to 100 prisoners resolving problems as they go—many to do with the prisoners' gaol time but others to do with personal issues a prisoner may have. A typical visit would take most of the day.

The work of volunteers within correctional services is invaluable, and their work to reduce tension in prisons makes them safer places. It assists prisoners' rehabilitation and in turn contributes to a reduction in recidivism—making the community a safer place for all. A lot of that work goes unheralded and unannounced, and I am trying to highlight some of the work done by volunteers and provide them with some service recognition. Joy Wilson, an Aboriginal woman who helped quite considerably in the prison system, died just recently. She carried out a lot of work within the prison system and the department is looking at some sort of recognition—perhaps the naming of an award—for the work she did as a paid worker and also as a volunteer outside her paid work hours, where most people do their hard yards—it is a 24/7 job for some.

The Hon. A.J. REDFORD: I have a supplementary question. What is the process leading to accreditation, and what skills or characteristics are required of volunteers before they are accredited?

The Hon. T.G. ROBERTS: The volunteers I have spoken to have either had personal experience in the prison system or have had contact with the system through relatives. They then make themselves available for volunteer work, knowing the workload and the gaps that exist in the paid services that deal with our prison services—not just in this state but also throughout Australia. OARS fills a wide range of roles, and it chooses its staff carefully through a process that brings about a professionalism that is second to none. In fact, I think it was last year that the CEO of OARS received a national gong in recognition of his management skills.

As far as individuals go, they should not have a record that might tarnish the image of volunteers, or contact with prisoners within the system that may bring about risks. But all the volunteers I have spoken with throughout the system have the view that they have to put something back into the system to fill some of the gaps not filled by fully paid positions.

The Hon. A.J. REDFORD: I have a further supplementary question. Are all 80 accredited volunteers covered for insurance and, if so, what is the extent and the cost of that coverage? I appreciate that you may not have the answer at your fingertips.

The Hon. T.G. ROBERTS: The honourable member is right in that I do not have that sort of detail at my fingertips, but I will get that information and bring back a reply.

The Hon. J.S.L. DAWKINS: I have a supplementary question. Will the minister indicate what level of prison chaplaincy is provided by volunteers?

The Hon. T.G. ROBERTS: My personal knowledge is that all prisons have access to chaplain services. I think multiple denominations are represented. Talking to the Hon. Mr Evans, I understand that the Assemblies of God has a chaplain who is interested in prison visiting, but I am not sure whether he is involved at the moment. However, chaplains of other denominations visit the prisons and, if the honourable member wishes further details of those, I can obtain a list of the prison chaplains and their denomination and bring back that information for him.

BLOOD TRANSFUSION SERVICES

The Hon. SANDRA KANCK: I seek leave to make an explanation before asking the Minister for Aboriginal Affairs and Reconciliation, representing the Minister for Health, a question about blood transfusions.

Leave granted.

The Hon. SANDRA KANCK: I have been contacted by the family of a patient who has been treated over a period of months at both the Flinders Medical Centre and the Royal Adelaide Hospital for a serious condition. From the information given to the family, they understood that patients would receive a blood transfusion if their haemoglobin level dropped below a count of 85. However, about five or six weeks ago this patient was told by staff at the RAH that, due to a current shortage of blood products, she would not receive a transfusion until her haemoglobin level fell below 75. My questions are:

1. Given the shortage of blood in South Australia, how many people have been affected by this change in qualifying requirements to receive a blood transfusion?

2. Can the minister assure South Australians that best practice medicine is not being compromised by a lack of blood products and that no lives have been or will be placed at risk due to blood shortages?

3. What is the government doing to increase the state's blood supply?

4. Given the shortage of blood and the desire of people in the regions, particularly in the South-East, to donate blood, what is the minister doing to investigate the feasibility of increasing blood collection services in country areas of the state?

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.

AMBULANCE SERVICE

The Hon. A.L. EVANS: I seek leave to make a brief explanation before asking the Minister for Industry and Trade, representing the Minister for Emergency Services, a question about ambulance response times.

Leave granted.

The Hon. A.L. EVANS: A constituent has contacted my office expressing concern about the response of the Ambulance Service to an incident last Wednesday. The constituent reported that a woman collapsed while attending a senior citizens' function at a church at Hectorville. The constituent dialled 000 on a mobile phone and was asked which state he was dialling from. He stated that he was from South Australia and was immediately put through to the South Australian call centre. The constituent expressed concern that, when he told the SA call centre worker that he was calling from Hectorville, the worker expressed uncertainty as to the location of that suburb.

After informing the call centre representative of Hectorville's location, the friend was informed that an ambulance would be sent. However, it did not arrive until 30 minutes later. The constituent reported comments made by friends afterwards expressing concern about the response of the Ambulance Service and whether the woman's subsequent death later that day might have been prevented had the ambulance arrived sooner. The 2003-04 Ambulance Service annual report states that 90 per cent of life-threatening emergency cases in the urban area and major regional centres would be attended within 12 minutes. My questions are:

1. What is the current median response time in the South Australian Ambulance Service?

2. How long has the national call centre been operating?

3. Is there appropriate training of call centre employees with respect to Adelaide's suburbs and streets?

4. What proportion of emergency calls currently experience a greater response time than 12 minutes?

5. How frequently does the response time extend to 30 minutes in the metropolitan area?

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): Ambulance services are now within the Minister for Health's portfolio. I will refer those important questions to her and bring back a reply.

The Hon. NICK XENOPHON: I have a supplementary question. Will the minister request that the Attorney-General use his powers under the Coroner's Act to request an inquest into the woman's death as to whether the delay in the ambulance response time was in any way causative of that death?

The Hon. T.G. ROBERTS: I will refer that question to the minister in another place and bring back a reply.

LAND MANAGEMENT CORPORATION

The Hon. J.F. STEFANI: I seek leave to make a brief explanation before asking the Minister for Industry and Trade, representing the Minister for Infrastructure, a question about the Land Management Corporation.

Leave granted.

The Hon. J.F. STEFANI: I refer to the 2003-04 annual report of the Land Management Corporation and note that, during this period, the Land Management Corporation sold land totalling $30.1 million. The key sales included:

· Northfield (Northgate, Stage 2) residential development sites for $10.1 million.

· Various industrial and residential allotments for $10.05 million.

· An industrial site at Salisbury South for $2 million.

· A residential development site at Craigmore for $9.888 million.
· A residential development site at Seaford for $6.488 million.
· A residential development site at Noarlunga Downs for $0.5 million.

I also note that, during the financial year 2003-04, there were other sales of surplus sites to the value of $13 million, comprising 15 hectares of land. The majority of these were for residential development in the central sector of Adelaide. In addition, the Land Management Corporation sold 11 parcels of land to the value of $4.44 million. My questions are:

1. Will the minister provide the details and the names of individual companies or entities which purchased the key sites mentioned above?

2. Will the minister advise which 20 agencies were provided with the services of the Land Management Corporation in relation to the assessment and disposal process during 2003-04?

3. Will the minister provide the details and the names of each of the individual purchasers for the sales of the properties which were disposed of on behalf of other agencies by the Land Management Corporation as described under item 4.2 of the annual report 2003-04?

The Hon. P. HOLLOWAY (Minister for Industry and Trade): I will refer those questions to the minister in another place and bring back a reply.

The Hon. KATE REYNOLDS: Can the minister inform us whether any of this land has been set aside for either public or community housing development in the future?

The Hon. P. HOLLOWAY: I will refer that question to the minister in another place and bring back a reply.

The Hon. A.J. REDFORD: In respect of each of the transactions referred to by the Hon. Julian Stefani, first, what were the conditions of each sale and, secondly, what was the process adopted in leading up to each sale, that is, auction, tender and the like?

The Hon. P. HOLLOWAY: I will refer that question to the Minister for Infrastructure and bring back a reply.

LAND VALUATION FEES

The Hon. IAN GILFILLAN: I seek leave to make a brief explanation before asking the Minister for Aboriginal Affairs and Reconciliation, representing the Minister for Administrative Services, a question about land valuation fees.

Leave granted.

The Hon. IAN GILFILLAN: Much has been made of windfall gains made by the state government through the rise in property values. These relate to the various taxes collected by the state government that are levied based on property values. These are taxes such as land tax, stamp duty and the emergency services levy. However, there are other gains being made by the government as a result of these valuation changes. There are two regulatory structures through which the Valuer-General may charge for granting access to the valuation of a property.

For individual properties, there is a dollar amount specified in regulations depending on whether or not it is the applicant's principal place of residence. This can be changed only by the minister and, hence, does not automatically vary with property values. However, for a copy of the valuation roll containing valuations to be adopted for rating or taxing purposes, there is a charge set at a proportion of the total capital and site value of the property valuation sought. This, of course, means that, as the property values increase, so does the amount charged to councils and other agencies which need this information to levy taxes.

Over recent years there have been large increases in the value of properties across Adelaide and, hence, a corresponding increase in the fees charged by the Valuer-General. In addition, the government has had a practice of increasing the rate of these fees on an annual basis. In 1993 the amounts charged were 35¢ per $10 000 of site value and 14.75¢ for $10 000 of capital value. The latest increase was declared by the minister at the start of July this year when the fees were assessed at 51¢ per $10 000 of site value and 22¢ per $10 000 of capital value. My questions are:

1. What is the actual cost of valuing a property?

2. With the astronomical rise in the charge imposed by the Valuer-General, does that mean the cost of performing the valuation has skyrocketed; or is the government raking off extortionist profits?

3. Does the minister believe it is appropriate for the state government to profiteer from other tiers of government in this way?

4. Will the minister consider amending the regulations to provide a fixed fee rather than the variable fee for a copy of the valuation role containing valuations to be adopted for rating or taxing purposes?

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.

FIRST HOME OWNER GRANT (MISCELLANEOUS) AMENDMENT BILL

The Hon. P. HOLLOWAY (Minister for Industry and Trade) obtained leave and introduced a bill for an act to amend the First Home Owner Grant Act 2000. Read a first time.

The Hon. P. HOLLOWAY: I move:

That this bill be now read a second time.

The First Home Owner Grant (Miscellaneous) Amendment Bill contains three amendments to the First Home Owner Grant Act 2000 (FHOG Act). I will deal with each measure in turn. First, the bill inserts a six month principal place of residence criterion in the act. The intergovernmental agreement on the reform of commonwealth-state financial relations (IGA) provides that to offset the impact of the goods and services tax the states and territories will assist first home buyers through the funding and administration of a uniform first home owners scheme. The act gives legislative effect to the first home owners grant (FHOG) principles, as set out in appendix D of the IGA.

Currently, FHOG legislation of the states and territories requires that a FHOG applicant occupy the relevant home as his/her principal place of residence within 12 months of completion of the eligible transaction. Normally, the eligible transaction is completed when settlement occurs or when a home is ready for occupation as a place of residence. There is no requirement that the applicant occupy the home as

his/her principal place of residence for any particular length of time within that period. Audits undertaken by revenue officers Australia-wide show a number of cases where the FHOG has been paid, but the home has never been occupied; or it has been occupied for a short period by the applicant before the property is rented out as an investment property. Under the current provisions there is no minimum period for which an applicant must occupy the home as his/her principal place of residence. For the purposes of the act an applicant can potentially reside in the home for a few days and at law still be considered to have occupied it as his/her principal place of residence.

A number of jurisdictions have legislated to insert a six month principal place of residence criterion with a commencement date of 1 January 2004. It is therefore proposed that a six month residency period be introduced in order to prevent the FHOG being paid in relation to investment properties. To provide flexibility in this area, the bill provides the Commissioner with a discretion to allow the FHOG to be paid to an applicant where the six month residency period is not met in situations where the Commissioner is satisfied that there is good reason why the applicant is unable to occupy the home as his/her principal place of residency for the full six month period. Secondly, the bill allows the Commissioner of State Taxation to impose a penalty of up to the amount of the FHOG paid to the applicant in circumstances where the applicant has provided false or misleading information in support of his/her FHOG application.

Under the existing provisions of the act, when it is discovered that an applicant has provided false or misleading information, the commissioner must prove that the FHOG was received as a result of an applicant's dishonesty before a penalty can be imposed. This requires the Commissioner to show that there was a requisite intention on behalf of the applicant to act dishonestly. The bill amends the act to allow the Commissioner to impose a penalty up to the amount of the FHOG received by an applicant in circumstances where it is reasonable for the Commissioner to conclude that the applicant provided false or misleading information in connection with his/her application. In such circumstances the FHOG will be recovered from the applicant because of his/her ineligibility and, additionally, the applicant will be charged a penalty up to the amount of FHOG they received, depending on the circumstances of the particular case, that is, the more severe the false or misleading information provided the greater the penalty imposed.

Under the current penalty provisions of the Taxation Administration Act 1996, the TAA, which inter alia covers the areas of stamp duty, land tax and payroll tax, the Commissioner is empowered to impose either a 75 per cent penalty for deliberate tax defaults or a 25 per cent penalty in all other cases of tax defaults.

Removing the onus on the Commissioner to prove an applicant's dishonesty will provide greater flexibility in applying an appropriate sanction to applicants who mislead the Commissioner in connection with their FHOG applications, and it will also act as an effective disincentive in those circumstances.

Thirdly, the bill increases the time limit within which an FHOG applicant can be prosecuted for an offence under the act from two years to three years from the date the offence occurred. Under the current provisions of the act prosecution for an offence committed must be commenced within two years of the date of the offence. Compliance activity with respect to the act occurs in the majority of cases after payment of the FHOG, which in the case of dob-ins can occur a significant time after the FHOG is paid. Once an offence is identified a brief of evidence is required to be prepared by Revenue SA for consideration by the Crown Solicitor's office before determining whether or not charges will be laid. The Crown Solicitor's office may also request that Revenue SA undertake further interviews or gather more evidence before charges are laid, which can also take a significant amount of time. Considerable delays may be experienced when applicants either fail to respond or are slow to respond to requests for further information. A real possibility exist that offenders could escape prosecution for no other reason than the time period within which a prosecution must be commenced is exceeded before all necessary steps have been taken.

Currently Western Australia has a five-year time period and Victoria a three-year period within which to commence prosecutions. The Northern Territory also recently amended its legislation to extend the time period to three years within which prosecutions can commence. The bill extends the period in which proceedings can be commenced in relation to offences committed under the act from two years to three years from the date the offence is committed.

Finally, I thank the various industry bodies and taxation practitioners who have made their time available to consult on the development of a number of the proposals contained in this bill. The government is very appreciative of their contribution. I commend the bill to honourable members. I seek leave to have the detailed explanation of the clauses of the bill inserted in *Hansard* without my reading it.

Leave granted.

EXPLANATION OF CLAUSES

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *First Home Owner Grant Act 2000*

4—Amendment of section 3—Definitions

This clause amends the definition of ***residence requirement*** in the definitions section of the Act consequentially to the amendment to section 12 of the Act (see clause 8).

5—Amendment of section 8A—Criterion 1A—Applicant to be at least 18 years of age

This clause amends section 8A(2) consequentially to the amendment to section 12 of the Act (see clause 8).

6—Amendment of section 10—Criterion 3—Applicant (or applicant's spouse) must not have received an earlier grant

This clause amends section 10 to ensure that a person who has been forced to repay a grant because they have failed to satisfy the residence requirement or any conditions on which the grant was made may later qualify for a grant, provided that they have paid any penalty amount payable under section 39(3) in relation to the repayment of the first grant. Currently such a person would be ineligible for the later grant unless the first grant was repaid in accordance with the conditions on which the grant was made.

7—Amendment of section 11—Criterion 4—Applicant (or applicant's spouse) must not have had relevant interest in residential property

This clause is consequential to the amendment to section 12 of the Act (see clause 8).

8—Amendment of section 12—Criterion 5—Residence requirement

Currently this section requires that an applicant for a first home owner grant occupy the relevant home as the applicant's principal place of residence within 12 months after the eligible transaction. Under the proposed amendment the requirement would be that the applicant occupy the home as his or her principal place of residence for a continuous period of 6 months (or a lesser period approved by the Commissioner), commencing within 12 months after completion of the

eligible transaction (or within a longer period approved by the Commissioner).

9—Amendment of section 20—Payment in anticipation of compliance with residence requirement

This is consequential to the amendment to section 12 of the Act (see clause 8).

10—Amendment of section 22—Death of applicant

This is consequential to the amendment to section 12 of the Act (see clause 8).

11—Amendment of section 38—False or misleading statements

This clause amends section 38(2) of the Act which currently creates an offence of making a "misleading" statement in or in connection with an application for a grant. Under the proposed amendments, this offence would apply to "false or misleading" statements and the penalty would be increased from $2 500 to $5 000.

12—Amendment of section 39—Power to require repayment and impose penalty.

This clause amends section 39(2) which currently allows the Commissioner to impose a penalty where, as a result of an applicant's dishonesty, an amount is paid as a first home owner grant. Under the proposed amendment a penalty could be required where a grant is paid as a result of the making of a false or misleading statement by the applicant.

13—Amendment of section 43—Time for commencing prosecution

This proposed amendment extends the time for commencing proceedings for an offence against the Act from the current 2 years to 3 years after the date of the alleged offence.

Schedule 1—Transitional provision

1—Application of amendments

The Schedule sets out a transitional provision providing that—

- an amendment effected by clause 11, 12 or 13 will only apply in relation to an application made after the commencement of the relevant clause;
- an amendment effected by any other clause of the measure will apply to an application made in respect of an eligible transaction with a commencement date occurring after the commencement of the relevant provision.

STAMP DUTIES (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 11 October. Page 217.)

The Hon. P. HOLLOWAY (Minister for Industry and Trade): I would like to take the opportunity to respond to some issues that were raised in the last week of sitting by the Leader of the Opposition. His comments are recorded in *Hansard* dated 11 October 2004. The Hon. Rob Lucas has indicated that the opposition will support the bill but has requested additional information in relation to electronic communications in other states. In particular, the leader has requested information concerning the position taken in other jurisdictions in relation to electronic communications, and whether they attract stamp duty. The leader has also sought clarification on the record that telephone communications will be covered by the bill and, therefore, will be dutiable as opposed to the current arrangements.

Do electronic communications attract stamp duty in other jurisdictions? In New South Wales, the Duties Act 1997 (NSW) generally provides for electronic transactions. Transfer duty and vendor duty are transaction taxes and, if the transaction is evidenced by a written instrument, the instrument must be lodged and stamped. Where there is no instrument, however, a statement must be lodged and stamped. The structure of these chapters of the Duties Act 1997 (NSW) is such that, depending on the circumstances of a particular transaction, the provisions can be utilised to deal with electronic documents and registration. Motor vehicle duty in New South Wales is collected and largely administered by the Roads and Traffic Authority. Duty is paid on an application to register a motor vehicle that operates as an instrument based system. I am advised that there have been some preliminary talks in New South Wales regarding motor vehicle dealers receiving online access and registering such applications online. If this were to go ahead, the relevant legislation would need to be amended where necessary.

Victoria has recently introduced the Transfer of Land (Electronic Transaction) Act 2004 (VIC) to enable transactions involving land to be created, lodged and registered with the Land Registry electronically. This new system, which is due to commence in 2005, also includes the payment of stamp duty by electronic funds transfer (EFT). The system will be operated by Land Exchange (part of the Victorian equivalent of our Lands Titles Office). Amendments to the Duties Act 2000 (VIC) are proposed to be made in the current session of the Victorian parliament to support the system for stamp duty payments prior to lodgment. It is understood that this legislation will also deal with the issue of electronic transactions and instruments. The vehicle registration system operated by VicRoads utilises a 'dealer online' registration system, but this is in conjunction with a hard copy registration and transfer system.

With respect to Queensland, the Taxation Administration Act 2001 (QLD) does not currently support the giving of information for lodgement of documents by electronic communications. The Electronic Transactions (Queensland) Act 2001 allows satisfaction of a person's requirement or permission under a state law to give information in writing or to produce a document by giving information or producing an electronic form of the document by electronic communication. However, for these provisions to apply, the person to whom the information or document is required or permitted to be given or produced respectively must consent to the giving or production in this electronic manner. No such permission has been given to date by the Queensland commissioner. Queensland Transport currently allows for applications to register or transfer the registration of a motor vehicle to be done electronically, but only for online dealerships and one particular auction group.

In Western Australia, there are currently no facilities for the application for registration or transfer of registration of a motor vehicle by electronic communication. The Taxation Administration Act 2003 (WA) defines an instrument to include, inter alia, a statement, conveyance, transfer, lease, licence, policy of insurance or any other document of a kind referred to in the second schedule of the Stamp Act 1921 (WA). The Electronic Transactions Act 2003 (WA) (the WA ETA) facilitates the use of electronic communication as a way of entering into transactions that enables business and the community to use electronic communications in their dealings with government. The WA ETA applies to government agencies in Western Australia.

For the purposes of section 8 of the WA ETA, 'giving information' includes making an application and provides that, if a person is required to give information in writing under a Western Australian law, that requirement is taken to have been met if the person gives the information by electronic communication, provided that, at the time the information was given, it was reasonable to expect that the information would be readily accessible then and for

subsequent reference; and that the person to whom the information is required to be given consents to the information being given by electronic communication.

Section 10 of the WA ETA provides that a person is taken to have met a requirement to produce a document if the person produces by electronic communication or otherwise an electronic form of the document. I am advised that, should the Director General approve a means of electronic communication for the application for registration or transfer of registration of a motor vehicle in the future, the Electronics Transactions Act, together with the Taxation Administration Act, would make the electronic communication a document that is dutiable.

In relation to Tasmania, under chapter 8 of the Duties Act 2001 (Tasmania), duty is imposed on an instrument, either an application to register a motor vehicle or a notice of change of beneficial ownership of a motor vehicle under the Vehicle and Traffic Act 1999 (Tasmania). There is no provision for duty to be imposed on electronic communications under chapter 8 of the Duties Act 2001 of Tasmania. Chapter 2 of the Duties Act 2001 (Tasmania) imposes conveyance duty on certain dutiable transactions relating to dutiable property, regardless of whether the transaction is represented by a written instrument. If a transaction is completed by way of electronic communication, the transferee must make out a written statement in a form approved by the Commissioner within three months after the dutiable transaction occurs. The statement is subject to duty on the same basis as a written instrument.

With respect to the Northern Territory, in relation to electronic communications and stamp duty, the only form of electronic transactions currently subject to stamp duty in the Northern Territory are withdrawals made by electronic means (for example ATMs, electronic funds transfer, etc) from a bank account maintained in the Northern Territory. Financial institutions are liable for this duty, and they are required to lodge a return providing details of electronic withdrawals made during a return period. The relevant provisions are contained in division 3B, sections 29H to 29Q of the Taxation (Administration) Act (Northern Territory). In relation to the Australian Capital Territory, stamp duty is now a transaction-based tax, and therefore no differentiation is made between transactions completed by way of an instrument or those performed by an electronic communication.

In response to the leader's question about whether telephone communications are caught by the proposed changes, I advise that, after receiving advice from both the Crown Solicitor and parliamentary counsel, Revenue SA is of the view that the bill as it currently stands would capture telephone communications. Currently, Transport SA allows for renewal of registration to be done over the telephone. However, it is not possible for applications to register or transfer the registration of a motor vehicle to be completed over the telephone.

In summary, clause 4 of the bill is designed to ensure that applications to register or transfer the registration of a motor vehicle remain dutiable if in future those transactions are able to be effected solely by way of an electronic communication. Whilst motor vehicle dealers are currently still required to forward the relevant documentation to Transport SA, it is envisaged that at some time in the future a switch to a paperless system may occur, and clause 4 of the bill is solely designed to cover that eventuality. I trust that that information adequately answers the questions asked by the leader. I am happy to answer further questions during the committee stage when we return to this bill. I commend the bill to the council.

Bill read a second time.

TOBACCO PRODUCTS REGULATION (FURTHER RESTRICTIONS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 14 October. Page 281.)

The Hon. J.M.A. LENSINK: I will be brief in my comments, because most of my contribution was made on our last sitting day. However, it was remiss of me in my previous remarks not to have thanked the officers from the Department of Health, Della Rowley and Michele Herriot (who went through the bill with us), for the briefing they provided to Liberal members. I want to put that on the record, and I will make a further contribution during the committee stage.

The Hon. NICK XENOPHON: I rise in support of the second reading of this bill. The bill includes a number of overdue reforms dealing with one of the major preventable health problems in our society—that is, tobacco-related illness. Whilst I welcome this bill, I do not welcome what I consider to be compromises in the bill that I believe needlessly limit its effectiveness—in particular, the delay in smoking bans for poker machine venues and the casino until 31 December 2007. It seems that the government puts a higher priority on poker machine and gambling revenue than on the health of the patrons of those venues or, indeed, the health of hospitality workers. I also raise my concerns about whether the union representing these workers has done all that it can to protect them, or whether it too has needlessly compromised its position in relation to negotiations with the hotel and gambling industries in general. It also concerns me that workers are being subjected to environmental tobacco smoke when bans could have been brought in much earlier.

I think it would be fair to say that there is, at the very least, a double standard on the part of the government—it seems to be quite happy to have bans in dining areas, something introduced by the former Liberal government, but it is stalling needlessly and dangerously with respect to bans on smoking in poker machine venues and in the casino. We know that there are revenue concerns in relation to those bans, but those concerns must be secondary to the health and safety of South Australians. I think it is a disgraceful compromise, one that is absolutely unnecessary, and I will be moving amendments to bring the smoking bans forward. I hope that is supported by as many of my colleagues as possible, because we need to send a very clear signal that the health of South Australians must be the first priority.

I would like to comment on some of the matters raised by the government with respect to the second reading explanation. I think it is again worth reflecting that tobacco-related illnesses cost Australia something like $21 billion a year in health care, lost productive life and other social costs. We are told by the government—and these are not my figures but are the figures the government is relying upon—that 30 Australians die each week from diseases caused by smoking, and that tobacco and smoking-related diseases account for 75 000 hospital bed days in the state each year. I would be grateful if the government could advise me what proportion of the $21 billion cost to the community of smoking-related illnesses relates to South Australia. I presume it would be in the order of some 8 per cent, or proportionate to our popula-

tion, but if the government could be more specific on that it would be very useful in the context of this debate.

The Hon. Ian Gilfillan interjecting:

The Hon. NICK XENOPHON: The Hon. Ian Gilfillan makes the very valid point that I am not doubting the figures; I just want more details to establish what the costs of smoking are to the community in our state, and also what the benefits would be if we implemented the bans and measures either earlier or more extensively. The government tells us that tobacco and smoking-related diseases account for 75 000 hospital bed days in the state each year.

My question to the government is: in hard economic terms, what are 75 000 bed days worth? Given the health budget is one of the most significant costs to the state budget, we ought to have that information. If this government had some vision and courage in tackling these issues by implementing more extensive reforms, there would be significant savings, and those savings would be felt by the budget bottom line.

The government says that it consulted extensively. It is true that it did consult extensively with respect to the whole issue of smoking bans, but can the government confirm that those groups dealing directly with the impact of smoking, such as Quit SA, the Asthma Foundation, the Cancer Council and the Heart Foundation, were involved directly with the negotiations; if not, why not? It would be a very serious concern if they were not.

The government makes it clear that it has set a target to reduce the number of young people smoking by 10 per cent over the next decade. I understand that there has been a reduction in the number of young people either not taking up smoking or giving it up. In other words, anti-smoking measures have been effective to a certain extent, but the level of reduction in the number of people who have stopped smoking has tapered off, or it is not as great as it was previously. Will the government provide more details in relation to that issue, particularly with respect to young people, who are vulnerable to taking up the habit and who I believe have been unconscionably targeted by tobacco companies in years gone by? Documents discovered by anti-tobacco campaigners, both here and in the United States, indicate that the likes and dislikes of young children were targeted in terms of the colour and design of cigarette packets. At the very least, that is unconscionable, and many people would find that absolutely appalling. My question is: what is happening in terms of targeting young people in a positive way to ensure that they do not take up smoking, or, if they have, to give it up?

Reference is also made to the National Occupational Health and Safety Commission's recommendation that exposure to environmental tobacco smoke should be eliminated from all Australian workplaces. In recent media reports I note that the minister responsible for WorkCover in New South Wales (Hon. Mr Della Bosca) has been lobbied and has received correspondence about the impact of passive smoking claims on the WorkCover system in that state. Will the government provide some up-to-date details of the cost to the community of passive smoking claims and the likely cost in the future?

Recently, in evidence to the Statutory Authorities Review Committee (of which I and others in this place are members), Mr Bruce Carter, Chairman of the WorkCover Corporation, placed on the public record his very serious concerns about the potential cost of tobacco related claims and their cost to the community. Will the government provide further details of the likely costs in the future and the benefits of bringing in these bans even earlier? The government makes the point that a recent study, commissioned by the New South Wales Department of Health and conducted by a health physicist, Professor James Repace, estimated that each year 70 bar workers in New South Wales die prematurely due to occupational exposure to tobacco smoke.

Per capita, on a proportionate basis, that could mean something in the order of 20 South Australian bar workers dying prematurely as a result of exposure to environmental tobacco smoke. That is a very serious issue. My question to the government is: to what extent have any studies been carried out in South Australia? To what extent does the New South Wales study—with which the government must be familiar because it was referred to by the government in its second reading explanation—take into account hospitality workers working in poker machine rooms and the casino? If that is the case, I would imagine that, if you include the 70 New South Wales bar workers who face premature death, the figure would be much greater.

The Hon. Ian Gilfillan interjecting:

The Hon. NICK XENOPHON: The Hon. Mr Gilfillan makes a very useful interjection about whether the government—

The PRESIDENT: The comment is out of order.

The Hon. NICK XENOPHON: I know that it may be out of order, Mr President, but it was a beautiful interjection, nevertheless. I believe that it could well be a greater figure. I ask the government about what advice it has obtained in relation to potential legal liability from delaying any reforms. I understand that this is something that the New South Wales minister, Mr Della Bosca, could well be considering in terms of potential legal liability. Has the government considered what its potential exposure to liability is, if it fails to act decisively, comprehensively and promptly? We know the risks, and we have known for many years.

I think it was in 1964 that the US Surgeon-General spoke about the dangers of tobacco; it was some 40 years ago. We know that in 1991 the Tobacco Institute of Australia was comprehensively defeated by consumer organisations in the Federal Court in relation to a case for misleading and deceptive conduct on behalf of the Tobacco Institute, essentially saying that passive smoking was not a problem. There were wide-reaching consequences as a result of that decision and, in a sense, it was as a result of that court case—to refer to the Hon. Mr Gilfillan's concerns—that some sweeping changes were brought about. Changes were brought about not through legislation but as a result of employers and public authorities being concerned about liability following the Federal Court's decision with respect to the Tobacco Institute of Australia.

Of course, some three years ago, Marlene Sharp, a Port Kembla bar attendant, was awarded almost half a million dollars for contracting laryngeal cancer as a result of being exposed to environmental tobacco smoke at her places of work in a Port Kembla club and a Port Kembla hotel. We know what the dangers are. In terms of the common-law decision in New South Wales, the courts have decided. I ask the government: what is the level of exposure in terms of government liability? It is delaying its response with respect to this. It is extraordinary that, in cities throughout the world, including Lexington, Kentucky, in the heart of America's tobacco country, the government acknowledges that it has moved forward with comprehensive bans on smoking in hospitality venues.

I do not get the government's approach to this. It seems to be an approach that lacks cohesiveness in the sense that the government states that more people are exposed to passive smoking in hospitality venues than any other place, including private homes, yet the last places that will be the subject of this legislation, in terms of smoke-free public places, will be hospitality venues. So, the government acknowledges what a serious issue this is and it acknowledges that it is at the hospitality venues where patrons and workers are exposed, but it is delaying the implementation of this legislation with respect to those venues.

It is worth reflecting on an *Advertiser* opinion poll which was conducted last year and which was reported on 20 October 2003. The question asked was: do you support the banning of smoking in hotel bars and gaming rooms? Some 73 per cent said yes and 24 per cent said no. The next question asked was: should this ban be effective immediately, from 25 March (that is, 25 March 2004) or should it be deferred until 2010? Immediately, 72 per cent of those polled said yes; from March 2005, 27 per cent said yes; deferred until 2010, the overall figure was a big fat 0 per cent. I think it would be fair to say that there is very strong community support for these bans to be brought in sooner rather than later.

The issue raised by the government is that at the age of 12 some 74 per cent of boys and 84 per cent of girls have never smoked at all, whereas by the age of 16 and 17, 19 per cent of these young people are regular smokers. Again, I ask the government: what strategies are in place to prevent young people taking up smoking? What education programs are there? What level of funding is there on this? Has the government done a cost/benefit analysis? If we prevent young people from smoking now, clearly that must mean very significant savings to the public health dollar. What analysis has the government done on that? What does it mean in terms of good policy not only by doing the right thing by young people but also, ultimately, by saving in the medium to longer term significant amounts of money for the public health dollar, so it can be spent in other areas where, as a result of our ageing population, there are additional ongoing pressures.

I will be moving a series of amendments, so that the government cannot say I am in any way trying to delay this bill. I am not suggesting anyone else is either, because I think the government has had its own reasons to delay this bill. As a result of very heavy lobbying by the tobacco lobby and tobacco retailers, the point of sale provisions have been removed. I will be moving amendments with respect to that. I am not sure what the Hon. Sandra Kanck is doing, but if she is moving similar amendments I will support those amendments, because I know she has the same concerns.

The Hon. Ian Gilfillan interjecting:

The Hon. NICK XENOPHON: We are in the same direction. One of the amendments will be to require a greater degree of compliance with the current law and to increase the expiation notice. I hope that some members opposite, including the Hon. Michelle Lensink, who has been forthright and direct in her views and concerns about the cost of smoking to the community, will see fit to support it. I think doubling the expiation notice from $315 to $630 is a very reasonable amendment. Obviously, I will speak to that in due course, but I foreshadow it at this stage.

I forwarded the substance of my amendments last week to the government, the Hon. Ms Lensink (as the opposition lead spokesperson) and my fellow cross benchers so any of this nonsense about trying to delay the legislation is put to rest. I took that unusual step because I think there has been a degree of misinformation by the health minister with respect to that. In fact, some of these delays are due to the government's caving in on its own initial legislation.

I would like the government to detail what resources are put into dealing with underage smoking in terms of its program (which I thought was a very good program) and further details as to how the program works in relation to underaged people going forward and asking for cigarettes. How is that program put into place?

In terms of the number of prosecutions, what revenue has been obtained, what is the cost of that program, will an expansion of that program mean a greater degree of compliance, and what are the consequences of that in terms of preventing young people from smoking? The shift to a single tobacco merchant's licence for each outlet I welcome so that the large retailers cannot avoid their obligations to reasonably pay it, and so they are not at a comparative advantage to smaller retailers. I would be grateful if the government could provide details of what that will mean in terms of additional revenue and how much revenue in particular.

I also welcome the restriction of the mobile sales and mobile trays of cigarettes and on toy cigarettes. I ask the government why it has not gone down the path of banning the display of cigarettes quite openly. When we get to an amendment I will be moving I will refer to some research carried out recently about the importance of these bans on the public display of tobacco products in preventing people from taking up smoking and also taking up the whole issue of bringing forward smoking bans in public places in hospitality venues, because it discourages people from either continuing to smoke or taking it up in the first place. The government has squibbed a very important obligation here.

With respect to the lobbying of the hotel industry on smoking bans, I would be grateful if the government could provide further details of what information has been put to it as to why the bans should be delayed until 31 October 2007. We have heard concerns of job losses from the hotel industry. My understanding, however, is that where comprehensive smoking bans have been in place in other jurisdictions that has not been the case. I refer to a study carried out in New York City about smoking bans there. Members may remember that when Mayor Bloomberg introduced these bans he was the subject of much derision. Some restaurants were predicting an absolute catastrophe, but the smoke free alliance in a media release of 24 June 2003 headed 'Smoking bans have not harmed New York hotels' and subheaded 'Study shows "doom and gloom" forecasts based on fear, not facts' indicates that smoke free regulations in New York state were not associated with adverse economic outcomes in the state's restaurants and hotels.

The New York study assessed changes in taxable sales and employment in restaurants and hotels in five locations in New York state that have implemented smoke free dining regulations since 1995. The authors concluded that business managers should welcome the opportunity to protect the health of their workers and patrons by going smoke free without fear of lost patronage or revenue.

In March 2004, the New York City Department of Finance, the Department of Health and Mental Hygiene, the Department of Small Business Services and the Economic Development Corporation published a report entitled 'The State of Smoke Free New York City—a one year review'. I am more than happy to provide a copy of the entire report to

any honourable member who so requests it. The executive summary of that report says:

> One year later the data are clear. The city's bar and restaurant industry is thriving and its workers are breathing cleaner, safer air.

It continues:

> The data show that business tax receipts in restaurants and bars are at 8.7 per cent; employment in restaurants and bars has increased by 10 600 jobs, about 2 800 seasonally adjusted jobs since the law's enactment; 97 per cent of restaurants and bars are smoke free; New Yorkers overwhelmingly support the law; air quality in bars and restaurants has improved dramatically; levels of COTY 9—a by-product of tobacco—decreased by 85 per cent in non-smoking workers in bars and restaurants; and, 150 000 fewer New Yorkers are exposed to second-hand smoke on the job.

The report sets out the figures. It obviously has been researched on the basis of extensive data. It indicates that there has been strong public support for smoke free venues in New York and indicates that it has been a success, so let us not listen to the scare campaigns of those who say that it is the end of the civilised world as we know it if we do not bring in these bans more promptly.

I will be moving some amendments, but it is worth reflecting on some of the very valuable material given by Action on Smoking and Health by Anne Jones, an executive director based in Sydney, who has been a tireless campaigner in dealing with the cost of smoking related disease in the community. A media release of 5 September by ASH, headed 'Reducing smoking rates will save billions in PBS cost blow out', refers to new research just published in the Medical Journal of Australia that says:

> The failure to lower smoking rates will lead to PBS costs for smoking-related cardiovascular disease rising from the present $126 million per annum to $1.73 billion by the year 2041.

It goes on:

> The study says just a 5 per cent fall in smoking rates would save $4.05 billion over the next 37 years. This could be achieved by increasing smoking funding for anti-smoking advertising campaigns.

That report of ASH, based on the *Medical Journal of Australia* study, is indicative, I think, that there are very significant benefits for the public health dollar.

I can foreshadow, without going into too much detail at the second reading stage, that I will be moving an amendment with respect to nicotine patches being subsidised. I think that the level of measures provided by both the state and the commonwealth to assist smokers to give up is quite pathetic, and it is something that we need to grapple with. It is not about penalising smokers: it is about those who want to give up smoking obtaining some assistance to do so, and subsidising the cost of nicotine patches. The evidence points to very considerable long-term savings by encouraging people to give up smoking. The money that is spent in subsidising a nicotine patch (and I will speak more about this in the context of the amendment and provide some details of the clinical reviews) will lead to more significant savings with respect to preventing smoking-related disease, and those who have given up smoking not developing smoking-related disease down the track and, with it, the consequences to the health system.

I do not think it is appropriate for this government to boast that it has the toughest legislation in the nation. I think it has been overtaken by other jurisdictions; in particular, Queensland. I think it was a case of more spin than substance. Whilst I welcome this legislation, because it puts this issue firmly on the agenda, and there are advances in this legislation, I believe that the government should not be beating its chest too heavily on this.

I think it is fair to acknowledge the work of a former health minister, the Hon. Dr Armitage, who a number of years ago fought quite hard for smoke-free dining areas. There were predictions of doom and gloom, but those bans were the right thing to do. They were a significant advance with respect to the public health of South Australians, and I think the Hon. Dr Armitage needs to be acknowledged for his role in that respect. I do not think that the government should crow too loudly about this legislation.

I will speak more directly once I move a number of amendments with respect to the legislation. I look forward to the committee stage. I will be providing details of studies carried out in California that show that even bringing forward smoking bans in public places has had an impact on cardiovascular disease in a relatively short period of time. Again, I am more than happy to share whatever information I have with honourable members in terms of extensive research materials that my officers obtain. I am happy to copy and pass on that information to members if it would be of use to them.

I look forward to the committee stage of this bill. I would like to think that we can strengthen the bill significantly, because I believe that the compromises that the government has agreed to are absolutely unacceptable in terms of the public health of South Australians. I just hope that the upper house plays a role in substantially strengthening this legislation, and I urge my colleagues opposite—those in the parliamentary Liberal Party—to look at the facts and to support the strengthening of this legislation.

The Hon. J.S.L. DAWKINS: As indicated by the Hon. Michelle Lensink, this is a conscience matter for members of the Liberal Party. The Minister for Health in another place has tried to blame the Legislative Council for delays in getting this legislation through. In fact, the government took two years to get this bill into the parliament, and has not given enough time for it to pass the Legislative Council in order to meet the initial 31 October time line.

It is also relevant to mention that the previous Liberal government (and I acknowledge that the Hon. Mr Xenophon made some comments about this) introduced a ban on smoking in eating areas. While that move was initially criticised by some in the community, it was eventually welcomed and accepted, not just by non-smokers but also by people who smoke. Only the Australian Capital Territory acted before South Australia across Australian jurisdictions in moving that way.

I think it is relevant to analyse the key dates that are included in this legislation. As I said, the initial date was 31 October 2004, when a number of measures were to come into vogue. Obviously, that will have to be changed because of the delays in getting this legislation into this chamber. I would like to mention the measures that were due to come into vogue on 31 October this year. First, there was the banning of smoking in all enclosed workplaces and public areas except licensed hospitality venues; the banning of toy cigarettes; permitting the sale of herbal cigarettes in licensed tobacco outlets only; and making employers vicariously liable. Smoking was to be banned within one metre of all service areas in licensed hospitality venues. One bar area in multi-bar venues was to be non-smoking. In single bar venues, it needed to be ensured that 50 per cent of the bar area's floor area was non-smoking, including at least 50 per cent of the bar. Also, 50 per cent of bar areas at the Adelaide Casino were to be non-smoking areas.

Also coming into vogue at that time would be that 25 per cent of the gaming machines would be non-smoking (with a one-metre non-smoking buffer zone around these machines which can contain non-smoking gaming machines) and the removal of current exemptions for smoke free dining. Businesses would be prohibited from advertising that they have an enclosed smoking area; the banning of mobile display units, such as tobacco trays, where staff approach customers and offer tobacco for sale; the introduction of expiation fees to cover all sales to children and 'no smoking' breaches; the requirement that each tobacco outlet prominently display its tobacco merchant's licence certificate adjacent to the point of sale; and, finally, that vendors ask for proof of identification.

We then move on to the next time line of 31 March 2005. On that date, there would be a requirement that each tobacco outlet has its own tobacco merchant's licence; a requirement that tobacco outlets have a limited point of tobacco sale under their licence conditions; the restriction of tobacco vending machines to gaming rooms or employee assistance; and the banning of all forms of tobacco advertising in retail outlets. The next time line is 31 October 2005, when 50 per cent of all gaming machines would be allocated to be non-smoking, with a one-metre non-smoking buffer zone around these machines which can contain non-smoking gaming machines. Finally, the time line of 31 October 2007, with the banning of smoking in enclosed public areas, with no exemptions.

It was only on 12 October that it was announced that the government had decided not to proceed with regulating the point of sale display of tobacco products (such as cigarette packets and cartons) in the bill, embarking on a process to try to achieve a measure of national consistency in that area. I understand that the government intends to consult with retailers and come back to the parliament with further legislation in this regard. I support this move, because it gives the retail industry, particularly those business which are solely tobacconists, a say in how such point of sale restrictions will affect their operation. Therefore, I will not support any amendments moved to restore the original portion of the bill relating to those measures. However, I should emphasise my dissatisfaction with the minister announcing this move on 12 October in a media release which also implored the Legislative Council to pass the bill that same week.

I note the readiness of hotels and its peak body the AHA to work with the aims and deadlines of the bill. I also note the government's amendments, which are in response to a request from the AHA; for example, in relation to narrow or tramway bars. As someone who has smoked tobacco in a pipe, I think it is relevant to make some comments about the behaviour patterns of Australians who smoke. There will always be exceptions, but my experience is that smokers in this country are generally much more respectful of the people who do not smoke than their counterparts in many other parts of the world. My experience in Europe and China taught me that smokers in those parts of the world are more outward and almost defiant in the manner in which they smoke in the presence of other people, particularly in public places.

Many in the community will hail this legislation as taking important steps to restrict the degree to which non-smokers have to deal with smoking. My point is that without this legislation many of these steps have largely been taken by smokers in a positive response to general community attitudes. I will support the second reading, but I will consider amendments that may be moved during the committee stage.

The Hon. CAROLINE SCHAEFER: My contribution will be brief. As I have said previously, I believe that, when a debate is around a conscience issue—and it is a conscience vote for the Liberal Party; sadly, the Labor Party is no longer allowed to have a conscience, but this is still a conscience vote for us—it is important that we express our views on those occasions. I must agree with the Hon. Nick Xenophon that this legislation is more about spin than substance and more about publicity than reality. He said that this government boasts that it is the toughest legislation in Australia but that the government has now been surpassed by the toughness exhibited by other states. I am not sure that being tough about legislation such as this is something to be particularly proud about, anyway.

I will not be opposing this legislation, because it appears to be a series of deals tucked away with the main proponents over a long period of time. However, I remind honourable members that tobacco smoking is legal in Australia, yet it now seems to have reached the stage where it is almost easier to smoke a marijuana joint than a cigarette. We have what I think is the somewhat ridiculous situation of cigarettes having to be hidden behind counters and people who choose to pursue what I think is the fairly unpleasant habit of smoking being treated almost like pseudo criminals. I think this legislation goes back to the old nanny state mentality of the 1950s.

People are well aware of the health dangers of cigarette smoking yet they still choose to smoke cigarettes. I remember friends who said that when the price of cigarettes reached a dollar a packet they would stop smoking. Similarly, I remember people who said that when coffee reached 50¢ a cup they would stop drinking coffee, and when they had to pay more than $5 for a bottle of red wine they would stop drinking red wine.

The Hon. T.G. Roberts interjecting:

The Hon. CAROLINE SCHAEFER: As a grower of red wine grapes I particularly agree with that comment. I think that this endeavours to install the prefect mentality over people who choose to smoke cigarettes. I was very pleased when we introduced a ban on cigarette smoking in eating areas, although I was also quite happy to have some places designated eating areas for smokers. I do not smoke and I do not particularly like the habit, but I think people who choose to smoke should be considered.

One of the most ridiculous sights I think one can see is people who work in the Public Service or in public buildings clustered outside in all sorts of weather so that they can have a cigarette—this legislation will only exacerbate that. I have often speculated as to how many working hours are lost in a large multi-storey building with people from, say, level 12 having to catch the lift, go down to have a cigarette, chat to their mates, catch the lift back up again, do a couple of minutes' work and then go back down again for another cigarette. My view is that there should be separate areas designated for smokers, such as we have in Parliament House. My understanding of this legislation is that within a few short years those people who currently go to the Botany Bay area of the building for a cigarette will be engaging in an illegal activity.

The Hon. R.I. Lucas interjecting:

The Hon. CAROLINE SCHAEFER: Well, that is true—if it is between consenting adults who knows whether it will be illegal or not, but my reading of this particular legislation is that it will be. I think we are tending to go too far in minding other people's business for them. I will be support-

ing the Hon. Nick Xenophon's amendment to support subsidised patches, although I do not think there is any chance that it will be carried, and I will be looking at other amendments as they arise.

Finally, I want to comment on how ridiculous this legislation is in the confines of the front bar of a hotel. If it happens to have a wide floor area then a fictitious line can be drawn one metre away from the bar and you can stand behind that—still blowing smoke at your mates—and be quite legal; however, in a couple of years you will no longer be illegal. But if you happen to be unfortunate enough to have a front bar with a narrow floor area, you may no longer have cigarette smokers in that front bar. I think this is really quite stupid legislation.

I have also observed that in some of the country bars where they have those large extractive fans it would be very hard to know whether or not people are smoking quite close to you, yet there is no provision for allowing for the extraction of cigarette smoke from a public area. So, again, I think this legislation is more about spin than substance, and more about publicity than reality. I will not be opposing the bill but neither will I be supporting it with any great enthusiasm.

The Hon. R.I. LUCAS (Leader of the Opposition): I indicate my support for the second reading. I also indicate that, during the committee stage, I will be moving at least one amendment (which I will speak to in a moment) and will consider the amendments of other members—some of which are on file and some of which, I understand, may still be in the process of being drafted.

I think that the essential premise of the legislation before us—that is, the banning of smoking in enclosed spaces—has had a degree of inevitability about it for a number of years. From a personal viewpoint—and, as the Hon. Caroline Schaefer has indicated, it is a conscience vote for Liberal members in the parliament—I place on record a tribute to the work of my former colleague, the Hon. Michael Armitage, a number of years ago in banning smoking in enclosed spaces in relation to dining. It was a difficult and painful process for the industry at the time but again, from my viewpoint, it had a sense of inevitability about it.

I know that in recent years there has been debate in relation to the gambling issue, and I know that in the past the Hon. Nick Xenophon and others have sought to institute bans in gaming establishments. On those occasions my view has been that if we are to move down that path it ought to be an across-the-board thing rather than just picking off particular premises. The legislation before us is, I guess, testimony to that in that it not only canvasses the issue of gaming establishments but also all other enclosed spaces as well.

In my discussions with the hospitality industry in recent years, on occasions I have been asked for my view, and again I have used the word inevitable. I have said that at some stage this parliament, and parliaments around Australia—from the viewpoint of the safety of the staff involved—would inevitably move down the path of banning smoking in enclosed spaces.

Some people, including legislators, have a degree of fatalism about people making their own judgments about their own vices and about what they do for themselves. I understand that health advocates will proffer the alternative view that the community pays the health costs of the smokers in our hospitals. I have also heard the argument that, rather than living much longer, smokers are killing themselves off earlier, thereby reducing health costs. As I said, we can go round in circles—

The Hon. T.G. Cameron interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: —in terms of whether or not it will impact on health system costs. I have heard all the arguments but, ultimately, we all have to make our own decision. My view has been and remains that, as a state, we have a responsibility to those who work in the hotel and hospitality industry, who, more often than not, are young people. My view is that it is inevitable, and the legislation before us is proof of that.

There are extreme views on all sides of this debate. Over the years, I have spoken on the issue of smoking. The most recent statistics being quoted are that every year there are 19 000 tobacco related deaths in Australia. When I first addressed this issue, the figure was 16 000, and I traced the history of how that number had been constructed. I will not waste the time of the council this afternoon, but there was not a lot of science in the original research to construct this estimate of 16 000 tobacco related deaths in Australia. As each researcher wrote the next research project, they worked off the original estimate, and they have continued to extrapolate that figure of 16 000. It always intrigued me how someone came up with this number and everyone seemed to accept it as gospel on the health implications of tobacco smoking in Australia. I accept the view that, whether the number is 19 000, or, indeed, 10 000, the same arguments need to be addressed by legislators and by the community.

In essence, it is an issue of degree and the number of people who are dying. Of course, it has a significant impact on the other figure that is thrown around, namely, the billions of dollars smoking costs the health system. That number obviously impacts on the estimate thrown around by health industry advocates as to the costs to the health system. I summarise my views by saying that those who put forward the figure of 19 000 tobacco related deaths and the associated costs need to accept that it is an estimate and that, when one traces the origins of that estimate, significant scientific questions can be asked about its validity.

I am more attracted to supporting some of the essential notions in this legislation, such as banning smoking in enclosed places, than to some others which we have seen over the past 15 to 20 years and which we will be asked to consider by way of amendment to this legislation. In particular, I remain unconvinced by some of the arguments in relation to the importance of banning the promotion of cigarette smoking and its claim of benefit on people's smoking habits. Given that the decisions in relation to television and radio advertising were taken almost 20 years ago, in recent times the debate has been more about point of sale advertising. For example, when point of sale advertising was restricted in Victoria in 2001, the consumption of cigarettes in 2002 increased by 2.8 per cent. By comparison, in South Australia it was half that figure, at 1.46 per cent. Nationally, there was a 1.05 per cent increase in cigarette consumption over previous years. So, in the year after Victoria instituted point of sale restrictions, the consumption of cigarettes increased at twice the rate of South Australia and almost 2½ to three times the national rate.

I do not indicate that this is conclusive evidence of the failure of point of sale advertising, because there are many other things which occur in those states and nationally in relation to the cigarette industry and consumption, including price and other things. Nevertheless, it certainly does not

provide any evidence at all of any claimed benefit in terms of reduced cigarette consumption in Victoria as a result of tighter restrictions on point of sale.

When you think it through, this is where I depart from some of the health advocates. I can see good sense in banning smoking while dining and in hotels and clubs. I can see the potential benefits and the arguments in relation to that, but it is much harder to see, when one looks at, in practical terms, what happens when you impose tighter restrictions on point of sale advertising, for example. As I understand it, the state government has backed off completely from the point of sale provisions of this legislation, although, Labor members will obviously be confronted with some amendments which, I think, are to be moved by the Democrats and which are to reintroduce those provisions.

I struggle to understand the sense of being able to completely black-out the relatively modest point of sale advertising that might be allowed in some other states, and I accept that it is slightly greater than that in South Australia. There may well be an argument to restrict it a bit, but there is the fact of going into a delicatessen and being able to see the brands of cigarettes that you want to purchase, or of being able to go to Smokemart or a speciality store such as that.

The Hon. A.J. Redford interjecting:

The Hon. R.I. LUCAS: There is a frank confession from my colleague the Hon. Angus Redford. I do not believe that these sorts of things are the major issues that will significantly move cigarette consumption in South Australia. Similarly, I do not believe that bigger and more graphic signs on cigarette packs make an iota of difference.

The Hon. A.J. Redford interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: The cigarette smokers of South Australia know that the research tells them that their smoking behaviour is not conducive to good health. They choose to smoke for a variety of other reasons; they ignore the warning signs. You could buy a pack of cigarettes and be compelled to carry home a 6 foot high sign every time you did, and it would not make any difference. The Hon. Angus Redford would go into his delicatessen or Smokemart and take away his 6 foot sign together with his packet of smokes. It makes some within the health industry feel good about it; it certainly employs a lot of advocates; but the practical reality of it, in my judgement and in that of many others, is that it has no significant impact on smokers' habits. Sadly, it has no impact on young people.

The Hon. T.G. Cameron: It is the same about over eating.

The Hon. R.I. LUCAS: Well, the Hon. Mr Cameron talks about over eating. As I understand it—although I have not seen his amendment yet—the Hon. Mr Xenophon talks about a situation where Nicole Kidman happens to be smoking a smoke in a feature length movie at the local multiplex, or whatever it is, and an Hon. Nick Xenophon endorsed anti-smoking ad will have to be flashed up on screen. I understand that it is before the movie. Knowing the Hon. Mr Xenophon—

The Hon. T.G. Cameron: It will be during the movie!

The Hon. R.I. LUCAS: It may well be during the movie; it might be a flashing sign or something warning Nicole, 'This is harmful to your health!' Again, in my judgment, it misses the point and, certainly, in those particular areas, I do not intend to support those amendments. It is not going to happen but, ultimately, we have a product which is legal and which most people accept is unhealthy. There are issues in relation to the impact of smokers on others, and that is where we come to the issue of staff and others such as that as per this bill. But, ultimately, we can do and have done a lot of things, but let us choose to do things which might have some potential impact as opposed to many of the things which we have been asked and will be asked to do and which, in my judgment, will not have much impact at all.

I also understand that some councils in Sydney are now talking about banning smoking on beaches and in public places. Again, I indicate that I am not prepared to support those sorts of amendments. We have a legal product and we continue to allow it to be smoked in some areas, certainly on a beach and out in the open as opposed to in an enclosed space. Together with non-smokers, smokers will need to find their own space and, hopefully, in most cases—although not always—commonsense will prevail.

I will be moving at least one amendment, which will allow for the provision of a smoking room in hotels, nightclubs and a variety of other enclosed spaces. The amendment that I intend to move will be for a completely enclosed space where there will be no staff service at all. A smoker will be able to buy his or her beer or drink from the front bar, or wherever, and if he or she chooses can then remove themselves to the smoking room where the hotel establishment can provide television, or whatever else the proprietor might like to provide, and share the company of other smokers who choose to be in that particular smoking room. The amendment will make it clear that staff will not be required to work in that particular area while smoking is being undertaken. The regulations will allow the proprietor to close down the smoking room at times of their convenience to allow removal of glasses and a tidy-up of the particular room.

The Hon. T.G. Roberts: Or to remove the bodies!

The Hon. R.I. LUCAS: Or to remove the bodies, as the Hon. Terry Roberts said.

The Hon. A.J. Redford interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: The Hon. Mr Redford, they might be following you rather than the fact that you are smoking.

Members interjecting:

The Hon. R.I. LUCAS: Anyway, members will have the opportunity to support that particular notion. It may be that the regulations will provide for ventilation and those sorts of requirements for that particular enclosed space, but many restaurants and hotels in South Australia do have separate rooms. Having spoken to proprietors over the past couple of months—not all of them, I must admit; some of them are not interested in the option of a smoking room—a number of them are quite happy to provide a smoking room for those people who want to smoke rather than have their going out onto the pavement and dropping butts everywhere, which, as the Hon. Caroline has indicated, is not an overly attractive look.

I indicate my support for the notion of banning smoking in enclosed spaces in nightclubs and hotels, particularly with young people. Certainly, I see it with my own children and friends of my children. The percentage of smokers amongst young people of today in that bracket of 18 and just above—although, as I understand it, on occasions some under 18s just happen to get into some of these establishments through various devices—is very high.

The Hon. A.J. Redford: They are not listening to Nick Xenophon. I am shocked!

The Hon. R.I. LUCAS: Whatever the drivers, whether it be peer group pressure, being seen to be cool, or the social aspect of their night out, I do not know—it might be all the above—there is no doubt that a significant number of young people do go through that particular stage where they smoke. I would like to see a much greater effort by both state and federal governments into the drivers that change what I think are effective anti-smoking programs in primary school. I have to speak frankly. I think a lot of the programs are successful in primary school but count for nothing once young people reach secondary school age. I think the issue is what we do or should do at secondary age different from what we are attempting to do? Clearly, we are trying right across the board.

I am a former minister for education, and in the period 1993 to 1997 health and education agencies in the secondary schools were trying to find the drivers. I have to say that everyone has been singularly unsuccessful, in my judgment, in terms of finding out what that is. I know so many young people who at age 11 and 12 have had seven years of anti-smoking programs in primary school. They are strongly anti-smoking at 11 or 12, but those very same people, who accepted the programs at primary school, are exactly the same people who at age 14 and 15 are taking up smoking for some other reason.

The message has got through at the age of 12 and 13. Those messages at that age are stopping a good number of primary-aged children from smoking, but either the messages do not stay with them or the new messages do not work with secondary-aged students. It is in that area in which state and federal governments need to do much more work to try to change the decision-making habits of young people in relation to smoking. I indicate my support for the second reading of this bill.

The Hon. J.F. STEFANI: I rise to make a very short contribution to this bill. The purpose of my contribution is simply to indicate that I do have some reservations about the tardiness to implement measures that might appropriately be introduced earlier. When the former Liberal government introduced anti-smoking measures in restaurants, there was a great deal of trepidation as to how it would be affect the industry and the public. Those measures were implemented very smoothly. I think, on the whole, most of us who are not smokers have frequented various places where food is consumed and find it convenient to eat our meal without the taste of smoke being mixed with the food that we eat. Measures in the bill will become the subject of a great deal of debate. I do concur with the Leader of the Opposition that some restrictive measures about people's rights ought not to be considered by the parliament.

The notion that smoking rooms be created in various establishments does appeal to me. After all, we have Botany Bay in this very place to allow people to smoke. I have nothing against people who want to smoke: that is their choice. At the end of the day we all know that smoking is a health risk. People who have intimate knowledge of the problems of smoking strongly advocate measures that discourage smoking generally, particularly among the young. My wife and I had the rather unpleasant duty of assisting a friend who was a heavy smoker and who contracted lung cancer through smoking and died at the age of 42 years. It was a reminder that smoking can be a very serious health risk.

We saw the late premier of Tasmania publicly go on television to remind the public that he regretted being a heavy smoker. However, that is the choice of people. I respect that they have the right to do as they wish. However, equally there are rights for people, particularly workers, to be protected in the workplace against the possible health risks that flow from smoking. We all know that there is a heavy onus on employers to ensure that they provide a safe workplace for their employees, and as such this measure hopefully will address some of those issues.

The discouragement of young people smoking certainly can be a very positive approach in terms of education about the risk of smoking. There are possibilities we can explore through restricting the blatant advertising of tobacco products, as has occurred in motor car racing, other than Formula One, which we have allowed here in South Australia for particular economic reasons (anything else was not really the reason). We see that even in those areas, where there is participation by young people, there have been strong restrictions and measures taken in promoting the Marlborough cars and whatever we had in the past in motor racing. That is certainly a young person's sport, although some of us still follow it on television.

In essence, I will support some of the measures that will endeavour to discourage young people from smoking and generally deter the promotion of smoking in a manner that does not intrude on the rights of businesses or on individual rights. With those few words I look forward to participating in the debate on the various clauses and the amendments proposed by the various parties in this chamber.

The Hon. P. HOLLOWAY (Minister for Industry and Trade): I thank members for their contribution to the debate. A number of issues have been raised and, given the range of views on this matter, it is likely to be a lengthy debate in committee, so I will deal with the issues at that time. At this stage I thank members for their contribution and trust that we will be able to make some progress on this bill in committee tomorrow.

Bill read a second time.

PITJANTJATJARA LAND RIGHTS (REGULATED SUBSTANCES) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 21 September. Page 138.)

The Hon. T.G. ROBERTS (Minister for Aboriginal Affairs and Reconciliation): I thank members for their contribution on this bill. The issue has been around for some considerable time. The parliament and the Legislative Council has picked up a lot of the issues associated with the difficulties the police have in their role in policing issues associated with petrol sniffing and we hope this bill and its direction goes some way to giving the police greater direction and more certainty about the people they deal with in very isolated regions of this state. Of course, petrol sniffing is not restricted to the AP lands and has expanded as a result of the travel and movement of young people out of the lands into other communities, so we certainly want to make sure that existing sniffers stop sniffing and that we prevent others from taking it up through education and by putting in place support programs. It is almost like the previous debate on cigarettes.

When you ask yourself why people would choose petrol as a mind altering substance, it makes you wonder. Petrol is

one of the only cheap available sources for abuse within the lands, although marijuana is now becoming a particular problem and has been freely and readily available from people who are prepared to sell it for sniffing. Of course, if you have petrol driven cars within a particular region or area you must have petrol to drive them, and there is nothing to stop the internal combustion engine's fuel being the fuel used for sniffing and hallucinating purposes.

I hope that this bill tackles the problem that has been discussed. I note that it will go some way towards eliminating petrol sniffing in this state, and perhaps the lessons learnt will carry over into other states. As I have said, there is a suite of programs and other issues being dealt with in relation to sniffing on the lands and, hopefully, we can interrupt the process and bring about some results.

Over the years I have spoken to people who have dealt with petrol sniffing. Those people have included previous ministers and other members of parliament. I found their views interesting, and I hope that we learn some lessons from them. Their view of the world was that, over the past 40-odd years, petrol sniffing had become popular. It would die off over a period, then it would be picked up and become popular again. My view is that the current run of sniffing for young people, in particular, and now adults, within the lands has been running for quite a considerable time. It does not appear to have abated at all. The matter was first raised in this chamber in the mid 1980s, when I was a freshman. There was a debate between Dr John Cornwall and Martyn Evans about whether the measures that were taken by the previous government and the government of the day were making an impact on petrol sniffers. That was in the years 1986, 1987 and 1988. As I said, it goes back 40-odd years into the 1960s and 1970s, when it was first raised as a major issue within the lands and also, I suspect, outside the lands.

Through education, hopefully, we will be able to prevent people sniffing. For those who are mild sniffers or who have been introduced to it only recently, we hope to run programs within the lands that discourage them from becoming heavy sniffers. For those people who are continual sniffers, the programs that generally are recommended by the community are to isolate the individual from the community and to reunite them with their cultural beliefs and build up their spirit by abstinence and by getting them to eat proper food and trying to strengthen their resistance to the impact of continual petrol sniffing.

I also recognise that there are heavy sniffers who we will have to deal with because of their mental impairment. We are now dealing with some sniffers who, after becoming intoxicated by the fumes, have fallen into fires, stood on broken glass bottles, involved themselves in violent activities and have broken bones to mend and cuts and gashes to be stitched. As I said, some have fallen into fires and received terrible burns, and some have died from their burns.

We hope, in a unified way, to show the communities that the parliament—the opposition, the Democrats and Labor—are all united in their views in relation to the terrors and horrors of petrol sniffing and the permanent damage it does to the brain and other organs, and that it is this parliament's intention not just to ban the product and to ban the sniffing as a social event within the communities but also to supply life skill alternatives and opportunities within the lands to make it more unappealing for the individual to ever want to take up petrol sniffing. It would be seen, as it is now, as a wasted life. We hope to be able to build up opportunities so that people can look forward and make some considered choices as to how they will pursue their own lives within or outside their communities, and to give them life skills education and training so that sniffing does not take up any part of their social life. I commend the bill to the council and I look forward to the contributions of members during the committee stage.

Bill read a second time.

MAGISTRATES

The Hon. P. HOLLOWAY (Minister for Industry and Trade): I table a copy of a ministerial statement relating to magistrates made today by the Attorney-General.

PETROLEUM (SUBMERGED LANDS) (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 12 October. Page 237.)

The Hon. SANDRA KANCK: I will be brief in my remarks. I indicate that the Democrats support the bill. I understand from the departmental briefing I received that the catalyst for a lot of what is in this bill (which is basically a bill dealing with occupational health and safety) was the Piper Alpha incident which occurred in the North Sea some years ago. The investigating report that followed that incident was scathing of the occupational health and safety standards operating at that time. What we have before us is effectively an international response, with everyone having recognised that this is a huge issue. For my part, I think that, if we catch up with occupational health and safety standards and ensure that they are enforced, some of the shortcuts that have occurred in the industry—whether it be locally or whether it be in the North Sea—will be reduced and, once shortcuts are reduced, environmental standards will follow and will be increased. I think this is one of those bills which will result in a win-win situation (and I hate using that term), where the workers will be better off as a consequence and the environment will also be better served. I indicate that the Democrats support the bill.

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

ADJOURNMENT

At 5.11 p.m. the council adjourned until Tuesday 26 October at 2.15 p.m.