HOUSE OF ASSEMBLY

Thursday 1 April 1993

The DEPUTY SPEAKER (Mr D.M. Ferguson) took the Chair at 10.30 a.m. and read prayers.

ECONOMIC DEVELOPMENT BILL

Consideration in Committee of the Legislative Council's alternative amendments:

No. 1. Clause 16—Leave out new subclause (3B) and insert alternative subclause (3B) as follows:

(3B) An authorisation under subsection (3) is to be given, and maybe varied or revoked, by proclamation, and within six sitting days after such a proclamation is made, the Minister must have a report, setting out the terms of the proclamation, laid before both Houses of Parliament.

No. 2. Clause 16—Instead of proposed subclause (6), insert new subclauses as follow:

(6) Subject to subsection (7), a ratification under subsection (2), or an approval under subsection (5)(a) or (b)—

(a) must be published by the Minister—

(i) by notice in the *Gazette* within 14 days after the ratification or approval was given;

and

(ii) by tabling the ratification or approval in both Houses of Parliament within six sitting days after its publication in the *Gazette;*

and

(b) must be published by the Board in its next annual report.

(7) If the Minister is of the opinion that publication of a ratification or approval under subsection (6) might detrimentally affect the commercial interests of any interested party, or might breach a duty of confidence, the ratification or approval need not be published by the Minister or the Board as required by that subsection, but instead—

(a) the Minister must cause the ratification or approval to be reported to the Economic and Finance Committee of the Parliament within 14 days after the ratification or approval was given;

and

(b) the Board must cause a statement of the fact that the ratification or approval was given to be published in its next annual report.

The Hon. LYNN ARNOLD: I move:

That the Legislative Council's alternative amendments be agreed to.

In so moving, I want to acknowledge the constructive discussions that have taken place between members in another place on both sides of that House. While I think there could still be some difficulties from time to time, I believe that the proposal that some matters that are subject to strict commercial confidentiality can be referred to the Economic and Finance Committee is an appropriate compromise solution in this matter. So I believe it would be appropriate for the amendments to be accepted.

Mr OLSEN: The Opposition supports the amendments referred to the House by the Legislative Council and supports the comments of the Premier in accepting those amendments.

Motion carried.

MUTUAL RECOGNITION (SOUTH AUSTRALIA) BILL

Adjourned debate on second reading.

(Continued from 3 March. Page 2254.)

Mr S.J. BAKER (Deputy Leader of the Opposition): The Opposition supports the second reading of this Bill but expresses some extreme reservations about the content of this Bill in relation to the future of the State. So, whilst supporting the second reading, that is as far as our support will be given at this stage. What we had in the content of the second reading explanation when it was introduced into this Parliament on 3 March 1993 was a number of laudable aims about mutual recognition, with which we would all agree, and I quote as follows:

The principal aim of mutual recognition is to remove the needless artificial barriers to interstate trade in goods and the mobility of labour caused by regulatory differences among Australian States and Territories. Mutual recognition is expected to greatly enhance the international competitiveness of the Australian economy and is a major step forward in the achievement of microeconomic reform. It involves a recognition by heads of Government that the time has come for Australia to create a truly national market—a policy embodied in the constitution but not made possible for almost 100 years.

That is a very laudable principle and we would support those aims. The second reading explanation makes a number of observations that I believe it is worthwhile canvassing. The concept of mutual recognition was widely embraced as a means to overcome regulatory impediments to a national market in goods and services, and I will be further referring to that matter in some detail during my contribution. In dealing with the legislation, the second reading explanation refers to two principles, the first of which is:

...that goods which can be sold lawfully in one State or Territory may be sold freely in any other State or Territory, even though the goods may not fully comply with all the details of regulatory standards in the place where they are sold.

There is no caveat, but there are some problems that can arise as a result of that simple principle. The second principle that has been enunciated in the second reading explanation is the recognition of occupations across all States and Territories if they are recognised and are reasonably compatible with occupations in another State or Territory. The second reading explanation goes on to state:

Local registration authorities will be required to accept the judgment of their interstate counterparts of a person's educational qualifications, experience, character or fitness to practise.

The Minister does stress that there must be some substantial equivalence in the nature of the qualifications before it can achieve mutual recognition. The second reading speech suggests that because of this recognition of goods, services and qualifications that there will be no flood across interstate borders, whether they be products

that are 'inherently dangerous, unsafe or unhealthy' nor will there be movement of people who will be inadequately qualified. The suggestion is that the move is innovative and it will achieve the ends that we have previously talked about. So, this State Government believes that it is an important piece of legislation. It is a vital piece of legislation that really has to be debated in full. One of the interesting comments that is placed in the second reading explanation is:

> ...mutual recognition is intended to encourage the development of appropriate uniform standards where these are considered necessary for reasons of protecting health and safety or preventing or minimising environmental pollution. Thus, provision is made for States and Territories to enact or declare certain goods or laws relating to goods to be exempt from mutual recognition on these grounds on a temporary basis, that is, up to 12 months.

During that time there is meant to be a meeting of the various Governments and their representatives to ensure that, if there are any impediments, they are swept aside and within 12 months there can be a recognition which is not in any way inhibited by the differing standards on safety, health or other matters.

One of the interesting things that comes out of the second reading explanation is the wish that the national competency standards will be developed in the near future for all regulated occupations and professions. That is an interesting observation, because it relates to whether the horse comes before the cart or the cart comes before the horse. I shall be addressing that issue very shortly. The second reading explanation points out:

> The mutual recognition principle in relation to occupations will mean that a registered practitioner wishing to practise in another State can notify the local registration authority of his or her intention to seek registration in an equivalent occupation there. The local registration authority then has one month to process the application and to make a decision on whether or not to grant registration. Pending registration, the practitioner is entitled, once the notice is made and all necessary information provided, to commence practice immediately in that occupation, subject to the payment of fees and compliance with the various indemnity or insurance requirements in relation to that occupation.

That is the contribution that has been made by the Government on this Bill. There is very little argument about the principle of mutual recognition. The problem arises when we get down to actual circumstances and what is the real world. I should like to spend a little time on the real world. Before doing so, I will refer to some of the work that has been done on mutual recognition. The Commonwealth Parliament enacted the Mutual Recognition Act 1992, which was assented to on 21 December 1992. That Act contains the bulk of the substantive law. In effect, this legislation recognises the Commonwealth Act and relies very heavily on it for its basis in law. The State complementary legislation adopts the Commonwealth Act. Section 51(xxxvii) allows the Commonwealth to legislate on matters 'referred to the Parliament of the Commonwealth by the Parliament or Parliaments of any State or States so that the law may extend only to States by whose Parliament the matter is referred which afterwards adopts the law.' The State legislation also refers powers to the Commonwealth to legislate in so far as the Commonwealth does not have a power.

That makes it clear that this legislature plays a very important role in the process of mutual recognition. Being a key player in the series, it is important that we get it right and do not cede powers to the Commonwealth and finish with a result which will not be in the best interests of this State. The State legislation under this Act continues for five years, but a State may terminate it, by proclamation, after the expiration of that five-year period. The Commonwealth Act may be amended and such amendments become binding on the State only when the Governor, by proclamation, approves the terms of amendments to the Commonwealth Act. It should be noted that the approval of the amendments is an Executive act and not—this is important—an enactment of the State Parliament. We have Executive to Executive decisions.

The reference of power to the Commonwealth is a matter of concern. We must question whether we should refer this power in the absence of what I believe is the basic homework that needs to be done before we travel this path. We were of the understanding that mutual recognition was accepted in principle by all the participating States in conjunction with the Commonwealth. However, on further checking we find this is not the case. We could be in the situation that some States will and some will not, and that will make a grand farce of the whole proposition.

For us to legislate without some guarantees will do nothing for the process that we would all wish to see accomplished in an effective and professional fashion. We have already had discussions with two of our interstate counterparts, and the new Victorian Attorney-General indicated that the Victorian Government will not transfer power to the Commonwealth but will enact its own mutual recognition legislation so that it maintains control of the agenda.

Mr Holloway interjecting:

Mr S.J. BAKER: The member for Mitchell obviously has not read the Bill and is making another gratuitous contribution.

The Hon. B.C. Eastick: He is a Johnny come lately.

Mr S.J. BAKER: He is a Johnny come lately and he might be a Johnny leaving early, as my colleague the member for Light would recognise.

The DEPUTY SPEAKER: Let us not provoke each other. Let us stick to the Bill.

Mr S.J. BAKER: The Victorian Government has said, 'We are not satisfied with this proposition. We recognise the principle involved, so we are going to have control over our own legislation and allow those areas that we believe are important and appropriate to actually flow between the Commonwealth and the States.' However, they are not ceding control of the process to the Commonwealth. We also believe that Western Australia is reviewing its position on the legislation. It has some concerns and it is by no means certain that Western Australia will also embrace this type of legislation. It is more likely that it will follow the Victorian proposal to adopt its own mutual recognition legislation. So, the States recognise the need for mutual recognition but have some concerns about the

practicalities involved. Obviously two States have concerns. We did not get in contact with Queensland—

The Hon. Lynn Arnold: Why not?

Mr S.J. BAKER: I think we know where Queensland would stand—

The Hon. Lynn Arnold: Jeff Kennett consulted with me on this matter and he did not think there was a problem in talking across lines.

Mr S.J. BAKER: The Premier says that Jeff Kennett had discussions with him about mutual recognition—

The DEPUTY SPEAKER: Can we wait until we get into Committee before we start cross-questioning.

Mr S.J. BAKER: Obviously, the Premier was not listening at the time or perhaps he got the wrong signals. Our clear understanding is that there are concerns, and they will be addressed in the Committee stage. As I said, we have a Bill before us that causes us concern. I would like to read briefly some of the responses that we have received as they indicate areas that need further thought before we pursue the legislation in this form. Members will note that amendments have been circulated which pursue the proposition of the States having control on mutual recognition rather than the Commonwealth.

The response from the South Australian Farmers Federation is generally to say, 'Look, the way this is heading is absolutely appropriate.' Its letter states:

> It is the view of the Food Policy Alliance that mutual recognition will undermine the national standards setting process of the National Food Authority, forcing the authority into a reactive role as an arbiter of disputes between States over minimum standards. Further, mutual recognition will not allow other States to inspect food product from the State with the lowest standards.

This is a real concern and I intend to talk about it. Other contributions have also raised that question. What I alluded to previously was the fact that, if the Commonwealth moves towards national minimum standards, which we wish to see applied across Australia, that process should be satisfied. As a result, there would be no need for mutual recognition Bills in principle. It seems that the Commonwealth has either become frustrated or decided to pursue some of its other agendas by pushing forward mutual recognition, because a number of matters have to be debated prior to any agreement being reached on this form of legislation and, obviously, that has not been done. The South Australian Farmers Federation makes the point strongly that, whilst it accepts the concept of mutual recognition where it will aid the free flow of trade between States, it believes that uniform national minimum standards as applied to food and other areas such as education and training should take precedence over mutual recognition. That is quite clear. No-one is canning the idea but, certainly, people are saying that in the practical real world a number of serious concerns have to be addressed. I have a contribution from the Real Estate Institute of Australia, which states:

> The preparation and lodgement of a submission on mutual recognition is supported recognising the importance of this issue to all affiliated States and Territories... Having said this, however, our concern is that we retain the present standards in South Australia as we move towards achievement of mutual recognition. As you will recognise, South Australia has the highest standard of education and real estate practitioners are able to prepare contracts. This is a practice which has worked well and has been beneficial to consumers and, as such, must be retained at all costs. Mutual recognition in fact provides the vehicle to introduce this as a feature of the services of real estate practitioners Australia-wide coupled with raised educational standards.

What that submission really says is that in South Australia we do have it right; we do have the best. Why would we want to accept the worst? That is an important principle, which flows through the contributions that we have received on this subject, but it is a principle that seems to have been forgotten in the Minister's haste to have this Bill brought before the House. I also have a contribution from the Engineering Employers Association. I am sure that the Premier has received copies of all this correspondence, so it will not be news to him. It states:

> I thank you for sending me a copy of the above Bill and offer the following comment. Some 18 months ago the EEA reviewed the discussion paper on mutual recognition of standards and regulations, and highlighted the potential for what we termed 'quality dumping'...Our concern arose out of the possibility for imported goods of a standard inferior to that obtaining in South Australia (or any other States) to compete with locally produced goods, on the basis of them having entered Australia through a State with less stringent regulations. The ability of the local producer to lower his standard being precluded by regulations within his own jurisdiction would give rise to unfair competition.

The Premier must recognise that, if a State has regulations that cover the quality of the good or the service and another State has automatic entry into our markets, our producers and suppliers of goods and services will immediately be at a disadvantage. It goes on to state:

> The rational commercial solution to this dilemma may well be to close local manufacturing operations and to import comparable product through the appropriate State. The difficulty may extend beyond the competitive aspect to, say, one of regionally specific regulations—for example material specifications for compatibility with the unique characteristics of South Australian water could be circumvented by imports entering through a State without the same need for corrosion resistant properties.

I will take a few seconds to discuss that proposition. We are well aware that our water is somewhat different from that of other capital cities around Australia. We are also aware that, outside Adelaide and on other than reticulated systems, in most cases the quality worsens.

When I visited Eyre Peninsula, I was told that air-conditioning units last only six to nine months because of corrosion of pipes and calcification. We have solved that problem here in this State, and all the manufacturers are aware of the peculiarities of the South Australian market—and that was achieved at some cost. A person coming into the South Australian market with, for example, an air-conditioning system would have the right to sell that product throughout South Australia, but there would be no protection whatsoever for the consumers. That is another issue which really needs to be addressed and which perhaps does not form the basis of some of these submissions.

With regard to warehouses, goods ordered from interstate or just a shop-front arrangement here in South

Australia, how do we provide for consumers to take action against defective or deficient goods? The goods might not even be defective or deficient: they might be of good quality and operate effectively interstate but are totally foreign to South Australia. In its letter, the Engineering Employers Association stated:

The difficulty is the absence of any data indicating the extent to which such circumstances might arise, and the impossibility of predicting situations which might present problems in the future.

As a general comment, we have noted an alarming trend in Australia over recent years to pass legislation embracing some large and laudable principle, with only scant consideration of its impact on business. This sort of approach almost invariably leads to extensive damage control as the practical implications begin to emerge.

All we can say to that is, 'Hear, hear!' The document continues:

I acknowledge the theoretical appeal and potential for greater economic efficiency in uniformity, but would point to the extensive range of unintended consequences arising out of the latest sales tax legislation, in support of my contention that the single minded pursuit of uniformity does not necessarily produce a net benefit.

In the case of this particular Bill, it will only work if the standards for goods in each of the States are already reasonably uniform. Any disparity of substance will almost certainly be exploited by other countries seeking to establish a lowest common denominator in Australia.

This could apply to firms operating in other states, of course. The letter continues:

Since we do not know the nature and extent of the potential injury for local manufacturers, it is difficult to suggest how it might be redressed. Certainly the schedule of permanent exemptions in the Commonwealth Act contemplates a situation...

And the letter continues:

It is reasonably likely that the introduction would have a long term and substantially detrimental effect on the whole or any part of the State.

That relates to our stopping mutual recognition specifically in specific areas. The letter continues:

The grounds for such an exemption however, seem too general to have any specific value, and the State Bill provides no mechanism for it to be invoked. In any case the practical reality is that, like dumping, the local producer would be extensively injured (sometimes fatally) before the source of injury is redressed.

That is a classic situation. Our farming community is probably in the worst situation ever in the history of this State with its product markets, and we have a Federal Government that sits on its hands and allows goods to flow across our borders with gay abandon and to be dumped here in Australia—and there must be an 18 month inquiry to determine whether dumping occurs. It is a fact of life that, in 18 months, it is easy to destroy industries. The point made in this proposition is that we do not want to be in that situation: we want to be aware of all the pitfalls before we start the process. I hope that members—except for the loudmouth from Spence—would recognise that principle. The submission continues:

It is recognised that the Bill deals with point of sale regulation, and that a State could invoke regulation for use to address particular problems as they arise. This, however, would be damage control based on an administrative inefficiency, which might well offset any gains desired from uniformity.

That is saying that as we deal with a case by case situation we will somehow handle it some way down the track. In the process, the so-called free trade principles will be thrown out the door and those brick walls will be put in place. We will have unnecessary aggravation between States as a result of this, because it has not been thoroughly thought through and because the homework has not been done. The submission continues:

I would therefore suggest that in respect of goods there needs to be some quantified benefit in the acceptance of uniformity or some quantified disbenefit which would lead us not to participate in the proposed arrangements. At this stage I am concerned there appears to be more 'band wagon' appeal than any real evidence of gain.

Although I do not necessarily subscribe to those comments, I put them on the record. I believe that there are some tangible benefits from mutual recognition, but I do not agree with the way in which it is being done with this legislation. In relation to the Premier's interjection, I have it on very good authority, as the Premier would recognise. It is signed by the Attorney-General of Victoria, Mrs Jan Wade, and reads as follows:

I advise that the Government is adopting the Commonwealth's mutual recognition legislation rather than referring power to the Commonwealth on the subject.

It is clear and unequivocal, but perhaps he did not listen. In relation to what is happening in Western Australia, I will read a part of the letter, as follows:

Because the Commonwealth mutual recognition legislation has been enacted, it may now be necessary for States which have not (prior to that enactment) referred power to the Commonwealth to adopt, under section 51(37), that Commonwealth legislation. That is, a reference of power may not be able to be acted on by the Commonwealth without enacting new Commonwealth legislation.

They are currently considering their position, including whether they absorb the Commonwealth legislation as their own, rather than referring all powers to the Commonwealth. I have a comment from the land brokers, merely saying the following:

...hold reservations about the scheme of mutual recognition, and the way it may operate in practice. In particular, I am concerned that only the State licensing authority will be allowed to approach the Administrative Appeals Tribunal for a declaration that an occupation was not an equivalent occupation for the purpose of licensing.

I have a contribution here from the Riverland Horticultural Council, which makes the point quite clearly. It states:

The Riverland Horticultural Council Inc. is gravely concerned at the possible impact of this Bill on the horticultural industries in this State. Whilst we recognise that it is the intention of the Bill to sweep away unnecessary regulations governing the sales of products and services, we are not yet convinced of the effectiveness of the checks and balances in the Bill....whilst the Bill provides for temporary exemption (12 months) for any product or service that can be successfully presented as being disadvantaged by the Bill. It is proposed that a council of relevant Ministers could then adopt uniform national standards.

The Riverland Horticultural Council refers to the example of dried fruits. It says:

We have already gained an undertaking from the then Premier, Hon. J. Bannon, to seek uniform national standards through the Agricultural Council.

And there is a copy of that letter attached. The letter continues:

However, this begs two considerations being adequately addressed.

(1) that five of the eight relevant Ministers will agree on suitable dried fruit standards.

(2) that a backlog of cases will not accumulate in the first 12 months such that uniform national standards are not in place upon the expiration of the period of exemption. If so, SA will become flooded with low cost and inferior dried fruit products.

What they are saying is that you should get the national standards right and all the States complying, so that we know where we are going and the importers know where they are going before we apply this legislation. They also say:

We also wonder why such a piece of radical legislation is being vigorously pursued when—

1. It obviously drastically reduces the powers of State Governments to regulate the sale of goods and services; and
2. An alternative for a harmonisation of standards for food products exists through the National Food Authority.

We have the Commonwealth working in a number of directions. We have some other contributions which relate to things such as the differences in firearm legislation and how we grapple with that. Also, with respect to our control of films, how do we ensure that our standards remain supreme? In relation to containers, we have a deposit system in South Australia, so does this mean that all the bottles and plastic containers can flow across the borders without impediment? Those issues have not been addressed, and I have seen no reference to them.

As I have said, the publication of films and magazines is more tightly controlled here than perhaps in other jurisdictions. We have the ratings of films which have some differentials between the States. There are other questions in law that have not been alluded to. Perhaps the Minister or the Premier can inform us about them. They relate to a point of recognition where a practitioner, whether it be in a trade or with a particular qualification, comes to South Australia with a considerable cloud hanging over his or her head.

For example, we know that complaints against legal or medical practitioners take an inordinate amount of time to satisfy. They may take years to satisfy. There seems to be no consideration or protection when somebody's performance is being reviewed. The local tribunal may deem that a person may act on a restricted licence, or it may apply some restriction on the behaviour or operation of that individual or firm, yet principally because of recognition of those qualifications it would seem easier for that person to cross the State border and practise here in South Australia, or vice versa.

I guess my support for the principle of mutual recognition stems from a number of areas. We have to avoid the unnatural restraint of trade which does occur today, as every member in this House would recognise. We must free up the flow of goods and services across State borders and remove well defined or *de facto* barriers to such trade. However, the Bill takes this to the lowest common denominator principle. In the law, it says that, whatever State has the lowest standard, that is the standard that will apply throughout Australia. That is not good enough. As I said at the beginning, let us get right our national standards. Let us make sure that everyone is aware of our commitment to provide the highest quality service throughout the country and signal, to our international competitors and to the international community, that we have made an absolute solid commitment to best quality practice.

However, this Bill takes us in the opposite direction. It recognises mediocrity—nothing less, nothing more. It provides that the State with the lowest standard will set the standard for Australia, and we have some concerns about that. We do not believe that the States should cede power to the Commonwealth under such circumstances. We believe that more homework has to be done. We recognise that significant breakthroughs have occurred already in certain national standards, and let that continue to occur.

We recognise that, in many of the professional qualifications, there is now mutual recognition across States, so we are seeing a lot of that happening as a result of initiatives taken by the States and by the Commonwealth. That is a very healthy process, but this Bill does not assist that process. It provides that the worst possible standards will be the new standard, and we have some disagreement with that proposition.

So, I will move a number of amendments which basically bring back the power to this State to encompass and embrace the principle of mutual recognition, on our grounds, not on the Commonwealth grounds, to a point where we can feel certain that some application and diligence will be applied by the Commonwealth to ensure that national standards do apply, that we have best quality practice, and that we do not promote the lowest common denominator or mediocrity in the recognition of goods and services and occupations between the States. With these few words, I indicate that the Opposition has agreed to facilitate the second reading of this Bill, but fundamentally at this stage we are opposed to conceding our power to the Commonwealth.

Mr HOLLOWAY (Mitchell): We have just heard an extremely disappointing speech from the Deputy Leader of the Opposition. It really encapsulates every reason why the Liberal Party is now in the depths of despair. It is where it deserves to be when we have such negative reactions as that; it really is a return to the past. I must say I was very sad to hear the member for Mitcham say that the Victorian and Western Australian Governments were reconsidering this matter and reverting to their traditional role. I guess it is not surprising that someone like Jeff Kennett, who wishes to revert to a nineteenth century industrial system, would also wish to make Australia a nineteenth century federation.

I believe that this Bill is one of the most substantial pieces of legislation we have seen before the Parliament for some time. Its effects will be far-reaching on both the constitutional and the economic development of Australia. There is no doubt that this Bill will be a further nail in the coffin of the traditional States rights people, even though I suspect, as we have just heard from the member for Mitcham, some of the arch-

conservatives in our community will do everything they can to fight the inevitable move towards Australia's being one market. It seems rather incredible that in Europe at the moment 350 million people, spread across a number of different countries, can all operate in one marketplace and yet here in Australia, where we are supposed to be part of the one federation, we still have these voices clamouring for the last vestiges of States rights.

I think we should be aware of what the Mutual Recognition Bill is really about. It is not about setting standards but rather it is about the recognition of existing standards—standards already in place. The fact is that there is already a huge number of uniform standards when it comes to goods. In fact, the whole process has been developing for some years, and I think it is worth looking at the background of this Bill. In 1984, shortly after it came to office, the Hawke Government announced that it intended to review the regulatory impediments to the operation of business in this country and subsequently it established the Business Regulation Review Unit. Some of the early reports of that unit concerned food standards and the packaging and labelling of food products. I would like to give some examples of some of the absurdities which existed at the time and which in some cases still do. These were supplied by the then Confederation of Australian Industry.

We had a situation where tinned fresh peas could be coloured in Victoria but not in New South Wales and Queensland; Western Australia had a high minimum alcohol content in spirits; preservatives in mince were approved in South Australia but not in New South Wales; ingredient labelling was approved in most States but not in Victoria; and Victoria had a standard for foods which were not standardised in other States, so that manufacturers could not produce certain foods in Victoria, such as concentrated fruit juice drink. Queensland had a new standard for ice-cream which had only two definitions: one for ice-cream and one for iced confection. New South Wales, however, and some other States worked on the old standard which had six groups, one for ice-cream, four types of ice-blocks and one for iced confection.

Until recently margarine had to be in different shaped cups for different States and thus have different labels. In Victoria and Western Australia food inspection was locally run, not State governed, and in a Melbourne suburb the local inspector found that the Kentucky Fried Chicken label was not acceptable, so for that particular suburb a new label had to be made. These were some of the ridiculous absurdities that existed. Perhaps the grand-daddy of them all was some years ago when a major jam manufacturer, which happened to be based in Victoria, wanted to produce a very high quality jam with 65 per cent fruit and reduced sugar content. It was a premium-priced deal and there was a good market for it with the increasing concern about health. But that company had to abort its move into that product because the Victorian Government had stipulated that anything called 'jam' should contain 45 per cent sugar. This apparently went back to the 1920s and at that time was intended to stimulate the sugar industry. The only problem was that Victoria had no sugar industry. They are just some examples of some of the absurdities that have existed and in some cases still exist in the food manufacturing area.

It was as a result of the recognition of those absurdities that these moves have been coming about to try, where possible, to get uniform food standards and, as this Bill seeks to do, where it is not possible to get uniform standards, to get recognition of existing standards so that we can remove some of these impediments and some of the enormous cost that is involved.

When the Business Regulation Review Unit first looked at this matter, it was estimated that at least $50 million was the cost to Australian consumers for some of these absurdities, yet no-one could argue that as a result of the presence of some of these differences between States anybody's health was at risk or that there was any other impediment to consumers.

We also need to recognise the effect that packaging and labelling laws have had on the economic prospects of this country. Imported food products as a whole have been increasing in volume terms. When the business regulation review unit reported, back in 1986, it was at 10 per cent per annum, and they were gaining a larger share of the domestic market. A significant proportion of these products do not conform to Australian packaging and labelling regulations, but their growth attests them not being found poor value by customers. They clearly meet a need, whether for good value, novelty or because they fit particular marketing niches.

The local industry attributes much of this growth in imports to the inability of the authorities to impose on imports the same discipline to conform which may be imposed on local products. *They* claim that imports are able to avoid onerous requirements to which domestic produce is obliged to comply. Working parties have studied this problem of non-compliance, but the resources required to police more effectively imports' compliance with the regulations have been found wanting. That really answers the point that was just made by the member for Mitcham: that in effect these differences that he appears to be seeking to preserve are actually operating against Australian companies expanding into export markets and it is harming their ability to compete with imports, rather than the other way around—rather than these regulations being used to help local production.

The scope of the Mutual Recognition Bill is with goods, and it is also with occupations. It is concerned not so much with setting standards as with recognising the existing standards. If we look at the history of the move to recognise occupations across State boundaries, we can see that the drive for this has come through the mainstream of economics over the past 10 or 15 years. There has been increasing research by academic economists at the cost to society of occupational licensure, and there is no doubt that within this area professions such as lawyers, doctors (through the AMA) and others are the worst offenders.

There is considerable information on the record now about the huge cost to the community caused by some of these bodies restricting access to occupations and preventing people who could do the job, particularly sub-professionals or para-professionals, from being able to serve the public at a much lower cost. The dental and

medical professions are classic examples of where many sub-professional groups would be able to adequately serve the public at a much lower cost.

This Bill will enable people who are licensed or registered in a profession in one State to operate in that profession in another State. That should free up the labour market in this country, something with which I would have thought members opposite would agree, because during the recent Federal election campaign they said that we should increase the pace of micro-economic reform in this country and have greater mobility in the labour market. I suggest that the Mutual Recognition Bill is one way in which we can achieve this without the horrific industrial disruption that the Opposition suggests through its industrial reforms, which were justly defeated at the last election. Under this Bill we could have the situation of people who are qualified to operate in a profession in one State being able to carry their registration across to other States. What could be more reasonable than that?

I believe this Bill has a great deal to offer. Certainly, it will involve some hard decisions and some gnashing of teeth by certain groups within the community, but I believe it is absolutely necessary if Australia is to progress towards having a modern integrated economy. Can we afford in the 1990s to have six separate markets in Australia? Can we afford a situation where goods that can be produced in one small part of our very small market cannot be sold in other parts of the same market? I think that is quite absurd. Even though it may cause some consternation among vested interest groups, we must come to terms with this matter if we are to find our place in the world.

As I said at the outset, I am disappointed that it appears that some members opposite are caving in to some of those vested interest groups. It is absurd that the member for Mitcham should say that we need to take a bit longer to assess this matter further. The move towards mutual recognition has been in place in this country for about 10 years, and it is about time that we bit the bullet and got on with it. If the member for Mitcham and his colleagues have their way, I have no doubt that we would still be debating this matter in the year 2001, long after Australia has become a republic, but I do not believe that our economy will let us wait that long. I fully support this Bill and look forward to its speedy passage through this House.

Mr S.G. EVANS (Davenport): There may be some arguments for agreeing upon and putting into law similar standards throughout the States of this country, whether it be in the occupational or goods supply area, but I find it strange that we are moving down this path, because the stronger States and the stronger companies, as they have done in several areas, including the rural sector, will be talking to heads of departments and others—ostensibly with a view to improving standards—and forcing businesses to change their equipment (I refer here especially to that used in food production). It is a strange attitude, because it is argued that we should deal with the Asian market, in which the Prime Minister, the State ALP and members of my own Party say we need to be more prominent, when our large food processors are setting up factories in those countries and producing goods at lower standards, particularly as they relate to wages and working conditions, than those applying in this country.

We are saying that everything in Australia should be produced at a higher standard, and in most cases it is. Even when the standard may have been lower, when we did not have expiry dates on food packaging, I do not know of anyone dying. We established expiry dates as a consumer gimmick, because someone in a consumer organisation probably ended up with a bottle of milk or carton of cream that went sour before they used it. If such items were returned to the store they were usually replaced, anyway. This applies also to meat processing. To say that a person cannot kill a sheep, as people have done for 150 years, and sell part of it to a neighbour, friend or relative in the city, I find ludicrous. However that was the situation when we talked about all these standards being increased.

I will give an example of where big business moved in and over the years gradually forced dairy farmers into greater and greater expense. First, farmers were selling milk, sometimes direct from the dairy to local homes, but in the main through 10 gallon cans that were picked up by a milk truck. If the milk did not pass the blue litmus test it was used for processing and not for human consumption. However, big business then got talking to the different heads of departments and said, 'We can go one step further: we can make them have refrigeration on their farm and they can keep the milk in a cold room.' After requiring every dairy farmer to have that sort of facility, they then said, 'No, we'll pick it up in tankers and make them have refrigerated milk vats.' That was the extent to which big business succeeded in convincing people to make the change, at the same time getting rid of many of the smaller operators.

As I said, the big food retailers are now having factories built—if they have not built them themselves—to produce goods to import into this country. Quite often those goods are not produced under the same standards as those that apply to our producers.

What we are saying is that, if the big boys in the Eastern States—where there are 14.5 million people—want to start increasing the standards to push out some of our people, who have to contend with the difficulty of distance and transport, they will do it. I do not see why we need to go down this path. In relation to employment, if people come from other lands, will we apply the same standard and say they have to be completely fluent in English—not just have a little useful knowledge of the language—before they come here? If people are going to work they need to be fluent in the language, whether it be vocal or sign language. People need to be fluent in English, iii the main, to take a job in this country.

So, it may sound great, but it is another step down the path of more power to Canberra in the long term. It is only minute, but we must bear in mind that the goal of most ALP members of Parliament, some Liberals and some Democrats (I do not think any member of National Party would support it) is to end up having no States.

Mr Atkinson interjecting:

Mr S.G. EVANS: Well, I am pleased to know that one member opposite does not want that. However, as I have said many times in this House, a politician or any

other elected person has a tendency to let power go to their head and to want to change the law always to make it easier to govern. The main reason laws are changed is to attempt to make it easier to govern; not for the benefit of people, but for the benefit of the politicians and heads of departments.

Mr Atkinson interjecting:

Mr S.G. EVANS: Not necessarily for the consumers either, because every time you apply an increased standard and try to compete with lands just across from our shores in Asia you make it more expensive for your own people to live and decrease the opportunity for them to compete. Any person who says that is not true is a fool, because obviously if you increase standards you have to increase costs, and to increase standards requires different sorts of equipment, inspections and quality controls. It is not cheaper at all. So the interjection of the member for Mitchell carries no credence when he says, 'What about the consumer?'

I go back to this move towards Canberra. With a republican system as advocated we have the argument that a political appointee would either make the whole parliamentary system dance, or the parliamentary system would make that person dance, depending on the method of appointment, and the influence of Party politics would be thrust on the head of State also. So, when we talk about goods and services, having mutual agreements and applying standards, I ask members to remember the power-seeking of politicians. Some 14.5 million of Australia's 17 million population live on the eastern seaboard, and I believe that power will go to Canberra. Your Party, Sir, will eventually win, as may well occur with the republican argument, and when that happens, as I tell my friends and my family, people should move out and sell everything they have in South Australia, quick smart, because this State will be ignored by those in the eastern States and any protection power that one thinks can be put here will be removed.

We are gradually finding out now that the Senate does not represent the States: it does not vote on a State basis but on a Party political basis. It would like to remove section 51 for trading between the States. Those who seek that power want to remove it. One way that South Australia could become semi-successful would be to become the retirement centre of Australia, because this State would then at least get the social welfare benefits of pensioners. That is what it could become. You only need to look at the population trends now—and members may smile and laugh—to see that that is already happening. In relation to average age, this State's population is gradually becoming the oldest in the country. It is not an accident, it is planned, it is contrived and it is winning. That disappoints me but it does not disappoint those who have that long-term goal: it pleases them. They would be happy with this Bill. I am not.

The Hon. LYNN ARNOLD (Premier): I acknowledge the contributions that have been made in this matter and appreciate the willingness of some members to contribute to what is a very important national issue. I certainly appreciate the comments of the member for Mitchell; I believe the comments he made on this matter were very apt. I believe that the Deputy Leader made a number of comments that were of interest, although a lot of others I draw considerable issue with and will do so in my contribution. I have to say that a lot of the member for Davenport's comments missed the point and were contradictory to his Deputy Leader's comments, and I will make a few references to that in a moment. We have to decide what we want for Australia. Australia is a federation. It is a federation of States, and I strongly support its being a federation of States. I believe that there is a very important role for State Governments and have always argued that way.

However, it is also a federation and a nation of States and we need to ensure that we are promoting it as that. What we do not want to be is some kind of modern day holy Roman Empire with contending parts, essentially more in competition with each other than with the rest of the world.

Mr Atkinson interjecting:

The Hon. LYNN ARNOLD: I will for the moment pass on that interjection but if it leads to a satisfactory amendment I might see my way clear to accept the amendment.

Mr S. G. Evans interjecting:

The Hon. LYNN ARNOLD: If it was a good amendment put to the Bill it might be very persuasive—but I am being forced to digress and I apologise for that. I will get back to the main theme. The issue is that this is a nation of States that is having to take on the world. We cannot live as a community isolated from the rest of the world. Some 1.5 million South Australians is insufficient in itself to live as a self-contained community, and 17 million Australians is an insufficient number in itself to live as a self-contained community. We have to have an international posture and that point has been made on many occasions.

Therefore, we need to examine the most appropriate way of doing that. On the one hand, we want to preserve the special characteristics of each part of Australia in which various people live. For example, there are the special characteristics of South Australia, this part in which we live and count very dear and acknowledge as different in so many ways from other parts of Australia. But, likewise, there are the other parts that are very dear to those who live in those parts as well. Yet, at the same time we want to work together in strength. This is not the time for parochialism or chauvinism. It is a time for working out what kind of model can give us the best in recognising what we like in our local areas, our local States, while at the same time making sure that working together this country goes forward and not backwards.

There seems to me to be some basic uncertainty coming through from the contributions of the Deputy Leader and the member for Davenport about South Australia's capacity to cope in the big wide world or even in the big wide Australia. I do not have that doubt about the competence of South Australians to cope. I know of so many examples where South Australians simply beat the rest of the nation. One only has to look at the area of manufacturing to see that. Our manufacturing sector is the third largest in the country; our manufacturing sector is larger than our population share. There are a number of industries such as the heavy engineering industry, the furniture industry, the automotive industry and certainly the wine industry

where we are well in excess of our population share of the national market.

A time comes when you say, 'Are we going to divide this country up in a modern day version of the old railway anachronism of the last century, where we had all these different gauges of railways that cost this country dearly?' It certainly cost this country dearly in terms of the capital needed, the investment needed, to standardise the rails of this country, a program that is still not finished and is still requiring taxpayers of today to pay for those silly decisions of the last century. It also cost this country dearly in ways that are not so tangible but certainly have been there. This mind set that tried to create a country of subcountries within it cost us efficiencies in our general economy.

We do not want to perpetuate that same kind of nineteenth century railway anachronism in other areas of Government, where it can be avoided. Where it is necessary that there be differences from State to State, well, let us make sure that we recognise that and build that into appropriate safeguards, but where it can be avoided surely it is in the best interests to avoid it. I would remind members that when we had the issue of State Government preferences that was dealt with in the first half of the 1980s there were many concerns about the attitude taken by this State Government, which, along with the then State Government in Victoria, drove the debate that there should be a national preference agreement whereby State Governments agreed to get rid of their own State based preferences for State based suppliers of products.

There was a lot of concern that we were selling out South Australian industry. Our argument was that as a State of 1.5 million people we could, by some means of the State preferences, have kept closed for local producers. In other words, the State Government business for those 1.5 million people means we could have kept on giving preferences to State producers of those goods. We wanted to ensure that State producers of goods and services were not limited to the 1.5 million people in South Australia because, if we put up a barrier in respect of that market of 1.5 million people in South Australia, New South Wales would certainly put up a barrier in respect of its market of some seven million people and, as a result, our producers would not get access to that on a fair basis. We took the argument that it made much more sense to knock down all those barriers so that South Australian suppliers could get fair access to the market of 7 million people in New South Wales, the 4.5 million in Victoria and to the markets of Western Australia and Queensland. I believe that by and large that agreement, driven by South Australia and the former Government in Victoria, has been to the benefit of this country.

I regard this legislation as being in the same league. That is not to say there are not points that should not be carefully watched in the progress of this legislation by whatever model the various Parliaments of this country choose to enact. Of course there will be points to be watched, and this Government will watch those as closely as any other and will watch particularly those areas of great importance to South Australia. We cannot allow those issues to forestall any progress in the matter. We must address it if this country is to advance, and I say that in the context that I am a full-hearted supporter of the Federal concept of this country and the existence of State Governments.

I turn now to matters raised by members today. We cannot discuss the amendments in detail, but we can refer to the philosophy of the amendments that have been tabled and the philosophy of the speech of the Deputy Leader, which picked up a certain kind of approach to legislation in this area. It is true that various options were available for this legislation for the Commonwealth and the various States to follow. One model provided for Commonwealth legislation to enact various matters specifying the requirements of mutual recognition. That would then make any State laws that would be contrary to the principles embodied in that legislation invalid by force of section 109 of the Constitution. That would certainly be a very strong form of legislation, but it is not one that this State Government supported at the various national forums where the matter was discussed.

The second option is complementary legislation, and this is essentially the philosophy that has been picked up by the Opposition, whereby each jurisdiction establishes the framework for mutual recognition that could take the form of adoptive legislation. Under that adoptive complementary legislative option all States would agree to pick up another State or Territory's template legislation. That is another model that could have been adopted. The third option, which is the one that we have taken, is limited reference of powers. The States and Territories under this option can refer limited power to the Commonwealth to enact mutual recognition legislation. This means that effectively, as States and Territories, we use the Commonwealth as a vehicle to cede sovereignty to one another. A reference would need to go only so far as to enable the Commonwealth to establish the framework or mechanism for the operation of mutual recognition. I think it is important that we follow the third option that I outlined.

That option was the agreed approach between Governments of Australia when this matter was discussed at special Premiers Conferences and more recently at the Council of Australian Government. This agreed approach of the limited reference or adoption of the Commonwealth law under section 51 (xxxvii) of the Commonwealth Constitution is something that other States acknowledge as well. The Victorian legislation, about which the Deputy Leader has talked, is an adoption model consistent with this Bill.

The disadvantage of the model proposed by the Opposition in this State Parliament is that complete uniformity cannot be guaranteed. Imagine the corollary of having railways legislation in the last century with the various States or colonies getting together and saying, 'Let us try to get this together. Let us have legislation that will try to do this.' If we followed this kind of Opposition model, we could find that the slightest amendments could make all the difference. A standard gauge railway line coming from Melbourne to meet a standard gauge plus one inch railway line at the border would not give us complementarity at all. In fact, it would make a mockery of it. That kind of situation could take place if we did not have complete uniformity between the various pieces of legislation and the States. The Commonwealth legislation has the advantage of

overriding any inconsistent laws. It has an over-arching approach that ensures that relevant State laws operate subject to the mutual recognition principle.

One point needs to be taken into account. The first option that I mentioned has some dangers: the spectre of big government from Canberra trying to override State Governments, as has been mentioned by the Opposition, which I guess to some extent all of us share from time to time. Under this option that we follow the Commonwealth Parliament will not be able to amend the relevant legislation without the concurrence of the Government of each State or Territory. In other words, we have to participate in the process. It is important for us to recognise that point.

There is the issue that any amendment that is made to the Commonwealth Act should be referred to this Parliament for endorsement before the effect of that amendment can become operational. There is also the suggestion that the legislation should have a sunset clause of five years. I would make a couple of points about that matter. I acknowledge that the legislation in Victoria includes those points. The requirement for any amendment to the Commonwealth Act to be referred to the Parliament for endorsement before the effect of that amendment can become operational was considered during the drafting, but it was discounted. Such a provision would clearly prove to be unwieldy and would result in the Parliament having to approve what could be very minor amendments. The approach that we have taken is less cumbersome, requiring such amendments to be approved by the designated person—as I indicated earlier, by the Government or the Administrator with respect to the Territories.

The inclusion of a legislative requirement to obtain the endorsement of the Parliament for continuance beyond five years is unnecessary, because the South Australian legislation already includes the provision for termination of the reference to the Commonwealth Act at any time following its operation for five years. The Deputy Leader referred to various consultations with some Governments interstate, but I point out this approach, which is certainly consistent with that followed in New South Wales, would enable coordination between the States in relation to the termination of the scheme.

I noticed a contradiction between the member for Davenport and the Deputy Leader on the matter of standards. On the one hand, the member for Davenport claimed that this legislation would force on us increased standards that would increase costs for local consumers. The Deputy Leader was drawing attention to the fear of the lowest common denominator approach that would be forced on us—having to move away from standards that we had already achieved. It is difficult to rebut both of them and have them both sitting in the same position, because they come from two different positions on this matter. The reality is that some areas of concern will have to be watched very closely with respect to certain types of issues on standards.

I want to give an example where this State pushed hard for a national approach, not just a State approach, recognising that a national approach made more sense, but it did so by pushing for a raising of standards nationally rather than a lowering of standards nationally—and I refer to the dried fruits industry. As a former Minister of Agriculture, I initiated action to establish national standards to ensure that domestic producers, who have to meet various standards in different parts of Australia, would not be undermined by imports of products that met lower standards—

Mr S.G. Evans: I was referring to the quality of goods not to the quality of wages and labour in other lands. That is the point I was making.

The Hon. LYNN ARNOLD: The honourable member can come back into the debate in the Committee stage if he wishes. This initiative was taken because at present the South Australian industry is required to meet—and I think rightly so—stringent quality based standards that will not apply to produce from other States once mutual recognition is introduced.

We had had some agreement with Victoria and New South Wales on this matter, but the industry sought support to ensure that its market share would not be eroded after the introduction of mutual recognition by having the market flooded with lower quality produce, particularly overseas produce. As a result of the initiatives of this State, work is proceeding, in-principle agreement having been reached on the level of standards to be adopted.

In the area of manufacture there is the question whether or not there will be a danger for manufacturing in this country as essentially non-manufacturing States set standards that are lower than those set in manufacturing States.

Mr S.J. Baker: Such as Queensland.

The Hon. LYNN ARNOLD: Yes, States such as Queensland or Western Australia. I agree that vigilance will be necessary in this matter and, as I said a few moments ago, I am not saying that there are not any areas of concern: there are areas of concern, but that should not stop us from trying to build a strong federation of States facing the future. We will have to watch that, and I can assure the Deputy Leader that this State Government will be following that closely. But I draw attention to the example of State preferences. The State preference agreement, which has been in place for nearly a decade, has clearly been to the benefit of South Australian manufacturing and not to its disadvantage.

I have noted the issues raised by the Engineering Employers Association. The Deputy Leader is correct: they have been drawn directly to my attention as well. I make the point that manufacturers in other States already have access to the South Australian market, and fewer point of sale regulations are in place.

We have had discussions with various sections of the industry on this matter over a period. Likewise, the Economic Development Authority has done that, and it is convinced that the introduction of mutual recognition will be a net benefit to the economy of this State. The example of State preferences clearly indicates that that is likely to happen. However, vigilance will not be lessened; we will watch the progress of this matter, and the options for termination will be real options if there is a clear disadvantage to industry in this State.

There are various matters I could raise about the plumbing industry and so on if members wanted to pursue them in Committee, but otherwise we could make that information available by correspondence to the Deputy Leader. I would make one point about

occupational licensing that needs to be noted. Under mutual recognition, it will be more difficult for what I see as 'inappropriate operatives'—I take that to mean people who do not have the skills or who have the skills but have been deregistered in one way or another—to practise their occupation in a second State once they have been deregistered in the first place; that is, mutual de-recognition will also apply. To translate that into something more meaningful, it would mean that the likes of Dr Edelsten would not be able to move to South Australia after being deregistered as a medical practitioner in New South Wales.

A couple of other points need to be made about the occupational area. The Commonwealth Act provides for an appeal by a practitioner where his or her occupation has not been recognised; the registering authority must prove that the occupation is not the same. The onus of proof, therefore, rests with the registering body and not with the individual practitioner.

There are a number of other matters I could raise, but I am conscious of the time; we want to get this Bill read a second time and leave reasonable time for discussion in Committee. I ask members seriously to consider, as we go through the Committee stage, what is the most important principle we are aiming for. It is not appropriate simply to have knee-jerk reactions that anything that has to do with any other State or the Commonwealth Government must, by some obscure definition, be a danger or threat to South Australia. That kind of approach has not served this country well in the past, and we in this State have suffered from it. It is not a threat to the integrity of the State of South Australia to try to move for something different. This agreement, more appropriately, ensures the economic future of this State and, contrary to the view of the member for Davenport—who said that he would, on passage of this legislation, recommend that everybody should pack up and go, or that we should establish, as our priority industry, as being the retirement capital of Australia—this legislation, if passed by the Parliament, will give us a better opportunity to be part of a vibrant economic growth and not be sidetracked.

If Australia does not take this kind of approach, it is in danger of being sidetracked, as we find the rest of the world getting on and doing its business. I have spoken with various people who have had dealings with the European community and who have come to Australia, and they are bemused that we seemingly have greater difficulty in this country—one country with its various States—in getting together than do countries in Europe, where there are many different countries with their entrenched hatreds, which have sometimes flared into outright war over the centuries. So, if the European community, with its vast differences in temperament, personality and economy from one country to another, can do this, surely Australians can do it too.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

Mr S.J. BAKER: When will the Minister proclaim this Bill? Will the date of proclamation be affected if all States do not participate?

The Hon. LYNN ARNOLD: My advice is that it already operates between New South Wales, Queensland and the Territories. If one State were simply not to pass the legislation, they would simply not be part of it, but it would not affect the operation between the other parts of Australia that chose to be part of it.

Mr S.J. BAKER: What date would that involve?

The Hon. LYNN ARNOLD: It depends partly on what happens in this and another place. It would be our desire to see that happen as soon as possible; some time in May would be possible.

Clause passed.

Clause 3—'Interpretation.'

Mr S.J. BAKER: I move:

Page 1, lines 20 to 29—Leave out the definition of 'participating jurisdiction'.

As the Premier would appreciate, this is the substantive clause around which the debate will take place. Whilst I might oppose another later clause, this is the key clause and the one on which we will talk about the principles. In reflecting on why we wish to bring back this Act to a State-controlled Act in a similar fashion to that of Victoria, I was mindful of the remarks made by the Premier, and I was pleased that he did not accuse the Opposition of not embracing the principle of mutual recognition. He did, however, suggest that we were involved in knee-jerk reactions. I was pleased that he did recognise that we do have a Federation of the States and that they are a vital element of our nation, and long shall they be. He made a number of other comments, and I would like to mention those comments in relation to the points I made previously.

The Premier did refer to national standards, and that was the point I picked up in the debate: quite simply, that national standards should apply. This does not guarantee national standards; in fact, they cannot operate, because in principle the Act recognises that State with the lowest standards. That is quite clear from the legislation that we have before us.

In my remarks, I did not ever suggest that South Australia had a lack of capacity, and I would like to take them a little further. The fact is that South Australia, in some areas of endeavour, leads the nation. For example, regarding our trade qualifications, whenever there is a Skill Olympics, South Australia does exceedingly well. South Australians have done particularly well in the international arena. What we are doing in this State in terms of trade training appears to me to be amongst the best, if not the best, in the nation. So that would say to me that, if we have a good standard, that is the standard to which we should all conform: if that is the best standard, that is the one we should apply.

With regard to standards, my theory is that, in some areas we have a larger than average share of the national cake and we do better than any other State. I do not want to see other States with lesser standards, which this Bill makes possible for them to have. So, it is important that we differentiate that principle, and it is a principle that has motivated a large number of my comments in this House today.

The Premier talked about access to markets, and there is no doubt that, if lower standards that apply interstate are able to be applied here and access to our markets opened up, that will mean that quality dumping, as

referred to in the EEA submission, will become more feasible; it will become a reality. That is not what we would wish, and I refer the Premier again to the contribution by the Engineering Employers Association.

The Premier said that the meeting of heads of Government had an agreed approach. We should all strive to achieve what is desirable. It is absolutely desirable that we should have mutual recognition. But the standards that apply must be the best, not the worst, and this Bill does other than that. He made the point that the Commonwealth will not be able to amend our legislation: that is quite true, it is preserved. Of course, the point is that that does not provide us with any solace or protection if there is less quality or less adherence to the standards that we set by other jurisdictions, particularly in relation to imports.

We might have marketing or quality controls applied in this State in relation to produce or finished goods that are different from those in other States. The State that has the lowest quality then has the shiploads coming through the door from where they are distributed across Australia. The Premier made the comment about dried fruit, and this epitomises what the Opposition is talking about. The Premier himself has recognised that the area of dried fruit control and quality of dried fruit has been an ongoing problem, and it is to his credit that he, when he was the Minister, took it up as an issue. He is to be congratulated for that.

But the fact of life is that this is exactly the principle we are talking about: that we still do not have the agreed standards to be applied throughout Australia on the issue of dried fruits, and I would ask how long ago the Premier approached the Commonwealth to achieve that end. That is exactly what we are talking about here. I put forward that much of the argument relates to our embracing the principle of mutual recognition and adopting the Commonwealth Act, without referral of power. I do not need to go over it *ad infinitum* because the debate has been well canvassed.

There are some other issues in relation to fruit fly, for example. I do not know, and perhaps the Premier in his response can inform the House, how we control fruit coming into this State that has not had the same level of quarantine as applied by our regulatory process to the fruit produce that we have in this State. Does this mean that we open up the borders to diseased fruit? I cannot see a particular reference in this Bill that allows that sort of protection. I have heard of health and of safety, but that seems not to be canvassed in the proposition we have before us.

So, I have a number of concerns. The Premier and I are not miles apart on this issue. We believe, however, that there are some practical issues that must be resolved; there is no way of practically resolving those matters at the moment. On the issue of dumping, we could wait 18 months or two years to stop some practices that would damage our industry and, by that time, the industry would have been irreparably damaged. So, in moving the amendment that stands in my name (and this is the principal amendment), I am really saying that in South Australia we can control our destiny: we can embrace the principle of mutual recognition and, when there is a bit of *quid pro quo,* when there is a great adherence to national standards and much more homework is done in Canberra, we can take it one step further. But I would like to see the colour of their money before I go down this track.

The way we have drafted this, I believe, provides the Premier with the best of both worlds, and it will progress that movement that we all desire more rapidly than we now have but will still retain some safeguards for the people and the operators here in South Australia.

The Hon. LYNN ARNOLD: I acknowledge that the Deputy Leader did raise some matters in his second reading contribution to which I did not respond, but some of those matters are dealt with in the Commonwealth legislation or the attached schedules. I refer, for example, to the concerns expressed about the applicability of this State's legislation in regard to firearms, films or containers 'flooding into the State', I think was the Deputy Leader's phrase. They are referred to under schedule 1 of the Commonwealth legislation. Each of these goods is exempt from the application of mutual recognition principles. The South Australian legislation covering these items is listed under schedules 1 and 2 in terms of the laws relating to that matter. It is precisely under that area that fruit fly is covered. In fact, clause 1(b) of schedule 2 provides:

> The State or area is substantially free of a particular disease, organism variety, genetic disorder or any other similar thing.

If that applies, the law of the State relating to quarantine to that extent is exempted. With respect to the dried fruit issue, that matter is very close to being concluded. As I understand it, it is subject simply to the timing of the next meeting of the Agriculture Council of Australia and New Zealand. That body last met to my knowledge in Mackay, Queensland, last year, at which meeting I was present because I was the responsible Minister. That meeting virtually reached agreement on the matter but referred the matter to the following council meeting to finalise it. That is where it is at the moment, but I will check on that with my colleague the Minister of Primary Industries.

The reality is that the difference in standards around Australia is minimal at this stage. There is a confusion between the outcome point, the certification point, what you are requiring to certify, and the process by which you get there. Broadly speaking, Australians do not seem to have that much difficulty wanting to move from State to State. We have a fair degree of interstate migration in this country. Sometimes South Australia is a net gainer under that; in other words, more people come into this State than leave it. Other times we have been a net loser, with more people leaving the State than coming into it. The reality is that the free flow of people around Australia does not find people saying that it would be a horror to go to live in State X because its standards are so vastly different.

The standards are not vastly different in various areas of Australia. Sometimes they have been artificially limiting in terms of progress, so you find that somebody who may have a qualification in this State is being unnecessarily hindered from practising that profession or trade in another State for no good reason. I do not believe there is any evidence that, if the Deputy Leader decided he was fed up with being Deputy Leader, moved to Melbourne and had a house built for him, he would live in fear of the quality of the carpentry, brickwork or

electrical work done in that house. I am quite certain he could rest reasonably assured that it was as good as he would find in other parts of Australia.

I acknowledge what the honourable member said in his contribution just now and in the second reading debate, that the quality of education in South Australia is the best in Australia. That is true. At the end of the day, the certificate that people receive from their various types of training is one issue—in other words, how much you are expected to sign off on; what skills you actually have—but the process of teaching to obtain those skills may be quite different between the various States of Australia. However, we will ensure that we maintain the best quality of education as we teach our plumbers, carpenters and other tradesperson and professionals in this State, so they are getting the best methods of teaching. Comparing that teaching with that which is done in Queensland, New South Wales or Victoria, and by ticking off certain sets of skills that they are required to know in their respective trades, such as the sawing or joining of wood for a carpenter, as well as the other skills they are required to have, we are confident that the carpenters who are taught in South Australia will know as much as anyone else in the country and will have been taught better and are therefore more adept in their skills.

Just because we have an end point uniformity does not mean that our process in the meantime has to be the same. That does not have to be low, and it will not be low. I generalise that now, to manufacturing. What is being looked at in manufacturing is point of sale standards, not standards in the process of getting to the point of sale. Indeed, there is already considerable uniformity in the process of getting to the point of sale in this country, as much as manufacturing industry has to comply with Australian standards. You know that when you see products listed with AS followed by a series of numbers to show defined uniform national standards in so many areas. We achieved uniformity in that area a long time ago. So, I think the concerns raised by the Deputy Leader (and they are valid questions to ask) have been addressed by what has already happened and by this legislation. I believe that, given the other opportunities that are in this legislation for monitoring the situation, the power of termination, that his concerns are adequately taken into account.

Mr S.J. BAKER: I thank the Premier for his contribution. I recognise that the items in relation to firearms, films, and so on were covered under the Commonwealth schedule, as the Minister points out; I was merely reading some of the contributions we have received without paying any currency to those but just to give an idea of the concerns expressed from a wide variety of people—but that has been covered under the legislation. In relation to the fruit fly situation, it is far from clear as to the extent to which our own State regulations will apply and take pre-eminence, even though there is some capacity within the Bill because, when we apply very stringent controls to our State borders, it is only when things go wrong that we need to apply rules. We apply a consistent set of rules in this State, and therefore we believe we have disease free fruit in general provided to the market. However, that does not necessarily pertain where the set of rules under which industry operates in other States may seem adequate, but we suddenly have outbreaks, and there is no protection, so that point is worth thinking about.

The other issue has been mentioned, and we used dried fruit because it was a particularly good example, but I did not hear the Premier actually tell us how long it has taken from when the issue was first raised to get to the state to which the Premier is referring. This goes back to the very heart of the problems that I have enunciated in this second reading contribution. There may well be a two to five year time frame involved in some of these issues. They are not solved overnight, as the Premier would indicate. We are talking here about a 12 month process, so there will be many occasions when we cannot satisfy those dilemmas within the time frame provided, and this State or another State may be the net loser in the process. So, we do have a belief that, if we control the items for which national standards have already been set as preferred standards rather than required standards, we can bring them within the South Australian ambit. If there are areas on which all the States agree, there is no difficulty; we can bring them within the South Australian ambit and everything is all right.

There are other areas where there may be contention, where South Australia may have lower standards or there may be general agreement that we are far enough along the track to include them in those areas recognised here in South Australia. So, we control the process and we recognise the progress that has been made at the same time. So, the Opposition is expressing this point of view that we achieve what we want, but we want the safeguards that are necessary to ensure that standards in this State are not undermined. Therefore, I commend the amendment to the Committee.

The Hon. LYNN ARNOLD: First, on the matter of fruit fly, we are fully confident that the clause in the schedule to which I refer gives us full power on the matter of fruit fly and indeed on the matter of other agricultural pests that are of concern, such as potato cyst nematode. We had a problem where I as Minister of Agriculture put in place powers that gave us the capacity to confiscate potatoes at the border if they were not properly certified. That is a case in point: those powers would not in any way be undermined by this legislation. I will get a firm statement on that from the Department of Primary Industries to reassure the member, which will be provided when this matter is debated in another place.

There were two phases in relation to the dried fruit issue. The first was the concern we had about an imported product coming in at a much lower standard. I, as then Minister of Agriculture, in consultation with the Dried Fruits Board, took the action that I took in 1990. We worked with the New South Wales and Victorian boards to concur on that matter. Our essential target was the retailers: to get the retailers to accept the standards on a voluntary basis. That was the first achievement and it worked very well. But we also recognised that such voluntary basis had the potential to break down at some point. We then started the phase 2 agreement between all the States of Australia, and I am not sure of the exact starting date, but it would have been some time in 1991. That was constrained by the timing of Agricultural Council meetings, which occur about twice a year. As I say, progress has been made in that area.

The Committee divided on the amendment:

Ayes (19)—H. Allison, M.H. Armitage, P.B. Arnold, D.S. Baker, S.J. Baker (teller), P.D. Blacker, B.C. Eastick, S.G. Evans, G.M. Gunn, G.A. Ingerson, D.C. Kotz, I.P. Lewis, W.A. Matthew, E.J. Meier, J.W. Olsen, J.K.G. Oswald, R.B. Such, I.H. Venning, D.C. Wotton.

Noes (20)—L.M.F. Arnold (teller), M.J. Atkinson, J.C. Bannon, G.J. Crafter, M.J. Evans, D.M. Ferguson, R.J. Gregory, T.R. Groom, K.C. Hamilton, T.H. Hemmings, V.S. Heron, P. Holloway, D.J. Hopgood, C.F. Hutchison, J.H.C. Klunder, S.M. Lenehan, C.D.T. McKee, M.K. Mayes, M.D. Rann, J.P. Trainer.

Pairs—Ayes—Messrs Becker and Brindal. Noes—Messrs Blevins and Quirke.

Majority of 1 for the Noes.

Amendment thus negatived; clause passed.

Clause 4—'Adoption of Commonwealth Act.'

Mr S.J. BAKER: I move:

Page 2, lines 4 to 17—Leave out clause 4 and substitute new clause as follows:

Application of Commonwealth Act.

4. The Commonwealth Act applies as a law of the State subject to the amendments set out in the schedule.

As the Parliament has already decided in principle not to pursue the course of embracing its own legislation, I merely make the point that this amendment seeks to leave out clause 4, which provides the administrative arrangements for adoption of the Commonwealth Act, and to embrace the Commonwealth Act within our own legislation so that we can take on board the principles of that legislation in South Australia without ceding power to Canberra. Whilst I move this amendment formally, I will not call for a division.

The Hon. LYNN ARNOLD: This matter was debated during the second reading stage when I indicated the options that were available to the various Governments of Australia. A choice has been made and we support the agreement arrived at by those Governments. It is now a matter of this agreement being tested in this place and ultimately in another place.

Amendment negatived; clause passed.

Clause 5—'Reference of power to amend the Commonwealth Act.'

Mr S.J. BAKER: The Opposition opposes this clause. It enables the reference of power to the Commonwealth to legislate in areas not currently covered. The world is changing quickly; we are told that the amount of information that we have at our disposal today will increase 12 times by the end of this century. So, the process of Government will become far more complex. I do not wish to see power ceded to the Commonwealth *carte blanche* so that it can operate in areas which are currently in a vacuum and which have never been considered, because the world is changing every day.

I oppose this clause because it goes one step further than the principle of mutual recognition. It really says, 'Look, in the areas where we do not have controls, regulations or any directions then the Commonwealth will be able to operate those areas quite freely.' We really should think through this clause again, but I recognise that it is part of the package the Parliament has already agreed to in principle.

The Hon. LYNN ARNOLD: I certainly note the Deputy Leader's concern. However, I simply point out that there is in fact no power for the Commonwealth to do as it likes. I referred earlier to the decision that we are taking on this matter with respect to the nature of the legislation. However, under clause 5, it is quite clear that any amendment that is made is, as in clause 5(1), in terms which are approved by the designated person for each of the then participating jurisdictions.

If this Parliament sees fit to enter this State as one of the participating jurisdictions then the Governor of this State will be that designated person who has to approve any other amendments that are put in place by the Commonwealth. If it happens that we are not happy with the enactments put in place and feel that this is essentially undermining our support for the legislation—the Commonwealth and other States' legislation—then, of course, under clause 5(3) the Act can be terminated. So, we believe that this point gives the protections and really means that the Commonwealth does not have the power to do as it wishes.

Clause passed.

Clauses 6 and 7 passed.

New clause 7a—'Expiry of Act.'

Mr S.J. BAKER: I move:

Page 3, after line 3—Insert new clause as follows:

7a. This Act expires on the fifth anniversary of the day on which it commenced.

The proposition was canvassed in debate earlier. The Premier has already responded to the proposals that we have a sunset clause in the legislation. That is consistent with the way this Parliament operates. We have made some decisions in this Parliament that regulations and legislation should have a limited time frame. We have already agreed on that in the best interests of deregulation, efficiency and not allowing old and bad laws to remain on the statutes forever. This is consistent with that particular proposal, as the Premier would recognise. It means that this Act just cannot wander along. I am sure that when the Victorians decided that the five-year rule was a good rule, they did not necessarily say that the Act was going to fall over in five years.

What they have really said is, 'We should, at some stage, put something in the legislation which causes us to review it, which causes all the heads of State Governments to come together and to look at how we have gone and see whether there is room for improvement and whether there is a need for change to the legislative powers involved in this legislation.' Unless that is there we have this age old problem: these things wander along and then in five or ten years time someone asks, 'Have we achieved what we set out to achieve?' I believe that whatever we do we should have some quality control. We should have a point in time when we actually look back and see how successful we have been and determine whether we wish to improve from that point. So this amendment has two benefits. The first is that it provides that the legislation shall not remain on the statutes forever and the second, and probably more important, is that it invokes a review.

The Hon. LYNN ARNOLD: I am confident, given the way in which Parliament works with the testing of ideas from both sides of the Chamber, that if it is not one side it will be the other that will ensure that this legislation is subject to ongoing review at all stages to see that industry in this State is not being disadvantaged. I am very certain of that. In any event, I can tell you, Sir, that it is this Government's full intention to review the progress of this legislation to see that the positives that we believe are inherent in it come to pass and that the negatives that might be there are contained and do not have the damaging effect that some might fear.

As I have indicated before, we oppose this amendment because it would require the whole legislation's coming back to Parliament. While I acknowledge the point of the Deputy Leader, that much legislation these days does have a sunset clause, that is not always the case. This is designed not so much as a regulating initiative—I would want members to think about it—but more as an initiative of efficiency in our system throughout the country. In that sense it is more in the spirit of deregulation than regulation. But I acknowledge that the honourable member may have some doubt about my statement that the vibrancy of this Parliament will automatically mean that it will be subject to ongoing vigilance and also about my statement that this Government has every intention of being very vigilant about the matter. I know that the honourable member occasionally gets a bit cynical about those sorts of things, so he may not take me on good faith.

It may be that some kind of review process should be built in. I would say that we are not in a position to do that in this place now, but I am prepared to look at that matter and if a suitable amendment for a review process can be worded together I would seek to have that put in place in another House. Indeed, I give the guarantee that if we can come up with a set of words we will give forewarning of that to the Opposition so that it can discuss its views on it and we can see whether we can reach an agreed position. So, I oppose the amendment at this stage but give that undertaking.

Mr S.J. BAKER: That is in line with what we would wish. Perhaps I could suggest that it might be a different Government that will be responsible for this piece of legislation in five years time.

New clause negatived.

Schedule.

Mr S.J. BAKER: I move:

Schedule, page 3—Insert schedule as follows:

SCHEDULE

The Commonwealth Act applies subject to the following amendments—

(a) strike out section 3and substitute new section as follows:

Principal purpose

3. The principal purpose of this Act is to promote the goal of freedom of movement of goods and service providers in a notional market in Australia.;

(b) strike out the definition of 'deemed registration' in section 4(1);

(c) strike out the definition of 'substantive registration' in section 4(1);

(d) strike out the definition of 'Tribunal' in section 4(1) and substitute new definition as follows:

'the Tribunal' means a court or tribunal authorised by regulation to exercise jurisdiction under the relevant provision;;

(e) insert 'of the Commonwealth' after 'Acts Interpretation Act 1901' in section 4(2);

(f) insert ', or such longer period as the regulations of the State may provide' after 'aggregate period of 12 months' in section 15(3);

(g) strike out 'after notifying' in section 17(1) and substitute 'on due application to';

(h) strike out paragraph (b) of section 17(1), and the word 'and' immediately preceding that paragraph;

(i) strike out paragraph (b) of section 17(2), and the word 'and' immediately preceding that paragraph;

(j) strike out paragraph (b) of section 20(4), and the word 'and' immediately preceding that paragraph;

(k) strike out Division 3 of Part 3;

(l) insert 'and the qualifications and experience relating to fitness to carry on the occupation are substantially the same' at the end of section 29(1);

(m) insert ', or the qualifications and experience relating to fitness to carry on the occupation are not substantially the same' at the end of paragraph (a) of section 31(2);

(n) strike out section 34 and substitute new section as follows:

Review of decisions

34. Subject to the regulations, application may be made to the Tribunal for review of a decision of a local registration authority in relation to its functions under this Act.;

(o) strike out 'substantively' from section 37(1);

(p) strike out paragraph (b) of section 37(2);

(q) strike out 'substantive or deemed' from section 40(3);

(r) insert the following paragraph after paragraph (b) of section 43:

(c) a State declared by regulation to be a participating

State.;

(s) strike out section 47 and substitute new section as follows:

Regulations

47. (1) The Governor may make regulations amending the Schedules.

(2) The Governor may make such other regulations as are necessary or expedient for the purposes of this Act.;

(t) strike out item 1 of schedule 2 and substitute new item as follows:

1. A law of a State relating to quarantine.

This amendment is consequential. Some of the amendments are to reflect the change that we desired, which was for South Australia to take on board the Commonwealth legislation rather than refer powers to the Commonwealth. As to the two items that do bear further reflection, first, we believe that the Administrative Appeals Tribunal is an inappropriate body and we wish it removed. We believe that our own courts have a greater capacity to decide on some of the important issues, rather than the Administrative Appeals Tribunal of the Commonwealth.

The second area we would also refer to in the schedule relates to qualifications (subclauses (1) and (m)). We are attempting to bring to the attention of the Government

the need to have strict controls on recognising qualifications in relation to those who may be under a cloud because of misdemeanours that have happened interstate, yet those people flow across our borders and receive recognition when in fact they should almost be in gaol. I bring those two items to the attention of the Committee, recognising that they are consequential.

The Hon. LYNN ARNOLD: I note the Deputy Leader's comments and again refer back to my earlier remark that this legislation is not only mutual recognition because it also has the capacity to be mutual derecognition, and I think that certainly gives the protections the Deputy Leader seeks. One of the things we have to acknowledge is that this country as a nation has for too long not recognised fairly the level of skills that many migrants bring to this country. In other words, over the past few decades we have had some arbitrary decision making that prevented overseas qualified people from practising in this country. I think it is fair to say that both sides of politics have wanted to change that. I have certainly always given full recognition to former New South Wales Premier Nick Greiner for his work in that area, and in fairness he also gave recognition to our work in this area.

Not only was it an injustice to individuals who have had their proper qualifications not fairly recognised to practise in this country but it has also been the nation cutting off its own nose to spite itself by not taking up the talents offered by those people in this country. So, that is an area where we have tried to have better uniformity any way. I see much of this as being in the same category but, quite rightly, the Deputy Leader is concerned about those who do not do the right thing in their trade or profession. He wants to see that the protections that the citizens of South Australia have already are not in any way undermined by this legislation, and I would share that concern. I would not want to see it undermined, but I believe the appeals mechanism that has been put in place and the powers that I referred to earlier provide all the protections we require, and in that context I do not believe the amendments are necessary.

Amendment negatived; schedule passed.

Title passed.

The Hon. LYNN ARNOLD (Premier): I move:

That this Bill be now read a third time.

The House divided on the third reading:

Ayes (20)—L.M.F. Arnold (teller), M.J. Atkinson, J.C. Bannon, G.J. Crafter, M.R. De Laine, M.J. Evans, R.J. Gregory, T.R. Groom, K.C. Hamilton, T.H. Hemmings, V.S. Heron, P. Holloway, D.J. Hopgood, C.F. Hutchison, J.H.C. Klunder, S.M. Lenehan, C.D.T. McKee, M.K. Mayes, M.D. Rann, J.P. Trainer.

Noes (20)—H. Allison, M.H. Armitage, P.B. Arnold, D.S. Baker, S.J. Baker (teller), P.D. Blacker, M.K. Brindal, B.C. Eastick, S.G. Evans, G.M. Gunn, G.A. Ingerson, D.C. Kotz, I.P. Lewis, W.A. Matthew, E.J. Meier, J.W. Olsen, J.K.G. Oswald, R.B. Such, I.H. Venning, D.C. Wotton.

Pairs—Ayes—F.T. Blevins and J.A. Quirke. Noes—H. Becker and D.C. Brown.

The CHAIRMAN: There being an equality of votes, I cast my vote for the Ayes.

Third reading thus carried.

RACING (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 3 March. Page 2256.)

Mr OSWALD (Morphett): The Opposition is treating the Racing Bill as a conscience vote so I cannot say that the Opposition will be supporting it. However, I would think there would be substantial support from the Opposition on this measure. I certainly support the Bill, but I will be moving an amendment during the Committee stage in respect of the cancellation of licences of licensed bookmakers under certain circumstances. I believe the Bill can be divided into two parts. First, there are the provisions that refer to the recomposition of the TAB Board, the powers to allow the Minister to give directions to the board and the clause that covers the terms and conditions of employment by the board. Secondly, there is the other part of the Bill that sets up the new auditorium at Morphettville. It also refers to the consortium of bookmakers who will operate within the auditorium. It covers the question of access to the course for on-course telephone betting, and there are some other minor matters.

I should like to address my remarks, first, to those clauses which relate to the composition of the TAB board and which give the Minister directions over the board. During the last year we have seen the unfolding of the inquiry into the TAB, which has resulted in these changes. The performance of the Government on this occasion has been one of weakness, not knowing what to do with the board, and failing to respond to Government appointees on the board who chose to criticise the Government and the Minister in statements which to me, if I were the Minister, would be quite intolerable. We have seen two reports which have recommended that the board should go, yet the Minister has refused to take any action because of these political appointees.

We have a situation almost like that of the State Bank revisited. The Chief Executive Officer of the State Bank ran riot over the board and the board rubber stamped his decisions. Over the last year or so it has been revealed that the same thing has happened at the TAB; the CEO of the TAB has run roughshod over the board. The board met monthly and rubber stamped a set agenda prepared by the CEO of the TAB. Then, when the disaster struck, everyone scattered. The only ones there include the political appointees. Despite the police report, which recommended that, because of negligence, they should all go, except for Dr Morton, who was not on the board at the time, some of them are still there, because they are political appointees.

When I started to bring out these points before the two reports were made available, I was threatened with a writ from the board for speaking out and highlighting the state of affairs. I was not impressed with that. We still live in a free world and I thought that one was entitled in a free world to state the facts.

What has come out of the two reports is interesting. When I put a question to the Minister in the House about the dismissal of the board, I was told that I was being tough. I should like to know a few other things about the TAB. Only last week we voted on a motion that I had moved proposing that the Economic and Finance Committee of this Parliament should look at the financial management of the TAB. That was debated by several members, but it was finally thrown out by the Government because it does not want anyone to investigate the TAB.

One of those recent reports stated that there were no problems with the accounting. That is okay from an accounting point of view. If one adds up columns A and B and they balance, that is fine. However, the management accounting was not looked at. I asked why, when five years ago there was a turnover of only about $300 million on the TAB and it was showing a 28 per cent profit, the turnover has increased to $500 million yet there is a negative profit growth of minus 2 per cent. We want to know what is happening to the reserves. Where is the money for the new building and for other things of concern to the industry?

Mr Ingerson interjecting:

Mr OSWALD: We also want to know what is happening with 5AA, as the member for Bragg interjects. These are all legitimate questions. We want to know whether capital can be diverted back to the industry in order to do something about stake money. We want to know what is happening in the TAB agencies that is causing this decline in profitability. There must be a reason. The Economic and Finance Committee is not a bad avenue to carry out an investigation. It is an excellent and efficient committee. Yet, we were denied that avenue, because the Government does not want anyone to look into the functioning of the TAB. That raises some very serious questions.

I will reiterate the points that I put to the Minister during Question Time some time back. I have highlighted the fact that both the police and the Government Management Board had identified serious failures of duty by board members—and the word 'negligence' was used. They used the word 'negligence'; I also used it, but they used it and confirmed it. Both reports gave adequate evidence of a lack of competence on the part of the board to do its job. For example, the board's practice was to meet for only one hour a month and then only to consider agenda items put forward by the General Manager.

What board would accept that in its own right and have its members blindly go in there every month and look at the agenda items put forward by the General Manager. It failed to acquaint itself with the tendering process, yet everyone in the racing industry had some idea of what was going on. We all knew about the tendering process, but board members did not seem to worry too much about it. They did not seem to care. As it was not on their agenda as an item when they came in every month, it was not a problem.

I thought some warning bells might have rung after the loss of 14 managers, including a deputy general manager, five divisional managers and eight departmental managers over four years; there was a 67 per cent managerial turnover rate, but the board failed to recognise that it had a problem on its hands and to ask why that was so.

I would have thought the most incompetent board, if it had any interest in what was going on, would call for staff figures and staff turnover rates or would hear that people were leaving the TAB. No, they did not do that—it was not an agenda item. That matter was not listed and so it was not raised because the CEO did not want it raised. Then the board failed to act on reports that the TAB board had the worst industrial relations reputation in the Public Service. That has been talked about in the Public Service.

We may or may not agree with it, and it may be wrong, but the fact is that it was not ever discussed, because board members did not think to ask about it. That just highlights the incompetence. The board failed to respond to allegations of patronage and nepotism. In the Schilling report, they were judged to be allegations of substance, yet the board did nothing. There were members on that board who had been appointed by the Government—former members of Parliament from the Government side—who knew that they had a responsibility to report back to the incumbent Minister: first, to Minister Kym Mayes and now to the present Minister.

They had an obligation to report back, but they did not bother. Both Ministers would be feeling let down because information was not passed back and it has been proved that there was substance in those matters. The board failed to ensure that the TAB complied with the Occupational Health, Safety and Welfare Act requirements. That is a matter about which I do not claim to have much knowledge, but the problem was of sufficient importance to be included in the report. That was not discussed or cared about by the board. The TAB rolled merrily on.

The final point I made to the Minister the other day concerned the hands—off style of the board members, which resulted in the Minister's not being provided with advice on issues far beyond the alleged activities of the General Manager. Yet the Minister did nothing. In many cases he did not know but, having at last found out what was going on there, he did nothing, because he could not get rid of the board; he was not prepared to get rid of the board, despite the fact that one member of the board has been walking around Adelaide commenting on the issue covered in the Bill, saying things that are fairly uncomplimentary about the Minister and his Government.

I do not know how the Minister can accept a Government appointee doing that, yet once again the Minister and this Government sit on their hands. It is intolerable and it just shows the weakness of the Government in dealing with Government appointees—political appointees.

I will not dwell any longer on the board. I acknowledge that the Minister must get control of the board. I acknowledge that the Government is to increase the composition of the board to reflect a greater Government input, and perhaps that is fair. If the Government is a major player, as the interests of the Government have to be maintained, that is fine. It also involves the Minister giving directions to the board. If there is a legal technicality preventing the Minister from

giving directions to the board, and if I were the Minister, I would like that power, not to lean on the board but at least to give it some sort of direction. We must put people on the board and, if they are Government appointees, especially if there is to be an additional appointee, the appointee must be professional and the board must report back to the Minister if there is a problem. Never again can we have a situation in the TAB where it runs away with the situation without the Minister even knowing about it. That is intolerable. I would like to move now to the question of the TAB auditorium, which I will pick up later.

[Sitting suspended from 1 to 2 p.m.]

NATIONAL PARKS WILDLIFE (MISCELLANEOUS) BILL

Her Excellency the Governor, by message, recommended to the House the appropriation of such amounts of money as may be required for the purposes mentioned in the Bill.

The Hon. J.P. TRAINER: On a point of order, Mr Deputy Speaker, I believe that members of the Opposition should be called to order for their disrespect towards the mace.

The DEPUTY SPEAKER: Order! Yes, I take the point the honourable member is making.

CAR CHASES

A petition signed by 2 004 residents of South Australia requesting that the House urge the Government to make the driving of stolen vehicles at high speed and ram raiding serious offences incurring a mandatory prison sentence regardless of the age of the offender was presented by Mr Lewis.

Petition received.

BRIGHTON AND SCHOLEFIELD ROADS

A petition signed by 66 residents of South Australia requesting that the House urge the Government to install traffic lights at the intersection of Brighton and Scholefield Roads was presented by Mr Matthew.

Petition received.

QUESTION

The SPEAKER: I direct that the following written answer to a question without notice be distributed and printed in *Hansard.*

TAFE STAFF

In reply to **Mr SUCH (Fisher)** (16 February).

The Hon. S.M. LENEHAN: In order to respond to the training needs of the South Australian workforce the Department of Employment and TAFE has to maintain a degree of flexibility in lecturer numbers.

Responding to industry training requirements means that fluctuations in lecturer numbers will need to occur within educational programs depending on the upturns and downturns of particular Industries.

The building and furnishing program and the transport program were two such educational programs that have contracted in the past year. This has required the release of most temporary staff in the programs and the necessity to transfer current excess permanent lecturers into vacancies across those programs.

DETAFE lecturing staff numbers fluctuate throughout the academic year and annually due to various factors:

. Temporary rise and fall of staff numbers occur regularly in December and June because of the completion of specially funded short term courses.

. A review of the ratio of temporary to permanent staff numbers is conducted on a half yearly basis. Permanent appointments are then made to maintain a set ratio of temporary to permanent staff under a negotiated industrial agreement.

A further factor that influenced temporary staffing numbers last year was the TAFE Act Award Restructuring. Various positions were extended or filled on a temporary basis in 1992 awaiting the outcome of newly created classifications under the DETAFE (Educational Staff) Interim Award. The new award was ratified in September 1992 and permanent positions have been progressively advertised since that time as the need has arisen.

Difficulty also arises in interpreting temporary staffing numbers at any one point in time due to the 'pipeline effect' of a constant flow of appointments and separation details channelling from colleges to payroll on a fortnightly basis.

Due to the above factors, the number of temporary contract lecturing staff in DETAFE as of 28 February 1993 has risen to 370 full-time equivalents in contrast to 260 temporary contract lecturers at the beginning of February 1993.

GROUNDWATER

The Hon. J.H.C. KLUNDER (Minister of Public Infrastructure): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.H.C. KLUNDER: I wish to advise the House that I have today declared, on the advice of the South Australian Water Resources Council, a two year moratorium on further development of surface and groundwater resources in a designated area in the north-east of the Willunga catchment. The action has been taken under section 40 of the Water Resources Act which provides in certain circumstances for a halt to further water resources development in an area while an assessment of the available resource is made and a management plan is prepared.

The Southern Vales Water Resources Committee has been concerned for some time that the total resources of the catchment may have been undergoing development more rapidly than is sustainable. A submission from the committee proposing a moratorium on the further development of wells and farm dams above 5 megalitres in specified areas of the catchment has been considered and endorsed by the South Australian Water Resources

Council. The two year period will provide sufficient time to assess the contribution of surface waters from the north eastern area of the catchment to recharging the groundwater aquifers, and to assess what, if any, effect groundwater use in that area has on the groundwater within the currently proclaimed area of the Willunga Basin. The moratorium will commence on 1 May 1993 and will apply to any watercourse, lake or well within the defined area.

The only exceptions to the restrictions on further development will be the taking of water for pre-existing uses in a quantity not exceeding the use prior to today's date; the taking of water from a surface or underground source for stock and/or domestic purposes, and the storage of such water in dams not exceeding five megalitres in capacity; and, those people who can demonstrate they have entered into some significant financial commitment to a new or expanded water use within the twelve months prior to this announcement.

There is no doubt that the preparation of a comprehensive water resource management plan is the only way to ensure that the important irrigation industry of the Southern Vales is able to protect the water resources essential to its future. I am assured that all residents of the area will have the opportunity to contribute to the eventual management plan. The Southern Vales Water Resources Committee is currently developing its community consultation program and I understand it will be available soon.

QUESTION TIME

STATE BANK

The Hon. DEAN BROWN (Leader of the Opposition): My question is directed to the Premier. Where is the documentary evidence to show that the Government even attempted to investigate whether Mr Marcus Clark had a conflict of interest over Equiticorp, and what evidence can the Premier now produce to show that the Government was misled by the bank over this issue, as he claimed yesterday? On 15 February 1989—more than four years ago—the Opposition asked a question about a potential conflict of interest involving Mr Marcus Clark and his membership of the Equiticorp Board, a group to which the State Bank was exposed for up to $200 million at different times. In reply, the Government simply ridiculed the question, denied that there was any conflict of interest, and also claimed, and I quote from *Hansard:*

> The State Bank of South Australia is not using taxpayers' money; it is using the money of its clients. There is a total lack of understanding on this matter.

The Auditor-General has now found *a prima facie* case for conflict of interest over this issue. Yesterday, the Premier claimed that the Government was given false information by the bank. Neither the Royal Commission nor the Auditor-General has found evidence to show that these serious allegations were ever properly investigated by the Government after they were raised in this House. This leaves the Government guilty of gross negligence of duty in not investigating these allegations when they were first raised in this Parliament.

Members interjecting:

The Hon. LYNN ARNOLD: The point is that on many occasions in the Royal Commissioner's report he acknowledges that the Government was in fact misled on a wide range of issues. I simply refer the Leader back to that information. Here in the 12 volumes of the Auditor-General's Report we find reference after reference that the board of the bank was in fact being kept in the dark by senior management. There are many references in there referring to that particular issue.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. LYNN ARNOLD: The Auditor-General is strident in his criticism of the former Chief Executive of the State Bank, and also of the senior management of that bank. He also has many criticisms to make of the board. But he acknowledges on other occasions that the board could operate on a number of occasions only on the information it had available to it. That is precisely the same point of view that the Royal Commissioner took in his first report last year when he acknowledged that the then Premier, the member for Ross Smith, was misled on a number of occasions on a number of issues by Tim Marcus Clark and by the bank generally.

We have this report which will be the subject of a further detailed response by the Government when the House next sits, as we go through the various issues, but I do note that the Auditor-General has recommended that there be further investigation of the issues contained in the Equiticorp matter. I am very happy for that further investigation to take place, because it is quite appropriate that his recommendation be pursued in that matter. I remind members of the conclusion in that chapter, as follows:

> For the reasons and on the basis of the evidence as stated in this chapter, the matters upon which I have reported may, in my opinion, disclose a conflict of interest and a breach of fiduciary duty on the part of Mr T. M. Clark. It is my opinion that Mr T.M. Clark had a motive to relieve the financial burden on Equiticorp founded on his possession as a director and shareholder of Equiticorp...That matter should be further investigated.

Questions were asked about this matter, and advice sought, quite appropriately, from the bank. It is now clear from the way in which the bank was operating that the advice coming back on that matter to the then Premier was not well founded advice. In fact, that advice was prejudiced advice, given not only Mr Marcus Clark's own involvement but also the way in which the then board and the then senior management of this bank operated. So, there is a whole network of situations that the Auditor-General says were wrong.

He is not singular in his criticism of what happened at the bank. He does not say that it was just Marcus Clark's fault. He includes senior management, from which it might reasonably be expected good advice could come, and also the board itself, from whom it could have been expected good advice could come. He says that all those processes were flawed, and he makes those comments quite stridently in a number of parts of this report.

Members interjecting:

The DEPUTY SPEAKER: Order!

EDUCATION, EMPLOYMENT AND TRAINING MINISTER

The Hon. T.H. HEMMINGS (Napier): Is the Minister of Education, Employment and Training aware of a press release circulated this morning in which her intention to become the next Labor Premier of South Australia is announced, and did the Minister make this announcement?

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. S.M. LENS: I find this most amusing. I am sure I do not need to remind members of today's date. Today is the first day of April. However, in seeking to play a practical April fool's day joke on me, the Leader of the Opposition has become the brunt of the joke, because it has been clearly identified that the fax which was sent out originated from his office and—

Members interjecting:

The Hon. S.M. LENEHAN: Obviously members opposite do not realise that faxes carry the originating telephone number. It has been very clearly ascertained that the Leader of the Opposition had a very senior member of his staff send the fax out into the community. However, if we think about this week and look at who is the April fool here, we only have to start off with Question Time on Tuesday. The lead question from the Leader of the Opposition challenged the Premier of South Australia to a debate on republicanism. The lead question on Wednesday from the Leader of the Opposition highlighted his own policy—

Mr BRINDAL: I rise on a point of order, Mr Deputy Speaker. Standing Orders require the Minister to reply to the substance of the question. I do not believe the Minister is doing so.

The DEPUTY SPEAKER: I do not uphold the point of order, but I hope the Minister will not be too long on this question.

The Hon. S.M. LENEHAN: I will be very brief, Mr Deputy Speaker. That was the second day, highlighting the Opposition's policy to reduce funding for education. Day three is today, and what do we see? The Leader of the Opposition, showing the world his insecurity about his own leadership, sends out a bogus press release. Apart from members on this side of the House, the other person who must be particularly pleased is the member for Kavel as he watches his Leader involving himself in silly little April Fools' day pranks. All I can say is that the joke has been on the Leader of the Opposition.

STATE BANK

Mr S.J. BAKER (Deputy Leader of the Opposition): I address my question to the temporary Premier. In view of the serious criticism in the Auditor-General's report about the procedures for setting remuneration paid to senior State Bank executives and the levels of that remuneration, what responsibility does the Government accept in view of its collusion with the bank in 1984 and again in 1988 to keep salary packages secret? The Auditor-General's report shows that between 1988 and 1990, when the State Bank's profitability was in alarming decline, 10 executives received massive increases in their remuneration. These included an increase of almost $200 000 for Mr Marcus Clark, which the Auditor-General has described as 'disquieting', and $214 000 for Mr Paddison.

In 1990 the Opposition asked questions about executive remuneration but was denied answers. What we were not told was that, in 1984, the Government had given an undertaking to Mr Marcus Clark that his salary package would not be disclosed and that in 1988 the Government again colluded with the bank to prevent disclosure of all executive salaries on the ground that this might 'lead to awkward questions'.

The Hon. FRANK BLEVINS: As I understand it, Sir, in 1984 everything that was done in relation to salaries was done in accordance—

Mr S.J. Baker interjecting:

The DEPUTY SPEAKER: Order!

The Hon. FRANK BLEVINS: —with the Act. Regarding what has happened since, the Deputy Leader must have a very short memory. This question essentially was asked a couple of weeks ago, and I responded. Parliament has established the Economic and Finance Committee, and that committee is presently examining this issue. All the information that the Economic and Finance Committee requires has been supplied by the bank and we all look forward to its report. I am sorry about the repetition. I said that word for word two or three weeks ago.

OPERATION TRI-STATE

Mr HAMILTON (Albert Park): Can the Minister of Labour Relations and Occupational Health and Safety advise the House of the results of Operation Tri-State, a joint safety initiative between the South Australian Police Department, the Department of Labour and the Department of Road Transport, with interstate colleagues in New South Wales and Victoria?

The Hon. R.J. GREGORY: I thank the member for Albert Park for asking this question. This operation was carried out from 28 February to 5 March this year, with a further two weeks, first, in Victoria and then in New South Wales. The operation was organised to assess the safety of persons using the major arterial roads linking Adelaide with Perth, Darwin, Brisbane and Sydney. Inspectors from the Department of Labour were invited to inspect all commercial vehicles transporting dangerous substances on these highways within South Australia. Road blocks were set up at weighbridges at Yamba, Port Augusta and Yunta.

The Department of Labour inspected 777 vehicles in respect of the Dangerous Substances Act, the Occupational, Health, Safety and Welfare Act and the Boilers and Pressure Vessels Act. Of this total, 86 vehicles were carrying goods as defined under the Dangerous Substances Act. Of these, 68 per cent were found to be in non-compliance with the Act, 40 per cent significantly. Five vehicles were ordered off the road until compliance with the legislation was met; the driver of one vehicle received an expiation notice because of the severity of the breach.

This exercise was similar to one that was held in December last year, when 53 per cent of vehicles inspected were not in compliance with the Dangerous Substances Act. I am advised the operation went very smoothly and I would like to congratulate all parties for their cooperation. I believe this sort of exercise, in detecting unsafe motor vehicles and the cartage of dangerous goods in an unsafe manner, will ensure the subsequent safe carriage of these goods and also the safety of people in South Australia.

STATE BANK

Mr INGERSON (Bragg): My question is directed to the Premier. In view of findings by the Auditor-General that State Bank's lending to the Equiticorp group was 'ineptly managed' and 'inappropriately and artificially structured', what action did the Government take to investigate these loans after the Opposition questioned the prudence of this business in February 1989 and on a number of subsequent occasions?

On 14 February 1989, and again in April and August 1989 and February 1990, the Opposition questioned the prudence of the bank's business with Equiticorp. In response to the first question, the Government promised us that 'the bank is performing superbly', 'is an extremely prudent and carefully run institution' and that its exposure to Equiticorp would not affect the bank's profitability and its return to the people of South Australia.

However, the Auditor-General has now reported that, in December 1987, the bank lent Equiticorp $200 million using a facility 'that was structured in a highly unusual way' and that other transactions between the bank and Equiticorp were not commercial.

The Hon. LYNN ARNOLD: As I mentioned before, when questions were raised, advice was sought from the then management and board of the bank, and that advice was provided for answers to be given in this place by the then Premier, and on the best advice answers were therefore given.

Members interjecting:

The DEPUTY SPEAKER: Order!

Members interjecting:

The Hon. LYNN ARNOLD: Mr Deputy Speaker—

Members interjecting:

The DEPUTY SPEAKER: Order! I ask the Premier to sit down. I ask members on my left to observe the courtesies of the House. When a question is asked, they should at least give the relevant member the opportunity to answer the question. I would be pleased to give the call for the next question to the member for Bragg, the Deputy Leader or the Leader, if that is what they want, when their turn comes. But I ask that the courtesies of House be observed. The honourable Premier.

The Hon. LYNN ARNOLD: Mr Deputy Speaker, I would suggest that members opposite just do not want to study what is properly in the Auditor-General's document and the Royal Commissioner's report on these matters. Clearly, it is now correct that what was going on in Equiticorp was not valid—that the activities taking place there led the Auditor-General to make the finding that he has made. I fully support that recommendation for a further investigation.

However, at the time the best efforts were made by the then Premier in pursuing this matter. Clearly, we have discovered, as we have on so many other occasions since, that the very processes of that bank were so flawed, were so wrong, that—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. LYNN ARNOLD: —the information that was coming out was clearly flawed and therefore quite incorrect. That is something which I deeply regret—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. LYNN ARNOLD: —as we all do because, if it were to have been any other way, clearly other actions would have taken place. Why would it be that the then—

Mr Meier interjecting:

The Hon. LYNN ARNOLD: Well, the member for Goyder is getting upset.

The DEPUTY SPEAKER: Order! I call the member for Goyder to order.

The Hon. LYNN ARNOLD: Why would it be that the then Premier would want to ignore that advice?

Members interjecting:

The Hon. LYNN ARNOLD: Let us come to the member for Victoria, in answer to that interjection. This honourable member was then Leader of the other side of the House, and when the then Premier announced the first bail-out he said that he had no idea of the extent of the losses of the bank. He himself was floored by that.

Members interjecting:

The Hon. LYNN ARNOLD: One honourable member says, 'But we knew it all.' Yet that is not sustained by the evidence that has been given to the royal commission, nor is it sustained by the evidence that the Auditor-General is now putting before this House.

Members interjecting:

The DEPUTY SPEAKER: Order! I have to call the House to order again. The way in which the House is carrying on at the moment is disgraceful. Members of the Opposition are trying to elicit information from the Premier, and I would suggest that they allow him to provide that information. I would hope that the usual courtesies of the House can be observed.

The Hon. LYNN ARNOLD: As I have said, these matters will be reported on when the House next sits and the Government gives its response on this Auditor-General's report. As to the—

An honourable member interjecting:

The Hon. LYNN ARNOLD: This is from the Leader who gives his own conclusions before he even sees things. He actually rushes the judgment so quickly that he has the answer before the evidence even comes out. He announces that he wants the answers now. I am giving a series of answers on the information available to me, and I will be giving a more considered response in a couple of weeks on this set of information here and the various impacts on that. And, indeed, I understand we

might be debating that matter on that occasion so that we can have a full canvassing of all the different views.

I will certainly have looked at all the issues of the Government and Equiticorp and the relationship of that line of communication that existed between us and the bank on this matter. I am quite happy for any of that information to be available, but I can assure members that all they need do is to go to the royal commission evidence itself and read the extensive evidence detailing exactly what that communication was.

What I am interested to note is that the Opposition, which has pored with a fine tooth comb through all that evidence before the royal commission—and we know that, because members opposite have quoted it back in this place on many occasions—are not quoting any evidence back on this particular matter at this stage. Certainly, I will have that matter further reported on, and I believe that members would be wise to actually read the substance of this report.

AUTOMOTIVE INDUSTRY

The Hon. T.H. HEMMINGS (Napier): Can the Minister of Business and Regional Development advise the House what future the automotive industry has in South Australia as a result of the Federal election and what assistance the State Government is providing to the industry, which is a large employer in this State, particularly in the area that I represent? On Monday I received a deputation from the General— Motors Elizabeth plant that, whilst they were very happy with the Federal election result, they were keen to know what the State Government's intentions were to maintain that industry's position as a cornerstone of this State's development.

The Hon. M.D. RANN: It is appropriate that this question should come from the member for Napier who represents an area of the State with a vital and critical interest in the automobile industry, as I do. All members should believe that we need a viable car industry in this State. I am sure that most South Australians, indeed even members opposite, are relieved that the spectre of Dr Hewson's zero tariffs and the resultant devastation of our automotive industry has now been vanquished, although I must say it was very disappointing to see the Leader of the Opposition fly off to Canberra to sign anything, any press release available, even if it meant the destruction of the car industry in this State.

Yesterday I met with major car industry figures from around Australia, including senior executives of Mitsubishi, Holden, Toyota, Ford, the components industry, retailing and the unions who make up, I believe, our unique South Australian automotive task force—one that actually embraces representatives from other States. It was certainly made clear to me that we can now plan with some certainty the future of the automotive industry in this State and beyond. That is certainly a contrast from the meeting last December, when the future for the automotive industry was discussed, particularly for this year and next year, when vital decisions are to be made in Detroit and Tokyo about investments worth hundreds of millions of dollars. Now that the zero tariff theorists are out of the way, there is more certainty.

However, there are still problems, and the industry is unanimous in its view—and it is a view backed by the South Australian Government, the Manufacturing Advisory Council and the Automotive Task Force—that a mid-term review of the impact of the reduction of tariffs and other forms of assistance to the automotive industry is vital and must take place well before tariffs are reduced to below 25 per cent.

The member for Napier also asked me what the State Government was doing, apart from this vital area of policy. He will be aware of the announcement of support to the tune of $5 million this year for new initiatives. This money is in response to recommendations in the A.D. Little report which stressed the importance of the industry to South Australia's future.

That $5 million program has five main elements. They are to promote the growth of exports of automotive components; to promote the adoption of international best practice in manufacturing techniques, work organisation and management practices by our automotive industry; and to promote large-scale investment aimed at developing or upgrading capabilities in manufacturing processes, in particular, for automotive components for international markets. Some of our firms are doing spectacularly well in that area. The fourth element is to build what we call Vision 2000, which is a profile of the shape of the automotive industry required for a successful industry in the year 2000. We are looking into the future to see what will be needed in a joint enterprise with the industry.

The fifth element is extra funding to the Centre for Manufacturing for its enterprise improvement program based on the Commonwealth Government's successful NIES program to enable a wider range of automotive industry companies to participate. I have been informed by the Centre for Manufacturing that the automotive industry program has been very well received by the industry, as has the whole $14 million manufacturing modernisation program.

One of my colleagues asked what kind of car I drive: it is a Holden Commodore, and I remember with great affection the member for Napier's old Torana.

STATE BANK

Mr OSWALD (Morphett): I address my question to the Premier. In view of the serious criticism by the Auditor-General of the State Bank's lending to the Hooker Corporation, which has cost taxpayers almost $80 million, what investigations did the Government undertake into this lending after it was questioned in the House on 19 August 1989?

The Auditor-General's report shows that bank lending to Hooker totalled more than $180 million, and almost $80 million of this has been lost. His report finds that all the loans involved 'lacked merit'. When this lending was questioned by the Opposition in August 1989, the Government gave an assurance to this House that losses were not expected, and went on to claim that the State Bank 'is one of the most successful institutions in Australia at the moment' and called on the Liberal Party

to stop 'this disgraceful attack, this guerrilla warfare being waged against the State Bank'.

The Hon. LYNN ARNOLD: It is very interesting that the line of questioning today is not seeking to deal with the substance of the findings of the Auditor-General; rather, members opposite pick up a very thin thread that is related to the report and try to relate it back to questions that they asked previously.

As the Royal Commissioner in his first report indicated, a number of players bear responsibility for the actions that took place. It is interesting to go back through that list of players. When questions were asked in this place and referred on to the bank and to the then Under Treasurer for information, it would be reasonable to expect that the advice that was coming back from those sources would accurately reflect what was being said. Both the Auditor-General and the Royal Commissioner acknowledge the difficulty that the then Premier would have had in being fully conversant with the minutiae of all the issues that came up. I refer to the second report of the Royal Commissioner in that regard.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. LYNN ARNOLD: The other point that then needs to be made is that, when the information comes back with a quantification as to how the allegations are not correct, one might have expected—

Members interjecting:

The DEPUTY SPEAKER: Order! The member for Bright is out of order.

The Hon. LYNN ARNOLD: —if those sources of advice did not accurately reflect on this matter, that another source would have reflected, namely, the Reserve Bank, which was privy to much of the information about the State Bank, as it now turns out. But what comes out from the Royal Commissioner's report is that they did not ring the early warning bells with the then Premier.

What also comes out is that, while those concerns were being expressed to the management of the bank, the management was keeping the board in the dark about those Reserve Bank concerns. If the system had been working properly, and it is quite clear it was not—that much is certainly clear—then senior management of the bank would have been informing the board of the bank properly of what was going on and the board, whose responsibility it was under the legislation to do these things, would then have done their proper duty. Likewise, had the then Premier been privy to that information, he would have given different answers from those he gave in the House on that occasion—

Members interjecting:

The DEPUTY SPEAKER: Order! I caution the member for Bragg.

The Hon. LYNN ARNOLD: There are other matters to be looked at here. These findings in the first report from the Auditor-General have been made after lengthy investigation by the Auditor-General. We all know how long the investigation has been: it has been a couple of years now costing many millions of dollars and involving the application of a vast net of resources in excess of anything available to the Treasury in terms of all the other responsibilities it has, and certainly in excess of the then Premier's resources to look at it. It has taken the Auditor-General's investigations two years and millions of dollars of inquiry money to come up with these findings in this report. What is the finding, for example, on Equiticorp? What is the finding after those millions of dollars and two years of work about the allegations that were made? The recommendation is that a further investigation be undertaken in that matter. So, I think that there is some element of a cheap shot from the Opposition at this stage simply to make the kinds of claims that members are making.

AUSTRALIAN NATIONAL

Mrs HUTCHISON (Stuart): I address my question to the Minister of Business and Regional Development representing the Minister of Transport Development in another place. Will the Minister advise whether information on Australian National's three year business plan has yet been received? With the setting up of the National Rail Corporation it was considered that Australian National would need to reconsider its total operations. Any decisions by Australian National will obviously have a major impact on South Australia.

The Hon. M.D. RANN: The honourable member's interest in improvements to our railway system is well recognised, with the recent announcement of the substantial upgrade of the Indian Pacific and, of course, I am well aware that the honourable member had conducted a major campaign to try to secure an upgrading of that service. I will obtain the information she requires through my colleague the Minister of Transport Development in another place, because it is very important, not just for her area but for the whole State.

SCHOOL VIOLENCE

Mrs KOTZ (Newland): I direct my question to the Minister of Education, Employment and Training. As a result of yesterday's shooting at Banksia Park High School, will the Minister now concede that, with other acts of violence raised by the Opposition in recent months, there is a significant and deep seated problem of violent activities in our schools? Will she now agree to the independent inquiry that the Opposition called for on 27 February, and will the Minister, in accordance with Liberal Party policy, establish a special learning centre for those students who, because of behavioural problems, continually disrupt schools and classrooms?

Members interjecting:

The DEPUTY SPEAKER: Order! The honourable Minister.

The Hon. S.M. LENEHAN: This is a very serious matter, one that we talked about yesterday in this House and, indeed, I do not intend to turn this into a political football. I want to put that on the public record. First, the short answer is 'No', I do not intend to initiate some, to quote the honourable member's words, 'widespread inquiry into violence in schools'. I think the words were 'significant and deep seated'. I would like to put this whole matter into context.

First, we are talking about 185 000 students in the public sector alone. That does not take into account the students in the Catholic education system or, indeed, in the independent system. We are talking about in our public schools 185 000 students. What happened yesterday at Banksia Park could not have been prevented if we had had a team of thousands of counsellors and, indeed, could not be sheeted home to the responsibility of either the Banksia Park school community or the students.

What happened was a most unfortunate and, I think, quite tragic example of a young man who is emotionally and behaviourally disturbed and who, indeed, according to the newspaper reports, had been given a .22 calibre rifle by his parents. Is the member opposite seriously suggesting that any education system in any State or any country in this world can be responsible for addressing all the problems that seem now to be emerging in western society, particularly, in the whole community? I refer the honourable member—

Members interjecting:

The DEPUTY SPEAKER: Order! I call the member for Albert Park to order. The honourable Minister.

The Hon. S.M. LENEHAN: I refer the honourable member to a National Committee on Violence report entitled 'Violence, the directions for Australia'. It is something that I think every member of this Parliament should take some time in the parliamentary break to look at, because that report very clearly identifies the causes of violence in the Australian community and suggests solutions. It makes very clear that violence is not taking place only within the school system: it is taking place right across the spectrum.

As my colleague the Minister of Emergency Services has stated publicly today, we as a community must look right from the very beginning at the way in which we treat children in the home, to expect the education system and schools to be able to take on the responsibilities of what is happening within families and within the broader community.

Mrs Kotz interjecting:

The Hon. S.M. LENEHAN: I will get to the honourable member's points—I did not interject when she was asking her question—and I am delighted to provide her with a very full and frank answer. Let me just say that it really does demean this Parliament for individual members to come in here and try to score cheap political points from something as serious as violence. Let me just—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. S.M. LENEHAN: Let me highlight what the Opposition spokesperson for education is suggesting—

Members interjecting:

The DEPUTY SPEAKER: Order! I call the member for Custance to order.

The Hon. S.M. LENEHAN: It is interesting that the honourable member talks about the Liberal Party policy of providing behaviour management centres. I am delighted to inform the honourable member that we are already doing that: there are already behaviour management centres either in the TASS centres or independently. Yes, we need more and, yes, the department is moving to providing more of these centres. But is the honourable member seriously suggesting that the provision of these centres alone is the answer to violence in the community, violence in society? Is she suggesting that just having more counsellors will prevent these situations?

May I quickly say that I am doing an enormous amount, but I am not going to demean this community by having another inquiry. When we on this side of the House set up inquiries we are criticised by the Opposition for doing so. We do not need an inquiry: we are getting on with the job. We do not need to have an inquiry, because the problems and the causes of violence in our community are evident. We are getting on with the job.

We have a behaviour management policy of exclusion, suspension and expulsion, and we are providing the kinds of centres and the types of counselling that are required. The Opposition, mind you, sit there with this holier than thou approach. This, may I remind members, is the same Party whose only platform in terms of behaviour management is to return to the days of beating and caning. Isn't that interesting!

Members interjecting:

The Hon. S.M. LENEHAN: They do not like—

Mr S.G. EVANS: On a point of order, I believe the Minister is debating the issue. She said that she was not going to make this a political point scoring exercise, and she has done exactly that.

The DEPUTY SPEAKER: I uphold the point of order and ask the Minister to come back to the question.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. S.M. LENEHAN: The answer to the question is not to meet violence with violence and to send the message into the school community or, indeed, into the broader community that we are going to escalate the use of violence in our schools or anywhere else. We will address this issue as we are doing, and I return to the point—

Members interjecting:

The Hon. S.M. LENEHAN: —we have 185 000 students and we have an extremely good education system. The Opposition has continuously sought to undermine that system. It has done itself no service and no credit in the way it has tried to handle this issue.

GRAND JUNCTION ROAD

Mr QUIRKE (Playford): My question is directed to the Minister representing the Minister of Transport Development. Will he make urgent inquiries about the raising of speed levels on Grand Junction Road? The present level of 70km/h was increased from 60 km/h recently. Many constituents have asked me to raise this matter because their houses back directly onto Grand Junction Road. The higher speed traffic makes movement into and out of driveways much more dangerous. Many of my constituents agree that higher speed zones in some areas may indeed be appropriate, but only in instances where service roads and other traffic abatement measures are in place.

The Hon. M.D. RANN: Certainly the member for Playford has to be commended for what can only be

described as the most vigorous campaign I think we have seen in this House to improve road safety in his district. There has been a series of major developments in that area, and I will be pleased to obtain a report for the honourable member from the Minister of Transport Development.

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: It is interesting that members opposite do not regard road safety as important. They do not mind playing politics with tragedy and trying to get headlines out of that, but they are not interested in road safety and what the local members could be doing in this place on that side of the House. Certainly I will take up this matter with the Minister of Transport Development. I should say here, in relation to the question asked of my colleague the Minister of Education earlier today, that perhaps after reading the Alex Kennedy column a more credible April fool's joke would be 'Olsen denies leadership challenge'.

Members interjecting:

The Hon. M.D. RANN: That would have been about as credible on April fool's day as a switch to metric time or building a bridge to Kangaroo Island.

Mr S.G. EVANS: On a point of order, the Minister is abusing the Parliament by debating —

Members interjecting:

The DEPUTY SPEAKER: Order! I cannot hear the point of order that the honourable member is making.

Mr S.G. EVANS: In debating the question, the Minister is abusing Parliament and the system of Parliament.

The DEPUTY SPEAKER: I will not rule on that. The honourable member for Victoria.

STATE BANK

Mr D.S. BAKER (Victoria): My question is directed to the Premier. What responsibility does the Government accept for the failure to remove Mr Marcus Clark from the State Bank before February 1991? Evidence which has become public through the inquiries of the Royal Commissioner and the Auditor-General shows that Mr Clark should have been removed from the State Bank long before February 1991. The Auditor-General has reported:

> From 1988 onwards there was ample evidence that the board was increasingly dissatisfied with the performance of Mr Clark.

It was from this time that the Premier was warned by Mr Hartley that Mr Clark was out of control. The Auditor-General's report also reveals a statement by the former Premier's Executive Assistant, Mr Anderson, made on 31 January 1991, expressing regret that 'they (those in Government empowered to act in the matter) hadn't got rid of Clark and realised some of the problems which Clark had caused'. This was in response to a statement by former board member, Mr Bakewell, that 'it was only through the support of the Government that Mr Clark had been allowed to remain for so long'. The Government's overriding influence is also demonstrated by the fact that Mr Clark agreed to leave the bank only after receiving a telephone call from the former Premier on 9 February to advise that his support for Mr Clark was being withdrawn.

The Hon. LYNN ARNOLD: The Opposition seems to want to listen to evidence when it suits it, but ignore it when it does not suit it. Members opposite are very free with casting about names of various people who have spoken on this matter.

Mr D.S. Baker interjecting:

The Hon. LYNN ARNOLD: The member for Victoria has got himself slightly out of phase because now he has quoted Mr Hartley; he thinks that will back up his argument. Members opposite use Mr Hartley a lot—or they misuse him, because they misuse what he has actually said, and choose to be silent on other things that he has said.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. LYNN ARNOLD: But let us come down to what he said about matters with respect to the board, and this is very pertinent because, if the Government was supposed to be receiving advice about the sacking of Tim Marcus Clark, one would gather that it would have come from either the Chair or, from the contentions of the Opposition, Mr Hartley. I suggest that members opposite re-read the evidence he gave before the commission on this matter, where he himself acknowledges that he was not talking about the sacking or the removal of Tim Marcus Clark until October 1990. Here we have evidence, or supposed evidence, that apparently they were talking about this from 1988 on. However, from his own words, he was not talking about it until October 1990. As to what happened shortly thereafter, that message was conveyed to the then Premier, and there were meetings between the then Premier and the board, and we are talking about a time that was on the eve of the very announcement of the bank's financial situation.

So, what is one supposed to do—read the mind of people for opinions that may be there or, more particularly, to have this kind of time warp mind reading of people who have been given the benefit of hindsight? It may well be that members of the board are now saying that they recommended his dismissal, but I have seen no evidence of that because it certainly was not put before the royal commission. It certainly was not an opinion of the board. If one wants to test exactly how the board felt about Tim Marcus Clark at various stages, one could look at what the board was doing to pay the guy, what its views were on his pay package and whether the pay package should be increased or decreased.

If you are gravely dissatisfied with somebody, you really consider the options that might be available to you. One is that you might sack the person or somehow sideline him or put him into a nominal role. The other thing is to consider the amount of money you are paying him. It is a fairly novel way of expressing your dissatisfaction with somebody if you give them a pay rise and improve the conditions under which they work. This was the board that did that. This was the board that approved his improvement in pay and conditions.

If we look at the key dates—and I raise this with the Opposition as a question on notice whereby it can go back to check the evidence—on which it was doing this, these events took place after the member for Victoria claims the board was saying it was dissatisfied with Marcus Clark and wanted him sacked. Clearly, there is evidence that there were opinions about his managerial

style, and that has been debated at length in this House. The Auditor-General makes some comments about what a forceful personality Marcus Clark was and how this partly undermined the capacity of senior management to do their job properly but, at the end of the day, you come down to what was actually said to the Government by the board at the time. The board was not saying until October and November 1990 that Marcus Clark should somehow be sidelined or removed from his role as Chief Executive Officer of the bank.

Mr D.S. Baker interjecting:

The Hon. LYNN ARNOLD: The honourable member asks again: why didn't the Premier do something about it? Was the then Premier supposed to have assumed that that might be asked by board members, that they wanted him sacked, when in fact they were doing quite the contrary in terms of the advice they were giving the then Premier? That would be a fairly illogical thing to do, if they were to take that line of inquiry. I suggest to the member for Victoria, if he is to take part in further debate on this matter, that he go back to the evidence given by board members and come in here and quote those words rather than his own wishful thinking about what actually took place.

BP SITE

Mr ATKINSON (Spence): Will the Minister of Environment and Land Management advise the House what he and BP Australia are doing about possible ground water and soil contamination at a disused service station at 778 Port Road, Woodville South?

The Hon. M.K. MAYES: I thank the member for Spence for this question. It is relevant not only to his electorate but to the electorate of each member because of the way in which this blueprint approach has been taken up with a large commercial organisation, BP Australia. In fact, as I see it, this is the way in which we will proceed with management in the future in terms of these sites that have contaminated soil. It is very encouraging to have this relationship with private enterprise. In my opinion BP adopts a very responsible attitude with respect to the remediation of service stations prior to its disinvestment in a site.

As to the site in question, there has been considerable liaison with the E&WS Department in accordance with the requirements of the Water Resources Act, and a great deal of remediation work has been undertaken, both from the point of view of soil and ground water. The consultants in the first phase of the report on this station, provided in July 1991, recommended that a number of steps be taken prior to the sale of the property. There has been ongoing monitoring of those sites and, in particular, there has been measurement of the contamination of ground water.

As a consequence, the second stage of the investigation commissioned by BP Australia occurred in July last year and involved the supervision of the decommissioning and removal of all the equipment and service station facilities. It also included the screening of the soils for hydrocarbon contamination and the supervision on site by BP of remediation work. As we can see, the program we will now have to follow as a blueprint will lead to our recovering these sites for future use, whether commercial or residential. We have seen in both the metropolitan area and regional country centres the disinvestment in quite a number of these sites and their return to other uses, whether for commercial or residential purposes.

The discussions we have had with BP have been very important and I believe have set a framework for future directions. The monitoring process, which has been set in place for that site, has set down a template for the way we will go with respect to future reclamation of these contaminated sites. I can assure the honourable member that the steps the Government has taken, along with BP, will provide a very safe environment. They have met the standards that we have set down with other governments, as a national pro forma, and they will also provide us with a procedure with respect to the reclamation of such service station sites in the future.

STATE BANK

Mr OLSEN (Kavel): My question is directed to the member for Ross Smith. At any time before the first announcement of the massive State Bank losses in February 1991, did any Minister express concern to him about the bank's rapid growth, its lending to Equiticorp, the National Safety Council, Hookers and other bad loans, the performance of Mr Marcus Clark or other issues which were the subject of persistent questioning in this House?

The DEPUTY SPEAKER: Before I take this any further, I must point out to the House that whatever responsibility the member had as Premier and Treasurer was transferred to the Minister who now holds those portfolios. Therefore, he no longer has a responsibility to the House. Even if he wants to answer the question, I rule that he cannot do so, but he has the opportunity to give his response during the grievance debate.

Members interjecting:

The DEPUTY SPEAKER: Order! The matter is in the hands of members. I rule the question out of order.

The Hon. B.C. EASTICK: I rise on a point of order, Mr Deputy Speaker. There is considerable precedence in this House for the asking of questions of persons other than Ministers. I draw your attention to a debate in this House which appears in *Hansard* from page 813 onwards on 10 September 1974, when I as Leader of the Opposition was asked questions—and they were permitted—by the Hon. J.J. Jennings, the Hon. P. Duncan, the Hon. Ernie Crimes and the Hon. Gavin Keneally. These questions subsequently led to a royal commission, the result of which showed that the Government's intention in those questions was entirely out of kilter. However, the opportunity was there and has been on previous and subsequent occasions for such questions to be asked.

The DEPUTY SPEAKER: My ruling stands. I rule the question out of order. I refer members to Standing Order 96, which has been put together by the Standing Orders Committee which has representatives from both sides of the House. Standing Order 96 provides:

At the time for giving notices of motion,

1 questions relating to public affairs may be put to Ministers, and

2 questions may be put to other members but only if such questions relate to any Bill, motion or other public

business for which those members, in the opinion of the Speaker, are responsible to the House.

I have already ruled that it is my view that the member is not responsible to the House in that particular instance.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. DEAN BROWN (Leader of the Opposition): I move:

That the Speaker's ruling be disagreed to.

The DEPUTY SPEAKER: I ask the honourable member to bring up his reasons in writing.

Members interjecting:

The DEPUTY SPEAKER: Order! The House must come to order. The Leader of the Opposition states:

This House dissents from your ruling 'The question is out of order' on the basis that there is clear precedence for this question to be allowed.

It is signed 'Dean Brown'. Is the motion seconded?

Opposition members: Yes, Sir.

The Hon. DEAN BROWN: Mr Deputy Speaker, I move dissent from your ruling for the following purpose—

Members interjecting:

The DEPUTY SPEAKER: Order! A very serious proposition is before the House. I would hope that both sides of the House hear it in silence.

The Hon. DEAN BROWN: Mr Deputy Speaker, I have moved to disagree with your ruling because today the member for Navel asked a very specific question of the member for Ross Smith and only the member for Ross Smith can answer that question because it relates specifically to whether or not certain other Ministers of the Government had been to him and expressed concern about the State Bank. Only the member for Ross Smith can answer this question. Mr Deputy Speaker, your ruling protects the member for Ross Smith from answering that question. Why is the member for Ross Smith not prepared to stand up and give an answer? Mr Deputy Speaker, why are you not willing to give the member for Ross Smith the chance to get up and provide an answer?

Members interjecting:

The DEPUTY SPEAKER: Order! Opposition members are not allowing their own Leader to put his point of view. I suggest that they give him the opportunity to do so in silence.

The Hon. DEAN BROWN: We have given the member for Ross Smith the challenge to tell this Parliament and the people of South Australia what went on within his Government over the State Bank issue. Did he receive any warnings from his Minister? He refuses to answer and your ruling protects him.

The Hon. J.P. TRAINER: I rise on a point of order, Mr Deputy Speaker. In a debate of this nature we can stick only to the matter which is under discussion, which is the dissent from your ruling. The Leader is not entitled to start a debate on other matters.

The DEPUTY SPEAKER: I uphold the point of order. I ask the Leader to come back to the motion.

The Hon. DEAN BROWN: Thank you, Mr Deputy Speaker. I am pointing out to the House the effect of your ruling, which we all know is contrary to the precedents of this Parliament. We have a former Speaker of the House in the member for Light, a member who knows the Standing Orders obviously better than any other member of this House, having sat in the Speaker's Chair for three years, and he has highlighted to the House—

Members interjecting:

The DEPUTY SPEAKER: Order! I understand why the House is so heated over this issue, but members on both sides will have the opportunity to express their satisfaction or dissatisfaction, as the case may be, when they come to vote. So, in the normal, civilised way I would ask the House to listen to the debate in silence.

The Hon. DEAN BROWN: I come back to the point, Sir, that your ruling specifically cut across the precedents of this Parliament. That has already been carefully outlined to the House by the member for Light. I point out that the member for Light has had more experience in relation to the Standing Orders of this Parliament than any other member because he sat in the Speaker's chair for over three years. Furthermore, he has been questioned in this House in a way that is directly related to this ruling.

It is interesting to see the extent to which all Government members are attempting to protect the member for Ross Smith this afternoon on this issue. Under no circumstances do they want the member for Ross Smith to stand up and give an honest answer, even if he was willing to do so. The facts are that four years ago the member for Ross Smith was asked question after question after question in this House on a whole range of issues.

Dr HOPGOOD: Mr Deputy Speaker—

The Hon. DEAN BROWN: Look at them—up again, protecting the member for Ross Smith.

The DEPUTY SPEAKER: Order! I ask the honourable Leader to take his seat.

Dr HOPGOOD: I rise on a point of order, Mr Deputy Speaker. The Leader of the Opposition is wilfully cutting across the direction you have given to him to stick to the rules relative to this debate. The only thing that is relevant is what the Standing Orders currently state.

The DEPUTY SPEAKER: I uphold the point of order.

Mr S.J. BAKER: I rise on a point of order, Mr Deputy Speaker. At the heart of this matter is whether you are showing bias, and that relates to the substance—

The DEPUTY SPEAKER: Order! I ask the honourable member to take his seat. I was not allowed to give my ruling on the previous point of order. My ruling is that I uphold the point of order. I ask the Leader of the Opposition to come back to the point that is before us which relates to the Standing Orders and not to other matters of substance.

The Hon. DEAN BROWN: To highlight the inconsistency of your ruling this afternoon, Mr Deputy Speaker, I refer you to the *Hansard* of 3 June 1982, where the member for Eyre asked the then Deputy Leader of the Labor Party, who was then in Opposition on this side of the House, a question about casinos. In fact, the Deputy Leader of the Opposition got up and answered the question and it was allowed by the then Speaker of the House. The precedent of this Parliament is that it is at the discretion of the individual member whether or not he wishes to answer the question.

This afternoon we found that the member for Ross Smith was not prepared to stand up and give an honest answer to all South Australians on these crucial matters about the State Bank, because you, Mr Deputy Speaker, have protected him—and quite unfairly have you protected him. The clear precedent of this Parliament on numerous occasions has been that it is at the discretion of the individual member.

The Hon. J.P. TRAINER: Mr Deputy Speaker, once again the honourable member is not only straying but directly reflecting on the Chair by accusing you of bias in upholding the Standing Orders of the House as they currently exist.

Members interjecting:

The DEPUTY SPEAKER: Order! I again ask the honourable Leader to come back to the proposition before us in relation to the Standing Orders. The honourable Leader.

The Hon. DEAN BROWN: I unashamedly reflect on the ruling of the Chair, because the Chair has cut across all the precedents of this Parliament in allowing the individual member, if he is not a Minister of the Crown, to answer the specific question. Our whole objection this afternoon is that, first, the Deputy Speaker has given a ruling that has cut across all the precedents of this Parliament, and we all know that.

An honourable member: Rubbish!

The Hon. DEAN BROWN: It is not good enough for the honourable member to say 'Rubbish.' We have given the specific examples where that precedent exists. The Labor Government in this State would rather silence the member for Ross Smith than be embarrassed by an honest answer on this issue. The second point is that the member for Ross Smith specifically does not wish to give the details to the House this afternoon.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. J.P. TRAINER: The Leader, not being familiar with the Standing Orders, has again digressed from them by not sticking to the subject matter under debate but instead choosing to reflect on the member for Ross Smith.

The DEPUTY SPEAKER: I uphold the point of order and I ask the Leader to stick to the proposition in front of us, that is, dissension from my ruling. The honourable Leader.

The Hon. DEAN BROWN: Yes, Mr Deputy Speaker, we are dissenting from your ruling, which is against the precedent of this Parliament. I am astounded that you came out with such a ruling, because on previous occasions individual members, when asked a specific question, have been given the discretion to decide for themselves whether or not they answer that question. We all know that the member for Ross Smith is the greatest embarrassment that this Labor Government could have in this State.

Members interjecting:

The DEPUTY SPEAKER: Order! I ask the honourable Leader to come back to the proposition in front of us, which relates to dissension from my ruling. This is not a matter for discussion about the member for Ross Smith: it is a matter for discussion about my ruling on whether or not the member for Ross Smith can answer a question.

The Hon. DEAN BROWN: Mr Deputy Speaker, can I remind you of the power you exercised this afternoon under Standing Order 96.2, which provides:

> questions may be put to other members but only if such questions relate to any Bill, motion or other public business for which those members, in the opinion of the Speaker, are responsible to the House.

This is a matter of absolute public importance that the member for Ross Smith must stand up and answer.

The DEPUTY SPEAKER: Order! The honourable member's time has expired. The honourable Deputy Premier.

The Hon. FRANK BLEVINS (Treasurer): I oppose this motion.

Members interjecting:

The Hon. FRANK BLEVINS: You've got me.

The DEPUTY SPEAKER: Order! The honourable Treasurer.

The Hon. FRANK BLEVINS: I oppose this motion. It is obviously a cooked up motion. Members opposite are very slow learners. When the first royal commission report was handed down, they made an awful mess of it. They do not learn; they are going in the same direction.

Mr S.J. BAKER: On a point of order, Mr Deputy Speaker, you have made a ruling that members must address themselves to the substance of this debate. To date, the Treasurer has made no attempt to do so.

Members interjecting:

The DEPUTY SPEAKER: Order! I was distracted at the time and did not hear the last few words of the Treasurer. However, I ask him to stick to the proposition in front of us.

The Hon. FRANK BLEVINS: Your interpretation, Sir, of the Standing Orders is absolutely correct and well supported by precedent. I draw the attention of the House to *Hansard* of 30 October 1986 (page 1703); this precise circumstance arose on that occasion. The Speaker, in his wisdom, ruled the question out of order and the House subsequently upheld the Speaker's ruling, as it ought to have done. What I fail to understand is how anyone can misinterpret the Standing Order, unless they deliberately wanted to make a fuss because they were not going too well or not making much headway with the issue. Standing Order 96 is absolutely crystal clear. I repeat what has already been stated in this debate. The Standing Order provides:

> questions may be put to other members but only if such questions relate to any Bill, motion or other public business for which those members, in the opinion of the Speaker, are responsible to the House.

In giving your ruling, Sir, you said, quite properly, that the member for Ross Smith no longer had any responsibility to the House for the topic of the question. My guess is that the member for Ross Smith deeply regrets that; nevertheless, that is exactly the position. You went on, Sir, in your wisdom, to point out to the House that, if the issues that were raised in the question had some merit and the member for Ross Smith chose to respond, he could do so in a grievance debate.

I am quite sure that the member for Ross Smith is big enough and old enough to look after himself and requires absolutely no protection from members on this side. He is quite capable of looking after himself. However, what

does require protection from members of this House is the Standing Orders. Whether it is the member for Ross Smith, a member on the other side or anyone else, it makes no difference, high or low: the Standing Orders quite clearly prevent an occurrence in the way members opposite want. In six minutes we will have a grievance debate. If the member for Ross Smith wishes to answer those questions, he can do that. He would be—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. FRANK BLEVINS: And he is free to do so. I do not believe that the member for Ross Smith has been at all shy in this House in responding to the issues as they have arisen in relation to the State Bank. I understand—not that I was on the Standing Orders Committee—that some time ago this Standing Order was changed to stop this sort of thing occurring. Again, my information is that one of the biggest proponents of that change was the member for Light.

Members interjecting:

The Hon. FRANK BLEVINS: Don't point your finger across the Chamber. The member for Light knows full well that the Standing Order was changed to prevent this occurrence. If that is not the case, a personal explanation is available to him. However, Sir, your ruling was eminently reasonable and totally in accord with the Standing Orders, and I urge the House to reject the motion.

The DEPUTY SPEAKER: Under circumstances such as this, a Speaker has the opportunity to have his say, and I intend to take it. It is true that there have been precedents regarding other former Ministers being questioned. However, as the Treasurer has just pointed out, the Standing Orders were changed in order to ensure that the situation was crystal clear. Standing Order 96.2 provides:

> questions may be put to other members but only if such questions relate to any Bill, motion or any other public business for which those members—

Members interjecting:

The DEPUTY SPEAKER: Order!

> —in the opinion of the Speaker, are responsible to the House.

I would also like to refer to Erskine May (page 286); under 'Questions to Private Members', a very long passage states, in part:

> ...and questions to an ex-Minister with regard to transactions during his term of office have been ruled out of order.

The House divided on the motion:

Ayes (22)—H. Allison, M.H. Armitage, P.B. Arnold, D.S. Baker, S.J. Baker, H. Becker, P.D. Blacker, M.K. Brindal, D.C. Brown (teller), B.C. Eastick, S.G. Evans, G.M. Gunn, G.A. Ingerson, D.C. Kotz, I.P. Lewis, W.A. Matthew, E.J. Meier, J.W. Olsen, J.K.G. Oswald, R.B. Such, I.H. Venning, D.C. Wotton.

Noes (22)—L.M.F. Arnold, M.J. Atkinson, J.C. Bannon, F.T. Blevins (teller), G.J. Crafter, M.R. De Laine, M.J. Evans, R.J. Gregory, T.R. Groom, K.C. Hamilton, T.H. Hemmings, V.S. Heron, P. Holloway, D.J. Hopgood, C.F. Hutchison, J.H.C. Klunder, S.M. Lenehan, C.D.T. McKee, M.K. Mayes, J.A. Quirke, M.D. Rann, J.P. Trainer.

The CHAIRMAN: There being an equality of votes, I cast my vote for the Noes.

Motion thus negatived.

PETITIONS

Mr LEWIS (Murray-Mallee): I seek leave to make a personal explanation.

Leave granted.

Mr LEWIS: A number of petitions have been presented to the House since Christmas, predominantly by me, which have been, in my judgment, perhaps without any malice involved, misconstrued in summary form, and it is my purpose in the course of this personal explanation to ensure that the House understands, and the record shows that petitions Nos 128 on 17 February, 139 on 2 March, 147 on 24 March and that of today are all understood to be, as they indeed are, precisely the same petition.

The petition prayer on today's record will show that petitioners were requesting that the House urge the Government to make the driving of stolen vehicles at high speed and ram raiding serious offences incurring a mandatory prison sentence regardless of the age of the offender. The petition signed by almost 14 000 South Australians so far states:

> The humble petitioners of the undersigned residents... sheweth:
>
> That whereas:
>
> lately there is an increasing number of cars being stolen and driven at high speeds on our roads resulting in crashes causing enormous property damage, personal injury and killing innocent people.
>
> Your petitioners therefore pray that your honourable House will urge the Labor Government to change the law to make such offences as driving stolen cars at very high speeds and ram raiding criminal offences as serious as drunken driving, or firearms offences, incurring a mandatory prison sentence for the offending driver and accomplices regardless of age: and thereby protect us who are otherwise at risk of becoming innocent victims ourselves.

GRIEVANCE DEBATE

The DEPUTY SPEAKER: The proposal before the Chair is that the House note grievances.

The Hon. J.C. BANNON (Ross Smith): We have seen an extraordinarily cheap diversion on the part of an Opposition which is floundering around as it sees its opportunities slipping away. As the story of the State Bank unfolds and the real causes and those actually hands-on responsible for the problems emerge and some perspective is introduced into the matter, the Opposition is starting to panic. Events in this House a few moments ago were an indication of that panic.

I am accused of not wishing to answer questions. What an extraordinary statement to be made by members opposite. I spent two weeks before the royal commission giving extended evidence. I spent much more time giving evidence than the Chairman of the board, the Chief Executive or anybody else connected with this debacle. I was prepared to answer every question that was put to

me. I did not take recourse to the standard 'I do not recall' or 'I am not clear on that'. I answered questions fully, honestly and completely and explored all the issues in detail longer than anybody else.

In this place, when the matter has come before the House, I have taken a full part in every debate. I have explained fully and completely my response to the reports, where I stand, what happened and what was done, and I will do so again when the occasion arises. I am saying that, in terms of my responsibility, which I have taken by my resignation as Premier, we must look at the chain of events that lead back to me, the person who, the Opposition claims, is totally responsible for this matter.

Let me go to the Auditor-General's report. Yesterday, he found that the bank's senior managers at various times failed adequately and properly to supervise, direct and control the operations and affairs of the bank. Those are the senior managers who made the decisions. Above them is a Chief Executive Officer. What does he find with regard to the Chief Executive Officer? He said, 'I have repeatedly found that Mr Clark failed adequately or properly to supervise, direct or control the affairs of the bank.'

Who is above the Chief Executive Officer? Who, under the Act passed by this Parliament, with the full consent of members opposite, strengthened in terms of the 'hands off' approach of the Government, was put in charge of the bank in that sense? The board of the bank. There, the Auditor-General finds that, although they might be entitled to rely on the advice and assurances of the CEO and the senior management, which was clearly deficient, nonetheless they had a statutory duty to exercise an independent judgment, and they did not do so.

The Opposition ignores all that and says that the whole responsibility will be borne by the Premier and Treasurer and his Treasury advisers. What nonsense! We had reason to rely on the Reserve Bank. The Reserve Bank, we are now told, warned the State Bank on many occasions. Was it ever passed on to us? No, not once; not in any way were we advised of their concerns. As to the auditors of the bank, they produced glowing reports that showed profits. This hindsight on the part of the Opposition is very interesting indeed.

Members interjecting:

The Hon. J.C. BANNON: It is the hindsight of all those who say that they opposed the GST. The Leader of the Opposition is one of them. He is in the paper today saying that he always knew it was shonky and wrong. In fact, he supported it outright, but it suits him in hindsight now to say that it was not appropriate. There are many examples of that.

Members interjecting:

The Hon. J.C. BANNON: I simply say that this issue will and shall be fully and completely debated. I will answer for any responsibility. I took responsibility for the Government's handling of this matter, because that was my ministerial charge, and I indicated my responsibility by standing down from office. The Opposition is not satisfied with that. Members opposite spent months, years, saying that I was solely to blame and, when I disappeared from the scene, suddenly I was irrelevant and it was my colleagues in the Ministry and on the front bench. That will not wash. It will not wash with the public and it will not wash in this Parliament.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. J.C. BANNON: The responsibility is clearly laid out in these reports. To the extent that I am responsible, I have taken the responsibility and that is the end of the matter. The Government is dealing with this issue fully, and it is on that that we shall be judged at the next election.

Members interjecting:

The DEPUTY SPEAKER: Order! Before I call the Leader of the Opposition, I point out that it is extremely unfair, when there is a five-minute limit to a debate and there is no way that the debate can be extended, for members continuously to try to shout down the speaker. If I were to call members to order, it would take away the time that is available to the member. I hope from now on members will observe fair play and allow the member who has the floor to be heard in comparative silence. The Leader of the Opposition.

Mr LEWIS: On a point of order, Mr Deputy Speaker, I move:

That so much of Standing Orders be suspended as would preclude the possibility of the member for Ross Smith from directly answering forthwith the question that was put to him by the member for Kavel.

The DEPUTY SPEAKER: I am not prepared to accept that motion. It is incapable of being accommodated, because the House cannot be suspended in order to ask a member questions which he is not prepared to answer. I will try to make sure that the Leader of the Opposition gets the full five minutes. It is not my fault. I am not prepared to accept that proposition. The Leader of the Opposition.

The Hon. DEAN BROWN (Leader of the Opposition): Mr Deputy Speaker, the first thing I ask is that the clock be now started. The member for Ross Smith has just had five minutes to answer the following question—

Members interjecting:

The Hon. DEAN BROWN: He has left; he has run. Where is the member for Ross Smith? Bring him back. He has had five minutes to answer the following simple question: at any time before the first announcement of massive State Bank losses in February 1991, did any Minister express concern to him about the bank's rapid growth; its lending to Equiticorp, the National Safety Council, Hookers, and other bad loans; the performance of Mr Marcus Clark; or other issues which were the subject of persistent questions in this House? For five minutes the member for Ross Smith has had an opportunity to answer that question, and he has failed to do so.

The one clear message that comes through from the Auditor-General's report is that all the accusations made in a series of about 200 questions by the Opposition during 1989 and 1990 have been found to have a great deal of substance to them. The one thing that the Auditor-General's report has done has been to validate the original questions asked by the Liberal Party during that period—200 questions in all.

Let us look at what the Government did as a consequence of those questions. It is now clear that the whole Government sat there and did absolutely nothing. It did not even attempt to find out whether those very important matters were investigated and honest answers obtained.

Consider the substance of the questions asked today. Where is the documentary evidence that the Government even attempted to investigate whether Mr Marcus Clark had a conflict of interest in Equiticorp? There was no answer whatsoever. I point out that there is no documentary evidence whatsoever that the then Premier even attempted to investigate that matter, it having been raised in this House, let alone got a wrong answer from the bank, as the Premier used again in defence this afternoon.

Let us look at the other issues on which they have failed to give answers this afternoon: the loans to the Hooker Corporation; the remuneration package for the State Bank staff; and the Myer-Remm site, about which questions were asked in 1986 and again in 1988, which is now costing the taxpayers of this State about $740 million as a liability through the bank. The total liability on that one building alone is now $740 million, about which the Premier of the day refused to give answers in 1986 and 1988.

What about the investigation into the performance of the bank, when questions were asked again in 1989? What about the questions asked in this House by the Liberal Party concerning the bank's weak board and the fact that it needed to be strengthened? What action did the present Premier and the former Premier take when cautioned by the then director of the bank, Mr Hartley, about the weak board of the bank? The answer is that, collectively as a Government, they did absolutely nothing.

Mr Meier: They are guilty.

The Hon. DEAN BROWN: They are guilty. It would appear from the silence of the member for Ross Smith this afternoon that not only did he not investigate but all his ministerial colleagues who heard those 200 questions asked in this House failed to take any action whatsoever or even to take the matter up with the then Premier, the member for Ross Smith. They sat on their hands in absolute silence. All of them are now guilty of negligence before the people of South Australia. But it goes even beyond that. They tried to ridicule the Opposition and the media for even questioning the performance of the bank on these key issues.

They set out on a course of dragging down their opponents on what we now find were very valid issues for which they must be accountable. The people of South Australia will pass judgment on this Government. They will pass judgment on the mismanagement of the past 10 years, and we can be assured that this Government will not be in office after the next election.

The DEPUTY SPEAKER: Order! The honourable member's time has expired. The member for Mitchell.

Mr HOLLOWAY (Mitchell): Several weeks ago on an ABC radio program a former Liberal MP Mr Michael Pratt described the people who are sitting opposite me today as a 'divisive and split rabble'. After the past hour in this House we see just how appropriate that description is. What a rabble! But it is not just the local variety that is a rabble and not just Mr Pratt who believes that the Liberals are a rabble. One of their previously faithful followers, Mr Terry McCrann, in the *Advertiser* this morning has come to the same conclusion. And how could he help but do so?

Mr McCrann has not been noted for his support for the Australian Labor Party. However, I believe that his very perceptive comments in the *Advertiser* this morning should be put on the record. They were tucked away in the back pages by the *Advertiser* and I think they deserve greater coverage. Mr McCrann said:

> The Liberals have done a magnificent job over the past two weeks of demonstrating to the electorate that it made the right decision in re-electing the Keating Government. The public, and especially that key 3 per cent or so of voters in the middle, is probably breathing a collective sigh of relief that the numbers didn't fall the other way, and this rabble had moved across to the Treasury benches. And they'd be right.

As I say, how true that is of this collection across here after its disgraceful behaviour today. One would think that after three and a half years in Opposition members opposite might be able to come up with something new or different. One would think they might be able to come up with something constructive, with some alternative policies for this State, but they have produced nothing. They are captives of history.

Members interjecting:

The DEPUTY SPEAKER: Order!

Mrs Kotz interjecting:

Mr HOLLOWAY: They are captives of history, locked into the past; locked into an Opposition mentality, just like the member for Newland, who keeps interjecting so inanely over there. Mr McCrann said, and I believe that this is also applicable to members opposite:

> Understandably, the loss was devastating to people individually and as a group—and some recrimination, hopefully more in the manner of soul searching, was inevitable. But nothing, nothing, excuses the mindless, utterly incoherent flaying about that has occurred in the Federal Liberals over the period since the election. It has shown that the Coalition as a group was essentially unfit to govern and that it is bereft of individual political and intellectual talent.

Again, how apt that description is of those opposite in this Parliament as well. Mr McCrann goes on:

> And the Liberals have all but shouted their monumental incompetency against the Government. This will be further emphasised in cringingly embarrassing terms when and if John Hewson draws up his 'shadow' ministry—never will that appellation have been more appropriate—and you line the two sides up man and woman to man and woman.

Again, how apt that description also is of members opposite in this Parliament. Towards the end of his article, Mr McCrann makes this observation:

> They have to know what they believe in. At the moment, it's coming across worse than the old Left of the Labor Party—wanting to believe in nice fuzzy things that won't upset people. And they have to package those beliefs in a politically rigorous framework.

The members of the Opposition in this Parliament, as I said, are prisoners of history. After they have seen what happened to their Federal colleagues and to the popularity of their colleagues in other States in a very short time, they really do not know what to do. One

thing
we can be sure of is that over the remainder of this term we will not hear of a single policy from members opposite. That is probably not surprising, because they are probably not capable of creating any policies.

I suppose they could copy the policies of some of their people interstate, but they would not dare do that because they have been so roundly rejected in those States. But never in the history of this State has there been an Opposition that has produced so little alternative policy in such a long period in Opposition. It is a sad reflection on those opposite.

An honourable member interjecting:

Mr HOLLOWAY: It is, indeed. One thing that certainly has not been inspiring was the disgraceful behaviour we witnessed today from members opposite. They must have been hanging around the Liberal branches along with the Medicare millionaires, the shonky used car dealers and the perfumed real estate dealers for so long they have lost all perspective about where they are going. The comment made by Mr Pratt, that the Liberals are a rabble in this State, is entirely accurate. The statement made by Terry McCrann, that the Federal Liberal Party is a rabble, is equally correct.

Mr S.J. BAKER (Deputy Leader of the Opposition): The member for Mitchell talks about a disgraceful performance. I can say that the House has witnessed a disgraceful performance from this Government. If anyone wishes somehow to downgrade the importance of losing $3 150 million, I hope that it is not the member for Mitchell: his seat may depend on it at the next election. We saw here today that, when the member for Ross Smith had a prime opportunity to respond honestly, to tell the truth as he knew it, actually to explain to the Parliament some of the circumstances surrounding the State Bank losses, he had the protection of the Chair. I will not reflect on that because that matter has already been determined by the Parliament.

But it is absolutely vital that the House understands exactly what has happened. If the former Premier had been forthcoming, he would have shown quite dramatically that there was either a mob of drongos on that front bench or a number of people who have been irresponsible and who have forfeited their right to be on the front bench. We know that the former Premier of this State has a lot to hide. He wants us to let him say, 'Don't blame me: I will take the responsibility; I will take the heat on my shoulders, because that is the only way I will get this lacklustre lot off the hook.' That is the only way he will keep Labor in Government.

I can tell you, he has another think coming. The question whether Government Ministers understood or even asked a question in Cabinet about such items as Equiticorp, the National Safety Council, Hookers, and a number of other projects that went awfully wrong well before we finished up with the huge losses our hands, was the question to which we and all other South Australians wanted an answer. I suspect that one or two of them may have had the gumption to ask just one or two questions about the operations of the State Bank.

I want to spend my time on one issue. It was remarkable today that, when I asked the question of the Premier about the escalation in salaries, it was the Treasurer who took the question, and he provided the answers. And, again, all the information is being kept hidden. I would like to refer members again to the question, which related to the enormous escalation in the remuneration of one Marcus Clark to the tune of $200 000 and for Mr Paddison $214 000 at a time when the bank was running downhill very rapidly.

I have here a minute from the Under-Treasurer, and I can understand why the Premier would not want to get involved. I can understand why the Premier of this State would want to distance himself as far as possible. The minute states:

> There was quite a long discussion on item No. 2 with the bank representatives resisting the idea of publication—

this is in relation to salaries—

> with Treasury commenting along the lines of our minute of 13 April 1988 and the Treasurer concluding that from the Government's point of view disclosure of State Bank executive salaries would create more problems than it would solve. Particularly, he would be concerned with the implications for the salary structure of other public sector financial entities and indeed the public sector more generally. It might also lead to awkward questions about the bank's own salary structure.

So, the Premier did a deal in 1984, and he did a deal in 1988. The Premier refused to answer questions in this House about this issue. He hid behind the protection of the State Bank Act and the fact that he could divorce the bank from the rules and regulations covering financial institutions in this country. If he had lived by the Federal regulations he would have been required to reveal it and we would have known a lot earlier what was going on in that bank: that we had the most scurrilous people in South Australia in bed with the Premier of the day (the member for Ross Smith), the Government of the day and Cabinet and being rewarded well beyond their capacity.

So, I understand why the Premier did not want to take that question and why the Treasurer decided to answer it. It is all quite clear from the minute we have that the Government was up to its ears. It wanted to hide the escalations and the rorts that were going on in the system because it was up to its ears through the whole event. For Government members to now say, 'We did not know anything about it; we do not take any responsibility for it', is breathtaking.

The SPEAKER: Order! The honourable member's time has expired.

Mr HAMILTON (Albert Park): I acknowledge the member for Playford for giving me the opportunity to speak today in this grievance debate. As is well known, I take every opportunity to speak in any grievance debate in this House. In particular, I want to make reference to the problems of increased speed limits set by the Department of Road Transport. I raised this matter in the House on 3 February during Question Time and again in the grievance debate on Tuesday 30 March. Again, I raise the question of the problems associated with increased speed limits within my electorate. Members also may recall that I made mention of the untimely death of a passenger in a motor vehicle on Military Road at Semaphore Park in an area where the increased speed limit applies. Today I heard that the member for Playford also expressed his concern and reservations about the increase in speed limits within his electorate.

It is of major concern to me that someone has tragically lost their life. I think every member in this House would be well aware of my background in the transport industry and my concerns in this particular field over the 14 years I have been in this Parliament. I have written many letters to the Minister in relation to this matter and today, as a consequence of the numerous correspondence that has been directed to her, both by way of normal mail and also by fax, I received the following response which I will read into *Hansard.*

The Parliament and the readers of *Hansard* are entitled to know the response given by the Minister in relation to the increased speed limits, the concerns that have been expressed by my constituents, and indeed what the Department of Road Transport is doing in this area. The letter states:

Dear Kevin,

I refer to your letter of 26 March 1993 concerning the fatal accident that occurred on Military Road, Semaphore Park on 25 March 1993. Details of the accident and cause are not yet available as it is subject to investigation by the police. However, when details are made available to the Department of Road Transport, the information will be analysed to determine the cause of the accident. A review of speed limits is scheduled to take place towards the end of April with a completion date by the end of June. A period of time is necessary to allow for vehicle speeds to adjust to the speed limit. A number of sites used in the 'before' study will again be used in the 'after' study. Measurements will be made at each site and at different times to obtain the most accurate information possible. The measurement of vehicle speed will be a 'free speed', i.e., the measurement of vehicle speeds will not be influenced by the speed of other vehicles.

Yours sincerely,

Barbara Wiese, MLC

Minister of Transport Development.

I am pleased that the Minister has given that undertaking. My electorate office has received numerous inquiries, and many people have written to me in relation to this matter. I want to make it quite clear that the questionnaire distributed from my electorate office and the resulting response was passed on to the Department of Road Transport to assist the department and the Minister in determining whether those speed limits would be increased. It was not a determining factor in relation to whether or not the Department of Road Transport made that decision.

I point out to the readers of *Hansard* and my constituents that the decision to carry out this investigation was initiated by the RAA, and the three people involved in this review included representatives of the RAA, the Department of Road Transport and the Superintendent of the Traffic Division of the South Australia Police Force. The recommendations were imparted to the Minister, who made that decision accordingly. I hope that the interests of my constituents will be served better after the review has been completed at the end of April.

Mrs KOTZ (Newland): The incident that took place at the Banksia Park High School yesterday afternoon has left a whole community of people shocked and horrified in its aftermath. Before I address that specific issue, I want to put on record my commendation of the actions of all agencies responsible for coordinating what was a massive exercise to protect the staff and students of the school after the initial violent incident. As a result of those actions, no further incident occurred.

I commend the police, whose professionalism and concern was obvious throughout this whole ordeal, for their effective actions in isolating both the area and the offender whilst evacuating over 1 000 students and staff from both Banksia Park High School and St David's Primary School. This was most certainly no easy task, but it was effectively executed. I extend my admiration and sincere thanks to all members of the Police Force, particularly members of the Star Force Unit whose negotiators finally secured a peaceful resolution. I congratulate the STA for its quick action in providing six reticulated buses and drivers to provide transport for the evacuation process.

The St John Ambulance units and personnel provided the very necessary relief, not only to those who needed medical attention but also to those who needed compassionate and immediate therapy. Finally, and most importantly, I congratulate the staff and students of Banksia Park High School. The staff's initial actions assisted to lessen what was their major concern, the unknown danger to the students. The students enhanced the good reputation of their school by their courage and discipline in the manner in which they conducted themselves during the whole incident, including the evacuation. I am sure all members join with me in sympathising with the parents of the two injured students. I wish the children a speedy recovery from the injuries they sustained and from the trauma of the incident they experienced during the afternoon.

I want to refer to families who keep weapons in their home. I believe it is quite imperative that families, and parents in particular, ensure that access to those weapons, particularly firearms, is strictly restricted. However, it is up to the parents to demonstrate responsibility in the safe and secure storage of any weapons they might own. If parents feel they must have weapons in their suburban home, they have a responsibility to make unlawful access to such weapons as difficult as possible.

The Liberal Party has repeatedly questioned the Arnold Government in recent months about instances of violence in South Australian schools. Unfortunately, the reaction of the Government and Education Minister Lenehan in particular has been to rubbish Opposition allegations and not take our warnings seriously. We saw evidence of that today when I asked the Minister of Education, Employment and Training whether she would set up an independent inquiry into the alarming increase in the acts of violence that have spread across South Australian schools. The Minister's reply was a straight 'No', she would not set up an inquiry, and she abrogated further responsibility in her position as Minister by stating that the problem of violence in schools was the parents' responsibility only, and that as Minister of Education, Employment and Training she had no intention of taking up this issue on behalf of parents, students or staff under the portfolio that the Minister administers.

This is a disgrace. When the Minister was asked to do something about the violence in our schools, she stood in this place and totally abrogated her responsibility. When

we look at the level of violence in our schools, I believe it is imperative that the inquiry that we are calling for is instigated.

The DEPUTY SPEAKER: Order! The honourable member's time has expired.

NATIONAL PARKS AND WILDLIFE (MISCELLANEOUS) AMENDMENT BILL

The Hon. M.K. MAYES (Minister of Environment and Land Management) obtained leave and introduced a Bill for an Act to amend the National Parks and Wildlife Act 1972. Read a first time.

The Hon. M.K. MAYES: I move:

That this Bill be now read a second time.

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

Leave granted.

The National Parks and Wildlife Act is the principal piece of legislation for nature conservation in South Australia. In October 1992 the *National Parks and Wildlife (Miscellaneous) Amendment Bill 1992* was introduced into Parliament. That Bill contained amongst the proposed changes, provisions for the taking of animals for commercial purposes and for increased penalties for the taking or harming of marine mammals.

The Government decided not to proceed with that Bill on the basis of concerns raised that insufficient consultation had taken place. The provisions of that Bill are now being re-examined in conjunction with the current review of the National Parks and Wildlife component of the Department of Environment and Land Management.

There are however two components of the 1992 Bill which the Government believes should be proceeded with. These are provisions to facilitate emu farming and to provide penalties for offences relating to marine mammals.

A new Bill, *the National Parks and Wildlife (Miscellaneous) Amendment Bill 1993,* has been prepared to address these issues.

First, it is intended to make provision for the farming of protected animals. Emus are at this stage the only protected animals which are being considered for farming by the Government. Emu farming is a fledgling industry in Western Australia, Queensland and Tasmania. It is appropriate that South Australia should be given the legislative infrastructure to develop a local industry.

In South Australia potential emu farmers have been keeping and trading emus under the general permit provisions of the *National Parks and Wildlife Act.* The existing provisions of the Act do not provide a suitable legislative infrastructure for farming of native animals to ensure that the best interests of the species, the environment and the community are appropriately protected and managed.

The Bill makes provision for a definition of the business of farming animals and for the issue of permits to farm protected animals. Provision is made for a code of management to be prepared in consultation with the Department of Primary Industries and the community. The code is required to deal with matters such as the impact of removal of individual animals or eggs from the wild on the species or ecosystem, the welfare of the animals in captivity, need for research into the species, identification of animals and animal products and any other matters that should in the opinion of the Minister be addressed.

Royalty is payable upon any animals taken from the wild or slaughtered in captivity and the Bill provides for permit and royalty fees to be paid through the Wildlife Conservation Fund for administration of the farming provisions, for the benefit of the industry and for research into conservation of the species.

The Bill provides a transitional period of 12 months to existing permit holders who keep emus under Section 58 of the Act and to provide for preparation and adoption of a code of management. Following adoption of the code of management only those persons who keep emus within the definition of carrying on the business of farming animals and belong to an organisation which has as its sole objective the promotion of the interests of persons who carry on the business of farming animals to which the permit relates and are approved by the Minister will be eligible for an Emu Farming permit.

Secondly, the Bill makes provision for adequate protection and financial penalties to deter people from taking and harming marine mammals. Marine mammals are defined to include seals or sea lions and dolphins or whales.

The Bill contains amendments which will provide for penalties to be consistent with the fisheries legislation whereby a common penalty between the two pieces of legislation will be $30 000 for the taking, harming or possession of any species of marine mammal.

These provisions will also support proposals to prescribe the Australian Whale Watching guidelines as enforceable standards of behaviour under the Wildlife Regulations.

The amendments contained in this Bill facilitate the responsible management of our wildlife resources being farmed.

Emu farming is to be managed within a framework which protects environmental, conservation and animal welfare considerations but which allows the industry to develop itself commercially for the potential economic benefit of the State.

Clause 1 and 2: These clauses are formal.

Clause 3: Amendment of s. 5—Interpretation

This clause inserts a definition of **"marine mammal"** into section 5 of the principal Act.

Clause 4: Amendment of s. 51—Taking of protected animals, etc.

This clause amends the penalty provision for taking protected animals (section 51 of the principal Act). At the moment different penalties are provided for endangered species, vulnerable species, rare species and common species. The amendment takes marine mammals out of these categories and imposes a penalty of $30 000 or imprisonment for 2 years for taking a marine mammal. The penalties for the other categories are unchanged.

Clause 5: Amendment of s. 60—Illegal possession of animals, etc.

This clause makes a similar amendment to section 60 of the principal Act.

Clause 6: Insertion of Division IVA into Part V

This clause inserts a new Division IVA into Part V of the principal Act. The new Division provides for the farming of protected animals. The business of farming protected animals is given a limited definition (section 60b) and section 60c(2) provides that, after a transitional period, farming of an animal to which the Division applies cannot take place under permits granted under the other provisions of the principal Act. Section 60c(1) sets out the activities that are authorised by the permit which would otherwise be prohibited by other provisions of the principal Act. Subsections (3), (4) and (5) of section 60c place limitations on the granting of permits. Subsections (6), (7) and (8) impose conditions and restrictions on permits. Subsection (7) prevents the harvesting of wild animals for slaughter. Subsection (9) allows permit holders to sell eggs where the sale would not fall within the definition of carrying on the business of farming.

Section 60d provides for the preparation of a code of management. Section 60e provides for royalty. Section 60f provides that all money paid for permit fees and royalty must be used for the purposes listed in subsection (1).

Clause 7: Substitution of s. 68

This clause replaces section 68 of the principal Act.

Clause 8: Insertion of schedule 11

This clause inserts schedule 11 into the principal Act. The only species contemplated for farming at the moment is the Emu. Further species may be added in the future by amending the schedule.

The Hon. D.C. WOTTON secured the adjournment of the debate.

ELECTRICITY TRUST OF SOUTH AUSTRALIA (SUPERANNUATION) BILL

The Hon. J.H.C. KLUNDER (Minister of Public Infrastructure) obtained leave and introduced a Bill for an Act to amend the Electricity Trust of South Australia Act 1946. Read a first time.

The Hon. J.H.C. KLUNDER: I move:

That this Bill be now read a second time.

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

Leave granted.

This Bill seeks to make a series of technical amendments to existing superannuation provisions under the *Electricity Trust of South Australia Act 1946.*

The Bill also seeks to establish a non-contributory superannuation scheme for those employees of the Trust who are not members of the existing contributory schemes. The establishment of the non-contributory scheme is necessary so that the Trust complies with the requirements of the Commonwealth's Superannuation Guarantee Charge ("**SGC**") legislation. Under the SGC legislation, employers are required to pay a prescribed minimum superannuation contribution into a scheme.

The proposed Trust non-contributory scheme will closely follow the structure of the State Superannuation Benefits Scheme established under the *Superannuation (Benefit Scheme) Act 1992.*

The Bill also introduces a provision which will prevent the assignment of pensions. This will bring the Trust pension scheme into line with the state scheme provisions in this area. It is also a requirement of the *Occupational Superannuation Standards Act* of the Commonwealth that pensions not be assigned.

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

This clause is formal.

Clause 3: Amendment of s. 43f—Interpretation

This clause makes several amendments to section 43f of the principal Act which contains definitions of words and phrases used in Part IVB of the principal Act headed "Superannuation".

Clause 4: Amendment of s. 431—Establishment of the contributory scheme

Several amendments to section 431 of the principal Act of a consequential nature are made and 3 new subsections are inserted. Proposed subsection (3a) provides that the Rules may provide that contributors, or a class of contributors, have the option of transferring to another division of the contributory scheme or of terminating their membership of the scheme and that the exercise of such an option operates retrospectively.

Proposed subsection (4a) provides that a variation or replacement of the rules will be taken to have come into operation on the date specified in the instrument varying or replacing them whether that date occurred before or after the date on which the instrument was made or the date on which the Treasurer gave his or her approval.

Proposed subsection (6) provides that a right to a pension under the contributory scheme cannot be assigned but this subsection does not prevent the making of a garnishee order in relation to a pension.

Clause 5: Amendment of s. 43n—Payment of benefits

This clause provides that when all rights to benefits are exhausted in respect of a contributor the balance standing to the credit of the contributor's account must be repaid to the Trust to the extent of contributions made by the Trust in respect of that contributor. Any balance left in the account after this has been done can be paid to the contributor or to his or her estate under the Rules. A similar provision applies in relation to the State Superannuation scheme—see section 48 of the *Superannuation Act 1988.*

Clause 6: Amendment of s. 43o—The Fund

This amendment substitutes a new paragraph (c) in subsection (6) providing that one of the categories of contributors to the fund will be contributors whose contributions commenced on or after 1 February 1991 or who have, pursuant to the Rules, become contributors to the division of the contributory scheme established for the benefit of contributors referred to in subparagraph (i).

Clause 7: Amendment of s. 43r—Contributors' accounts

The main amendment to this section is the addition of a new subsection (8) which provides that subsection (7) applies to contributors who are employees of the Trust and contributors who have resigned from employment with the Trust but have elected to preserve their accrued superannuation benefits.

Clause 8: Amendment of s. 43s—Reports

This clause amends section 43s of the principal Act by striking out from paragraph (a) of subsection (3) "Scheme" wherever occurring and substituting, in each case, "contributory scheme".

Clause 9: Insertion of Divisions VIII and IX into Part IVB

This clause inserts Divisions VIII and IX into Part IVB of the principal Act after section 43 s.

Division VIII — (comprising sections 43t — 43x) is headed "Electricity Trust of South Australia Non-Contributory Superannuation Scheme".

Proposed section 43t contains the definitions of words and phrases used in this Division.

Proposed section 43u provides that the Trust must establish a non-contributory superannuation scheme (the *Electricity Trust of South Australia Non-Contributory Superannuation Scheme)* for the benefit of—

- its employees who are not members of the contributory scheme;
- those members of the contributory scheme in relation to whom the benefits accruing under that scheme are not sufficient to reduce the charge percentage under the Commonwealth Act to zero;
- those members of the contributory scheme to whom a benefit is not for the time being accruing under that scheme.

The Trust must make rules that provide for membership of the non-contributory scheme, contributions by the Trust and

benefits and other matters relating to the establishment and operation of the scheme which Rules must—

- must conform to the provisions of Division VIII;
- must be approved by the Treasurer; and
- may be varied or replaced by the Trust with the approval of the Treasurer.

On approval by the Treasurer, the Rules will be taken to have come into operation on 1 July 1992 or such later date as is specified in the Rules and a variation or replacement of the Rules will be taken to have come into operation on the date specified in the instrument varying or replacing them whether that date occurred before or after the date on which the instrument was made or the date on which the Treasurer gave his or her approval.

Proposed subsection (6) provides that the benefits provided by the Rules to, or in relation to, an employee must not exceed the minimum amount required to avoid payment of the superannuation guarantee charge in respect of the employee under the Commonwealth Act.

Proposed section 43v provides that benefits under the non-contributory scheme must be paid by the Trust.

Proposed section 43w provides that the Board must, in respect of each financial year, keep proper accounts of payments to, or in relation to, employees to whom benefits have accrued under the non-contributory scheme and the Board must prepare financial statements in relation to those payments in a form approved by the Treasurer. The Auditor-General may at any time, and must at least once in each year, audit those accounts and financial statements.

Proposed section 43x provides that the Board must on or before 31 October in each year submit a report to the Treasurer on the operation of this Division and the Rules during the financial year ending on 30 June in that year which must include a copy of the financial statements prepared by the Board in relation to payments to, or in respect of, employees of the Trust. Copies of the report must be laid before both Houses of Parliament.

Division IX (comprising section 43y) is headed "General". Proposed section 43y provides that the Trust cannot be required by or under the *Industrial Relations Act (S.A.) 1972* or by an award, industrial agreement or contract of employment to make a payment or payments in the nature of superannuation or to a superannuation fund, for the benefit of a member of the contributory scheme or of a person to whom benefits accrue under the non-contributory scheme.

Clause 10: Substitution of schedule

The Schedule contains a transitional provision.

Mr S.J. BAKER secured the adjournment of the debate.

YOUNG OFFENDERS BILL

The Hon. M.J. EVANS (Minister of Health, Family and Community Services) obtained leave and introduced a Bill for an Act to reconstitute the juvenile justice system in this State; and for other purposes. Read a first time.

The Hon. M.J. EVANS: I move:

That this Bill be now read a second time.

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

Leave granted.

The *Young Offenders Bill* is one of three Bills which will replace the *Children's Protection and Young Offenders Act 1979*. The other two are the *Youth Court Bill 1993* and the proposed *Children's Protection Bill 1993*. The *Youth Court Bill,* together with the *Education (Truancy) Amendment Bill,* are being introduced concurrently with this Bill.

The current *Children's Protection and Young Offenders Act 1979* resulted from a 1976 Royal Commission into the South Australian Juvenile Justice System and when first introduced, was considered to be highly innovative. However, despite numerous amendments, the Act has not been able to keep pace with, nor respond to, the rapid structural and attitudinal changes which have taken place in society over the past fifteen years. Hence, it no longer meets community expectations about how young offenders should be treated. A complete overhaul of the juvenile justice legislation is therefore required.

The Bills currently before the House are based on the recommendations of the Select Committee on the Juvenile Justice System which was set up on 28 August 1991 in response to growing community concerns about juvenile offending. Evidence presented to the Committee during its extensive period of inquiry identified a number of problems.

There is a widespread public perception that the current system of juvenile justice does not deal effectively with young offenders, especially those who commit serious offences or who are long-term recidivists. The penalties handed down by the Children's Court are considered to be too lenient in many cases, with young offenders not being held accountable for, nor made to confront the consequences of, their actions. As a result, it is believed that the system fails to deter young people from re-offending and fails to adequately protect the community from such criminal behaviour.

Long delays in processing exacerbate this problem. Evidence placed before the Committee indicated that in some cases over six months elapsed before a matter could be finalised. Such delays are undesirable for a number of reasons. Most importantly, young offenders do not experience immediate consequences for their actions and any impact which the final sanction may have had on them is lost. Delays also entail a significant waste of already limited court resources, and unjustifiably extend the time which victims are required to wait for the delivery of justice.

The current system fails in other respects. It does not, for example, take into account the needs of the victim. Parents are also largely excluded, with the result that their authority is undermined and they are not required to accept responsibility for their child's behaviour. The young offenders themselves play only a minor role in the process. The presence of lawyers and social workers in court effectively relegates them to the role of bystander which further shields them from the consequences of their actions.

These and other criticisms make it clear that a complete reassessment of the way in which young offenders are dealt with in this State is urgently needed. The *Young Offenders Bill* has been prepared in response to this need.

This Bill reconstitutes the juvenile justice system in South Australia. It applies to young people aged 10 to 17 inclusive.

The aims of this Bill are to;

- ensure that young people are held accountable for their behaviour and experience immediate and relevant consequences for their criminal acts
- increase both the severity and range of penalties available at all levels of the system
- enhance the role of police in the juvenile justice system

- empower families to play a greater role and to take more responsibility for their children's behaviour
- protect the rights of victims to restitution and compensation, and
- allow victims, where appropriate, to confront the young offenders and make them aware of the harm which they have caused.

To achieve these aims, the *Young Offenders Bill* redefines the philosophy on which the juvenile justice system is predicated. Under the current *Children's Protection and Young Offenders Act,* the primary emphasis is on the rehabilitative or welfare requirements of the child, while the need to protect the community and to hold young people accountable for their criminal acts is taken into consideration only "where appropriate". Unlike the adult system, the principle of general deterrence cannot be applied by the Children's Court when sentencing a young person.

The Bill reverses this emphasis in order to ensure that the needs of victims and the community are given appropriate precedence. Section 3 of the Bill states that persons exercising jurisdiction under this legislation must take account of three factors: first, the need to make the young person aware of his or her obligations under the law and of the consequences of breaching the law; second, the need to protect the community and individual members of it against the violent or wrongful acts of the youth; and third, the need to impose sanctions which are sufficiently severe to provide an appropriate level of deterrence. The welfare needs of the child are still considered relevant, but these are to be taken into account only where the circumstances of the individual case allow.

The Bill also effects a major restructuring of the juvenile justice system itself. In accordance with the aim of returning police to a more central role, a system of formal police cautioning is introduced. At the initial point of contact with a youth suspected of having committed an offence, the police will have the option of either informally warning the youth on the spot if the matter is extremely minor, or issuing a more formal caution, which will be officially recorded. These records will be admissible as evidence of prior offending in the Youth Court but will not be admissible in proceedings relating to offences committed by the individual as an adult.

The formal caution may take the form of a verbal warning delivered to the young person in the presence of his/her parents or guardians. Where appropriate, it may also involve a "warning with penalty", whereby the police officer can require a young person to apologise and/or make reparation to the victim, undertake up to 75 hours of community work, or take part in any other activity which the officer considers appropriate to the case. (However, in determining such outcomes, the cautioning officer must take into account the sentencing practices of the Youth Court to ensure that the penalty imposed is not greater than that which would have been imposed by a Court.) Failure to fulfil an undertaking at this level results in referral to either a family conference or the Youth Court. The aim is to increase the range of options available to police so that they can deal with relatively minor matters quickly and effectively without the need for formal judicial processing.

To ensure that the legal rights of the young person are protected at this level, the Bill stipulates that before a formal caution can be administered, the youth must be informed of the charges alleged against him/her and of his/her right to obtain legal advice. The cautioning officer must also ensure that the youth understands the nature of the caution and the fact that it may be submitted as evidence of prior offending in any subsequent juvenile court proceedings. The young person must also admit the allegation. If he/she refuses to do so, the matter is automatically referred to the Youth Court for adjudication. With or without an admission of guilt, the young person may also request that the matter be referred to court if he/she so prefers.

The fact that an admission of guilt is a prerequisite for diversion to a police caution could be criticised on the grounds that it is coercive; that is, a young person may be pressured into admitting an offence which he/she did not commit in order to avoid the stigma of a court appearance and the possible acquisition of a criminal record which such an appearance may entail. To avoid this situation, the Bill allows that if a young person denies the allegations and is subsequently referred to the Youth Court, that Court may, if guilt is subsequently established, refer the matter back to police for a formal caution. The youth will not acquire a court record or be subject to a court order and so will not be penalised for invoking his/her rights to due process.

As a second major structural change, the *Young Offenders Bill* abolishes the current system of Screening and Children's Aid Panels. Under the new legislation, the screening decision rests with the police. If they consider that a matter is too serious to warrant a police caution, they have the power to decide whether the youth will be referred to a family conference or to the Youth Court. Referrals to a family conference cannot be overturned. However, if a case is referred direct to the Youth Court, that Court may, if it considers the referral inappropriate, direct it back to either a formal police caution or a family group conference.

The abolition of Children's Aid Panels and their replacement by a family conferencing system represents a major shift in emphasis in the treatment of young offenders in South Australia. While there is some evidence to suggest that Aid Panels have been effective in dealing with first or minor offenders, they were not designed to respond to the moderately serious offender. Under the new system, the minor matters which previously would have been resolved satisfactorily by Aid Panels will henceforth be dealt with at an earlier stage, by way of police cautioning. A different pre-court diversionary procedure is therefore required—one which is able to deal effectively with those moderately serious matters which do not require a formal court hearing but which are too difficult for police to resolve.

In accordance with the recommendations of the Select Committee, the *Young Offenders Bill* establishes a system of family conferences, based on the system currently operating in New Zealand. Each conference is convened by an independent mediator, referred to as a Youth Justice Coordinator. His or her task will be to bring together, in an informal and non-threatening setting, those people most directly affected by the young person's offending behaviour and through a process of discussion and mediation, reach consensus regarding an appropriate outcome. Although attendance at each conference will vary, the young person will be required to be present, together with his/her parents or guardians. Any members of the extended family who may be able to contribute to the discussion may also be invited. The victim, together with any supporters she/he nominates, will also be able to attend if he/she so chooses.

Participation of the victim in the judicial process is a new concept in South Australia. Under the current system, victims are largely excluded — a fact which has generated considerable resentment and frustration. Family Conferences will rectify this by giving victims a central role in the process. They will be able to confront the young person and make him/her aware of the

anger and hurt caused by the offending behaviour. The victim will also play an important role in determining the final outcome, thereby ensuring that his/her needs are taken into account. The New Zealand experience indicates that such participation is an important factor in the victim's healing process.

Family conferences will also allow parents to participate fully in the decision-making process. This will not only empower the parents but will also require them to accept responsibility for their offending children. The concepts of empowerment and responsibility are important. Many families of young offenders have either abrogated their responsibilities or have had effective authority over their children taken away from them by the current system, where decisions are made by professionals and where the wishes of parents are often not heeded. By contrast, decision-making in family conferences will rest primarily with the parents and the victims, with the professionals being there to give advice only when needed. These conferences will therefore provide an effective means for re-establishing parental authority, responsibility and discipline.

Another inherent advantage of the family conference is its ability to accommodate cultural diversity. A young Aboriginal offender, for example, will be able to invite members of his/her extended family, as well as other significant adults, including tribal elders.

The New Zealand experience indicates that the range of outcomes agreed to at family conferences are generally more innovative and diverse than those imposed by the Youth Court. Whereas the sentencing discretion of a Court is limited by statute, the outcomes reached at family group conferences will be subject to far fewer constraints, with the result that outcomes can be tailored to fit the specific circumstances of the case. It is expected that in most instances, the youth will be required to apologise or make restitution to the victim and up to 300 hours of community service can be imposed. However, to avoid inappropriately harsh outcomes at this level, the family conference must take account of sentencing policies in the Youth Court.

The acceptance of the young offender of the outcome of the conference is essential and vital to the process. If the conference fails to reach agreement, the matter will be automatically referred to the Youth Court. The police, whose presence at the conference is mandatory, will also have the right of veto if they consider that the outcome agreed to is inappropriate. To ensure that this right of veto is used responsibly, the Youth Court will have the power to overturn that veto and refer the case back to the conference.

As is the case with police cautions, records of a family group conference hearing will be admissible as evidence of prior offending in the Youth Court but not in an adult court once the person turns 18.

Youth Justice Coordinators will be appointed for an initial term of three years, during which time they will be responsible to the Senior Judge of the Youth Court.

With the establishment of family conferences, only the most serious offenders and long-term recidivists will need to be referred to Youth Court. At the Court level, to ensure greater accountability, penalties have been increased and extended. The maximum period of detention has been raised from two years to three years, and the minimum period of two months has been abolished. Home detention for periods not exceeding 6 months has been introduced as a new sentencing option. The length of community service orders has been extended to 500 hours maximum. In contrast to the present legislation, the Bill does not recognise participation in recreational and educational programs as community work. Good behaviour bonds have also been abolished. Instead, the Bill gives the court greater flexibility in the type and range of conditions it can impose as part of an order. It will also ensure greater accountability by requiring a youth who has breached a specific order to be brought back to court for re sentencing. Finally these new Court orders will allow the court greater flexibility in ensuring that the right of victims to restitution and compensation can be met.

The Bill places strong emphasis on parental responsibility. To this end, the Youth Court has the power to order the parents or guardians to attend hearings. If the young person is found guilty, parents can be placed on an undertaking to guarantee the youth's compliance with the conditions imposed on the youth, to take specified action to assist the youth's development and to report, as required, on the youth's progress. Parents may also be held liable for any injury or damage resulting from their children's offending behaviour. There will however, be appropriate checks and balances to ensure that parents who have acted responsibly but who, for reasons outside of their control have been unable to influence their children's behaviour, will not be penalised. The Court may also take into account the circumstances of the family when considering a compensation order against the parents. In particular, the impact of such an order on the circumstances of other children in the family will be considered.

As is the case under the current *Children's Protection and Young Offenders Act,* youths who are charged with murder will be automatically dealt with by the Supreme Court and if found guilty, will be liable to a mandatory sentence of life imprisonment. The *Young Offenders Bill* also streamlines the process whereby youths charged with serious offences can be transferred to the District or Supreme Court for adjudication and sentencing. Under the current system, an application for such a transfer can only be lodged with the approval of the Attorney General and must be heard by a judge of the Supreme Court. This process often involves lengthy delays. Under the proposed legislation, the application may be lodged by the Director of Public Prosecutions or a Police Prosecutor and may be determined by the Youth Court rather than the Supreme Court.

In those cases where, because of the gravity of the offence, a young person is committed for trial in the District or Supreme Court, that court has three options once guilt has been established. It may sentence the youth as an adult, or make any order which the Youth Court could impose, or refer the youth back to the Youth Court for sentencing.

In accordance with the notion of due process, the young person may also request trial in an adult court. However, if subsequently found guilty, the District or Supreme Court cannot sentence him/her as an adult unless the gravity of the offence or the youth's prior offending history warrants such a course of action.

In keeping with the Bill's greater emphasis on accountability rather than welfare concerns, the role of the Department for Family and Community Services within the Youth Court system has been reduced. Social workers currently play an important role at the point of sentencing in the Children's Court. This accords with the rehabilitative or welfare approach to the treatment of juvenile offending, which regards such behaviour as a sign of underlying social and personal problems requiring "treatment" rather than punishment. Since social workers have been considered to be experts in this area, they have been assigned the task of advising the Court as to appropriate options and providing treatment alternatives. This involvement of FACS

staff, while in accordance with their obligations under the Act, has recently been the subject of considerable criticism.

With the current shift in emphasis away from traditional welfare notions towards the view that young people must be held more accountable for their actions, it is no longer appropriate for social workers to have such a pronounced input at the Court level. In line with this, the Young Offenders Bill does not confer on social workers an automatic right of audience and pre-sentence reports will be prepared by FACS only at the request of the Court. Moreover, the Bill specifically stipulates that these presentence reports must not contain any sentencing recommendations. FACS will, however, continue to provide programs for young offenders and be responsible for the administration of the State's detention centres.

Other important changes made by the Bill include requiring victims to be informed of the identity of the offender if they so request; extending the scope and membership of the current Children's Court Advisory Committee (renamed the Juvenile Justice Advisory Committee) to more effectively monitor the operation of the juvenile justice system as a whole; and extending the membership of the Training Centre Review Board to include police representatives.

In summary, it is clear that the *Young Offenders Bill* embodies a radical restructuring of the juvenile justice system in South Australia. The strong emphasis on accountability and community protection are in accord with the growing public concern that under the current system young offenders are being dealt with too leniently and are not being forced to accept responsibility for their actions. The introduction of a formal police cautioning system provides police with a more effective mechanism for responding to more trivial offending, while the establishment of family conferencing allows greater participation by the parents, the young offender and the victim in determining appropriate outcomes. Finally, by strengthening and extending the penalties available to the Youth Court, the Bill ensures that young offenders will receive appropriate levels of punishment.

From the time of first settlement, South Australia has been regarded a trend setter in the area of juvenile justice. This Bill will ensure that its reputation in this area is maintained.

PART 1
PRELIMINARY

Clause 1: Short title

Clause 2: Commencement

This clause provides for commencement on proclamation.

Clause 3: Objects and statutory policies

This clause sets out the objects of the Act and the statutory policies that must be followed in the exercise of powers under the Act.

Clause 4: Interpretation

Attention is drawn to the definitions of **"youth"** and **"minor offence"**. The definition of **"minor offence"** determines the types of offences that may be dealt with by caution or family conference.

Clause 5: Age of criminal responsibility

The age at which a person can commit an offence is retained at 10.

PART 2
MINOR OFFENCES
DIVISION 1—GENERAL POWERS

Clause 6: Informal cautions

A police officer may informally caution a youth who admits the commission of a minor offence. An informal caution is not recorded.

Clause 7: More formal proceedings

The other choices presented to a police officer where a youth admits the commission of a minor offence are to formally caution the youth, to initiate action for a family conference or, in the case of repeated offences or some other circumstance of aggravation, to lay a charge for the offence before the Youth Court.

The youth may require the matter to go to court.

DIVISION 2—SANCTIONS THAT MAY BE IMPOSED BY POLICE OFFICE

Clause 8: Powers of police officer

In administering a formal caution a police officer may require the youth to enter into an undertaking to pay compensation to the victim, to carry out community service (not exceeding 75 hours) or to apologise to the victim or do anything else that may be appropriate in the circumstances of the case.

If such an undertaking is breached, the matter may be taken to a family conference or a charge may be laid for the offence before the Youth Court. The youth may require the matter to go to court.

The police officer must, at the request of the victim, inform the victim of the identity of the offender and how the offence has been dealt with.

DIVISION 3—FAMILY CONFERENCE

Clause 9: Appointment of Youth Justice Coordinators

This clause governs the appointment of Youth Justice Coordinators for 3 year terms. The Senior Judge of the Youth Court must be consulted about such appointments.

Clause 10: Convening of family conference

A Youth Justice Coordinator must fix a time and place for the family conference and invite the guardians of the youth, relatives or other persons with a close association with the youth who may be able to participate usefully, the victim and, if the victim is a youth, the guardians of the victim, and any other persons he or she thinks fit. The victim may also invite a person to attend to provide the victim assistance and support.

Clause 11: Family conference, how constituted

A family conference consists of the Coordinator, the youth, the persons who attend in response to invitation and a representative of the Police Commissioner. The youth may be advised by a legal practitioner. The conference is to act by consensus of the youth and the invitees, but the youth and the police representative must concur in any decision.

If no decision can be reached the matter must be referred to the Youth Court.

Clause 12: Powers of family conference

The conference may decide to administer a formal caution to the youth, require the youth to undertake to pay compensation to the victim, to carry out community service (not exceeding 300 hours) or to apologise to the victim or do anything else that may be appropriate in the circumstances of the case. An undertaking cannot extend beyond 12 months.

If the youth does not attend the conference or comply with a requirement of the conference or breaches an undertaking, a charge for the offence may be laid before the Court.

The Coordinator must, at the request of the victim, inform the victim of the identity of the offender and how the offence has been dealt with.

PART 3
ARREST AND CUSTODY OF SUSPECTED OFFENDERS

Clause 13: Application of general law

This clause applies the general law to youths with necessary modifications.

Clause 14: How youth is to be dealt with if not granted bail

If a youth is not granted bail, the youth is to be detained with a person, or in a place, approved by the Minister. The youth must not be detained in prison although if there is no other alternative in a country area the youth may be detained in a police prison or a police station approved by the Minister (but must be kept away from adults detained in that place).

PART 4

COURT PROCEEDINGS AGAINST A YOUTH

DIVISION 1—THE CHARGE

Clause 15: Charge to be laid before the Court

Youths must be charged before the Youth Court.

Clause 16: Proceedings on the charge

The charge is to be dealt with in the same way as the Magistrates Court deals with a charge of a summary offence.

The Court may refer the matter back for a formal caution or a family conference.

The charge may be dealt with by way of preliminary examination in the Youth Court and trial or sentencing in the Supreme or District Court if the offence is homicide or attempted homicide, the youth requires it to be so dealt with or the Youth Court or the Supreme Court determines that the youth should be dealt with as an adult because of the gravity of the offence or because of repeated offending.

DIVISION 2—PROCEDURE ON PRELIMINARY EXAMINATION AND TRIAL

Clause I7 Procedure on trial of offences

The procedure is as for a summary offence in the Magistrates Court.

Clause 18: Committal for trial

The procedure for preliminary examinations is as in the Magistrates Court.

Clause 19: Change of plea

A plea can be changed from guilty to not guilty by direction of the Court at any stage.

Clause 20: Recording of convictions

A conviction is to be recorded for a major indictable offence unless special reasons for not doing so are given by the Court.

DIVISION 3—SENTENCE

Clause 21: Power to sentence

The Youth Court has the same sentencing powers as the Magistrates Court in relation to summary offences and as the District Court in relation to indictable offences.

Clause 22: Limitation on power to impose custodial sentence

The Youth Court cannot sentence a youth to imprisonment. Instead the youth can be sentenced to detention in a training centre for a period not exceeding 3 years or home detention not exceeding 6 months or an aggregate of 12 months over 2 years or detention in a training centre for a period not exceeding 2 years to be followed by home detention for a period not exceeding 6 months or for periods not exceeding 12 months in aggregate over a period of 2 years or less.

Clause 23: Limitation on power to impose fine

The maximum fine that may be imposed by the Youth Court is a Division 7 fine ($2 000).

Clause 24: Limitation on power to require community service

The maximum community service that a youth may be required to carry out by the Youth Court is 500 hours.

Clause 25: Limitation on Court's power to require bond

The Youth Court may not require a youth to enter into a bond but may impose an obligation of a similar kind on the youth.

Clause 26: Court may require undertaking from guardians

The Youth Court may ask the guardians of a youth to guarantee the youth's compliance, to take specified action to assist the youth's development and to guard against further offending by the youth or to report at intervals on the youth's progress.

Clause 27: Power to disqualify from holding driver's licence

The Youth Court may disqualify a youth from holding a driver's licence in appropriate cases.

DIVISION 4—SENTENCING OF YOUTH BY SUPREME OR DISTRICT COURT

Clause 28: Sentencing youth as an adult

The options for sentencing when a youth is before the Supreme or District Court are for that court to deal with the youth as an adult (but only if the offence is an indictable offence and the gravity of the offence or the history of offending justifies it), to deal with the youth in any manner that the Youth Court could have dealt with the youth or to remand the youth to the Youth Court for sentencing.

Murder must be punished by imprisonment for life.

DIVISION 5—MISCELLANEOUS

Clause 29: Court to explain proceedings etc.

A court is required to satisfy itself that a child understands the nature of criminal proceedings being brought against the child.

Clause 30: Prohibition of joint charges

A youth can only be charged jointly with an adult if the matter is to go before the Supreme or District Court.

Clause 31: Reports

A court may, once it has found an offence proved against a youth, receive a report on the social background and personal circumstances of the youth from FACS. If the youth, a guardian of the youth or the prosecutor disputes the report, it must not be relied on unless proved beyond reasonable doubt.

Clause 32: Reports to be made available to parties

Generally, reports in criminal proceedings must be available to the youth, guardians for the youth and the prosecutor.

Clause 33: Attendance at court of guardian of youth charged with offence

A court may compel the attendance of a youth's guardians.

Clause 34: Counsellors, etc., may make submissions to court

A court may hear submissions from a counsellor or guardian of a youth.

PART 5

CUSTODIAL SENTENCES

DIVISION I—YOUTH SENTENCED AS ADULT

Clause 35: Detention of youth sentenced as adult

The youth will be detained in a training centre unless the court orders that the youth go to prison. The court must decide whether once the youth attains 18 the youth should go to prison or stay in a training centre. Provisions of the *Correctional Services Act 1982* relating to remission and release on parole apply to the youth with certain modifications.

DIVISION 2—YOUTHS CONVICTED OF MURDER

Clause 36: Release on licence of youths convicted of murder

The Supreme Court may authorise the release on licence by the *Training Centre Review Board* of a youth sentenced to imprisonment for life and being detained in a training centre.

The licence continues until the youth is discharged by the Supreme Court absolutely from the sentence of life imprisonment.

The Board may impose conditions on the release. If the conditions are breached, the licence may be cancelled and if the youth is sentence to imprisonment or detention for an offence committed while subject to a licence that licence is cancelled.

An appeal lies to the Full Court against a decision of the Supreme Court to release a youth on licence or to discharge a youth from a sentence of life imprisonment.

DIVISION 3—RELEASE FROM DETENTION

Clause 37: The Training Centre Review Board

This clause establishes the Board comprised of—

(a) the Judges of the Youth Court; and

(b) two persons with appropriate skills and experience in working with young people, appointed by the Governor on the recommendation of the Attorney-General; and

(c) two persons with appropriate skills and experience in working with young people, appointed by the Governor on the recommendation of the Minister; and

(d) two police officers with appropriate qualifications and experience appointed by the Governor on the recommendation of the Minister for Emergency Services.

The Board is to be constituted of a Judge and 3 appointed members when sitting to review any matter under the Act.

Clause 38: Review of detention by Training Centre Review Board

The progress of a youth detained in a training centre must be reviewed at least each 6 months.

The Board must determine whether a youth approaching 18 will remain in the training centre or go to prison.

Clause 39: Leave of absence

The Director-General of FACS may grant a youth leave of absence from a training centre—

(a) for the medical or psychiatric examination, assessment or treatment of the youth; or

(b) for the attendance of the youth at an educational or training course; or

(c) for such compassionate purpose as the Director-General thinks fit; or

(d) for any purpose related to criminal investigation; or

(e) for the purpose of enabling the youth to perform community service.

If the youth is to leave the State, leave of absence can only be granted with the Minister's approval.

Clause 40: Conditional release from detention

The Board may authorise the Director-General to grant leave to a youth where the youth will not be subject to the supervision of the Director-General.

The Board may order the release of a youth if the youth has generally been of good behaviour, has served two thirds of his or her sentence and there is no undue risk that the youth would, if released, re-offend. The release may be conditional.

Clause 41: Absolute release from detention by Court

Where a youth detained by the order of the Youth Court has been released under clause 38, the Youth Court may discharge the youth absolutely from the detention order.

DIVISION 4—TRANSFER OF YOUTHS UNDER DETENTION

Clause 42: Interpretation

This interpretation clause operates for the purposes of this division.

Clause 43: Transfer of young offenders to other States

This clause enables the Minister to make arrangements with his or her interstate counterparts for the transfer of young offenders from this State to another State or Territory. If the offender does not consent to the transfer there must be special reasons justifying the transfer without consent. An arrangement for transfer must be ratified by the Youth Court.

Clause 44: Transfer of young offenders to this State

This clause enables the Minister to make arrangements with his or her interstate counterparts for the transfer of young offenders to this State.

Clause 45: Adaptation of correctional orders to different correctional systems

Correctional orders may be modified as necessary.

Clause 46: Custody during escort

An escort is given the custody of the young offender during transfer.

DIVISION 5—ESCAPE FROM CUSTODY

Clause 47: Escape from custody

This clause makes it an offence for a youth to escape from a training centre or from any person who has his or her lawful custody or to otherwise be unlawfully at large. Any detention to which the youth is sentenced for such an offence is in addition to any other sentence to which the youth is already subject.

PART 6

COMMUNITY SERVICE

Clause 48: Community service cannot be imposed unless there is a placement for the youth

A court or family conference must be satisfied that there will be a suitable placement for the youth in a community service program within a reasonable time before requiring a youth to carry out community service.

Clause 49: Insurance cover for youths performing community service

A youth performing community service must be insured.

Clause 50: Community service may only involve certain kinds of work

Community service must be for the benefit of—

(a) the victim of the offence; or

(b) persons who are disadvantaged through age, illness, incapacity or any other adversity; or

(c) an organisation that does not seek to secure a pecuniary profit for its members; or

(d) a Public Service administrative unit, an agency or instrumentality of the Crown or a local government authority.

PART 7

COMPENSATORY ORDERS AGAINST PARENTS

Clause 51: Compensatory orders against parents

The Youth Court may order a parent of a young offender to pay compensation to the victim of the offence unless the parent proves that he or she generally exercised, so far as reasonably practicable in the circumstances, an appropriate level of supervision and control over the youth's activities. The Court must have regard to the likely effect of the order on the family to which the youth and parent belong.

PART 8

THE JUVENILE JUSTICE ADVISORY COMMITTEE

Clause 52: Establishment of the Juvenile Justice Advisory Committee

The *Juvenile Justice Advisory Committee* is established and comprises—

(a) a person with recognised expertise in the field of juvenile justice (the presiding member); and

(b) a Judge of the Supreme Court or a District Court Judge; and

(c) a person who, in the opinion of the Attorney-General, has wide knowledge of and experience in law enforcement, and who is nominated by the Attorney-General; and

(d) a person who, in the opinion of the Minister, has wide knowledge of and experience in the field of

community welfare, and who is nominated by the Minister; and

(e) a person who is, in the opinion of the Minister, a suitable representative of the public.

Clause 53: Allowances and expenses

Allowances and expenses are to be determined by the Governor.

Clause 54: Removal from and vacancies of office

This clause provides for removal from office by the Governor and for vacancies of office.

Clause 55: Functions of the Advisory Committee

The functions of the Committee are to—

(a) monitor and evaluate the administration and operation of the Act; and

(b) cause such data and statistics in relation to the administration of juvenile justice as it thinks fit, or as the Attorney-General may direct, to be collected; and

(c) perform any other functions assigned by the Act; and

(d) advise the Minister on other issues relevant to the administration of juvenile justice; and

(e) perform such other functions as may be assigned, by regulation, to the Advisory Committee.

Clause 56: Reports

The Advisory Committee must make an annual report to the Attorney-General and must make other reports as requested by the Attorney-General.

PART 9

MISCELLANEOUS

Clause 57: Determination of a person's age

An estimate of age may be used for the purposes of the Act if there is no evidence or information as to age.

Clause 58: *Prior offences*

Offences committed as a youth are to be disregarded when considering offences as an adult. Offences as a youth may be considered when considering other offences as a youth.

Clause 59: *Detention and search by officers of Department*

Custody of a youth being conveyed to court is given to an authorised officer of FACS.

Clause 60: Hindering an officer of the Department

It is an offence to hinder an officer of FACS.

Clause 61: Issue of warrant

Allegations must be substantiated on oath before a warrant for arrest or order for removal of a youth is issued.

Clause 62: Detention of youths in emergencies

Police prisons or police stations approved by the Minister may be used where an emergency prevents detention of youths in training centres.

Clause 63: *Transfer of youths in detention to other training centre or prison*

Provision is made for transfer of youths between training centres and for youths who have attained 18 to apply to a Judge of the Youth Court to be transferred to prison.

Provision is also made for the Director-General to apply for transfer of a youth 16 or over to prison if the youth cannot be properly controlled in a training centre, has been found guilty of assaulting an employee or other person in a training centre, has persistently incited others to cause disturbance or has escaped or attempted to escape.

Clause 64: Name and address of youth to be given in certain circumstances

The Commissioner of Police is required to inform victims of the name and address of the offender at their request.

Clause 65: Regulations

Regulations may—

(a) regulate the administration and management of training centres; and

(b) regulate the practice and procedure of the *Training Centre Review Board;* and

(c) prescribe forms to be used under this Act; and

(d) prescribe the procedures to be observed in relation to the detention of a youth prior to being dealt with by a court, or while a youth is being conveyed to or from any court, or while a youth is in attendance at any court; and

(e) prescribing fines, not exceeding a division 8 fine in each case, for breach of the regulations.

The Hon. D.C. WOTTON secured the adjournment of the debate.

EDUCATION ACT

The Hon. M.J. EVANS (Minister of Health, Family and Community Services) obtained leave and introduced a Bill for an Act to amend the Education Act 1972. Read a first time.

The Hon. M.J. EVANS I move:

That this Bill be now read a second time.

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

Leave granted.

The *Education (Truancy) Amendment Bill* amends the *Education Act 1972.*

The two main changes effected by this Bill are the removal of truancy as an offence for children and the extension of the powers available to authorised officers to remove truanting children from public places and return them either to the school or to their parents or guardians. Both of these amendments are in accord with the recommendations of the Select Committee on the Juvenile Justice System.

Under the current *Education Act,* a child who is frequently absent from school for no valid reason can be charged with the offence of truancy. The child will then be dealt with in the first instance by a Children's Aid Panel and if this fails, will be referred to the Children's Court for a hearing. The Select Committee rejected this approach. It recommended that, if all reasonable action has been taken to ensure attendance, the young person should be considered as a child in need of care and protection rather than being dealt with as an offender. The Bill gives effect to this recommendation. It does not, however, remove the responsibility of parents to ensure their child's attendance at school. Parents are therefore still liable for prosecution under the Education Act.

To ensure that care and protection proceedings are initiated for truanting children only as a last resort, the Bill places an obligation on authorised officers to take all possible steps to resolve the problem at the school level. It also extends the powers of these authorised officers when dealing with a truanting child found in a public place during school hours. Under the current Act, an authorised officer who observes such a child can do no more than seek to obtain from that child or an accompanying adult the child's name, address, age and reason for his/her non-attendance at school. Under the new Bill, if the child does not have a valid reason for being absent from school, the authorised officer will have the authority to take that child into his or her custody and to return the child either to the school or to the child's parents or guardians. This will ensure

that the child experiences an immediate consequence for his/her truanting behaviour. It may also reduce the likelihood of that child becoming involved in any illegal behaviour while unsupervised in a public place.

Clause 1: Short title

Clause 2: Commencement

This clause provides for commencement on proclamation.

Clause 3: Substitution of s. 79

Section 79 currently creates an offence of truancy to be dealt with under the *Children's Protection and Young Offenders Act 1979.*

That offence is removed and the new section 79 requires authorized officers (teachers, police, authorized FACS officers and authorized Education Department officers) to take all practicable action to ensure children attend school.

Clause 4: Amendment of s. 80—Powers in relation to suspected truancy

The amendment gives all teachers the powers currently given to the police, authorised FACS officers and authorised Education Department officers to obtain information about the identity of a child who is not at school and the reasons for the child's non-attendance.

The amendment extends the powers of such persons by enabling them to take a child into custody and return the child to school.

The Hon. D.C. WOTTON secured the adjournment of the debate.

YOUTH COURT BILL

The Hon. M.J. EVANS (Minister of Health, Family and Community Services) obtained leave and introduced a Bill for an Act to establish the Youth Court of South Australia; to define its jurisdiction and powers; and for other purposes. Read a first time.

The Hon. M.J. EVANS: I move:

That this Bill be now read a second time.

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

Leave granted.

The *Youth Court Bill,* together with the *Young Offenders Bill* and the proposed *Children's Protection Bill,* will replace the *Children's Protection and Young Offenders Act 1979.*

The need for a separate *Youth Court Bill* stems from the fact that, whereas the *Children's Protection and Young Offenders Act* establishes the Children's Court and confers civil and criminal jurisdiction, provisions for the treatment of offending children and children in need of care and protection have now been legislatively separated into the *Young Offenders Bill* and the proposed *Children's Protection Bill.* It is therefore sensible to have a separate Act constituting the Youth Court.

The *Youth Court Bill* establishes the Youth Court of South Australia and defines its jurisdiction and powers. Under Clause 7 of the Bill, the Court has jurisdiction to hear and determine proceedings under the *Children's Protection Act 1993* and has the civil and criminal jurisdiction conferred by the *Young Offenders Act 1993.* In addition, it has powers under the *Bail Act* and any other civil or criminal jurisdiction conferred by statute.

Most of the Bill is concerned with administrative procedures. It defines the Court's judiciary, specifies its administrative and ancillary staff, details the constitution of the Court, specifies the time and place of sittings and confers on the Court the power to adjourn matters. It establishes the evidentiary powers of the Youth Court, identifies appropriate appeal procedures, and legislates for the confidentiality of proceedings.

The present judicial structure of the Children's Court has been retained. This consists of a Senior Judge — a District Court Judge designated by proclamation as the Senior Judge of the Youth Court — together with other designated Judges, Magistrates, justices and special justices. The Bill does, however, make one important change — it limits the length of appointment of a Judge or Magistrate to the Youth Court to a term not exceeding five years.

In recognition that greater attention must be paid to the rights of victims, clause *22(e)(i)* specifies that in criminal matters, the alleged victim of an offence, together with a support person nominated by that victim, has the right to be present in court.

Another significant change is the abolition of the reconsideration process. Under s. 80 of the *Children's Protection and Young Offenders Act,* a Judge of the Children's Court may, on application from the child or the Minister, reconsider any sentence imposed by a magistrate, special justice or justice of the peace. Upon such reconsideration, the Judge may confirm the original order or discharge it and substitute any other order considered appropriate. Evidence placed before the Select Committee indicated some dissatisfaction with this process from both the police and magistrates, and as a result, the Committee recommended that reconsiderations be abolished. In line with this, the *Youth Court Bill* provides for an appeal system only. Under clause 22 of the Bill, an appeal against any judgement given in proceedings involving indictable offences lies to a Full Court, while an appeal against a magistrate, two justices or a special justice will be heard either by the Senior Judge of the Youth Court or the Supreme Court constituted of a single Judge.

While the Youth Court will continue to hear both civil and criminal matters, clause 17 stipulates that these proceedings must be segregated wherever possible.

PART 1
PRELIMINARY

Clause 1: Short title

Clause 2: Commencement

This clause provides for commencement on proclamation.

Clause 3: Interpretation

This is an interpretation provision.

PART 2
YOUTH COURT OF SOUTH AUSTRALIA
DIVISION 1— ESTABLISHMENT OF COURT

Clause 4: Establishment of Court

The *Youth Court of South Australia* is established.

Clause 5: Court of record

It is a court of record.

Clause 6: Seals

This clause deals with the sealing of documents by the Court.

DIVISION 2— JURISDICTION OF THE COURT

Clause 7: Jurisdiction

The Courts jurisdiction is derived from the *Children's Protection Act 1993,* the *Young Offenders Act 1993,* the *Bail Act 1985* and any other statute that expressly confers jurisdiction on the Court.

DIVISION 3— COURT'S DUTY TO EXPLAIN PROCEEDINGS

Clause 8: Duty to explain proceedings

The Court must explain the nature and purpose of proceedings to parties.

PART 3
COMPOSITION AND ADMINISTRATION OF THE COURT
DIVISION 1— THE COURT'S JUDICIARY

Clause 9: The Court's judiciary

The Court is comprised of a Senior Judge, Judges, Magistrates and justices and special justices. The Senior Judge and Judges come from the District Court.

Clause 10: The Senior Judge

The Senior Judge is given responsibility for the administration of the Court.

DIVISION 2— THE COURT'S ADMINISTRATIVE AND ANCILLARY STAFF

Clause 11: Administrative and ancillary staff

The Registrar and other persons appointed to the non-judicial staff comprise the Court's administrative staff.

Clause 12: The Registrar

The Registrar is the principal officer and appointment of the Registrar is only with the concurrence of the Senior Judge.

Clause 13: Responsibilities of staff

The administrative staff are responsible to the Senior Judge.

DIVISION 3— SITTING AND DISTRIBUTION OF BUSINESS

Clause 14: The Court, how constituted

The Court is to be constituted of a Judge in relation to major indictable offences. Otherwise the Court may be constituted of a Judge or Magistrate or, if none are available, of 2 justices or a special justice.

A Magistrate may not impose a sentence of detention of more than 2 years. Justices may not impose a sentence of detention and cannot hear an application for an order for the protection or care of a child. A Magistrate or justice may adjourn the question of sentence for hearing and determination by a Judge.

Clause 15: Time and place of sittings

The Senior Judge is to direct the time and place of sittings.

Clause 16: Adjournment from time to time and place to place

The Court is given power to adjourn proceedings.

Clause 17: Segregation of proceedings

As far as practicable civil and criminal proceedings are to be segregated.

PART 4
EVIDENTIARY POWERS

Clause 18: Power to require attendance of witnesses and production of evidentiary material

The Court is given power to issue summonses to appear or to produce material.

Clause 19: Power to compel the giving of evidence

This clause sets out the circumstances in which contempt of court will be committed.

Clause 20: Entry and inspection of property

The Court is given power to enter any land or building to carry out inspections relevant to proceedings.

Clause 21: Production of persons held in custody

The Court is given power to issue summonses or warrants for the appearance before it of persons held in custody.

PART 5
APPELLATE PROCEEDINGS

Clause 22: Appeals

Appeals lie against all judgments other than a judgment in a preliminary examination.

Appeals relating to indictable offences go to the Full Court of the Supreme Court. Appeals against a judgment of a Magistrate, 2 justices or a special justice go to the Senior Judge or to a Judge of the Supreme Court. Appeals against a judgment of a Judge that relate to summary offences or other matters go to a Judge of the Supreme Court unless referred to the Full Court.

Clause 23: Reservation of question of law

The Court may reserve any question of law for the Supreme Court.

PART 6
CONFIDENTIALITY OF PROCEEDINGS

Clause 24: Persons who may be present in Court

The only persons who may be present in Court are—

(a) officers of the Court;
(b) officers of the Department of Family and Community Services;
(c) parties to the proceedings and their legal representatives;
(d) witnesses while giving evidence or permitted by the Court to remain in the Court;
(e) if the proceedings relate to an offence or alleged offence—
  (i) an alleged victim of the offence and a person chosen by the victim to provide support for the victim;
  (ii) a genuine representative of the news media;
(f) a guardian of a child or youth to whom the proceedings relate;
(g) any member of the *Juvenile Justice Advisory Committee;*
(h) any other persons authorised by the Court to be present.

Clause 25: Restriction on reports of proceedings

The Court may prohibit publication of any report of proceedings relating to a child. Even if a report may be published it must not identify the child or include information tending to identify the child.

PART 7
MISCELLANEOUS

Clause 26: Immunities

Protection from civil liability is given to Judges, Magistrates and other persons exercising the jurisdiction of the Court.

Clause 27: Contempt in the face of the Court

This clause sets out the circumstances under which contempt of Court is committed.

Clause 28: Punishment of contempt

This clause sets out the penalties for contempt.

Clause 29: Authority for imprisonment or detention

This clause sets out the procedure for imprisoning or detaining a child pursuant to a Court order.

Clause 30: Age

The Court may make an estimate of age where there is no satisfactory evidence.

Clause 31: Legal process

This clause provides for validity of legal process.

Clause 32: Rules of Court

Rules may be made—

(a) regulating the business of the Court and the duties of the various officers of the Court;
(b) regulating the custody and use of the Court's seals;
(c) regulating the practice and procedure of the Court;
(d) regulating the form in which evidence is taken or received by the Court;
(e) regulating costs;
(f) dealing with any other matter necessary or expedient for the effective and efficient operation of the Court.

Clause 33: Court fees

Regulations may fix fees in relation to Court proceedings.

The Hon. D.C. WOTTON secured the adjournment of the debate.

RACING (MISCELLANEOUS) AMENDMENT BILL

Second reading debate adjourned on motion.
(Continued from page 2831.)

Mr OSWALD (Morphett): Prior to the luncheon adjournment, I was referring to the TAB board. I would now like to address the question of the auditorium to be set up at Morphettville. This auditorium has probably been born from a desire by the Jockey Club to do something about its finances. We are all aware that the racing industry is in difficulty as far as cash flow is concerned and the clubs are in difficulty regarding the provision of stake money and other overheads. The SAJC committee and others believed that the auditorium should be set up to do something about revenue and to help get through a difficult time.

The auditorium is an interesting concept. Those who are against on-course telephone betting and against this auditorium have been less than complimentary. When the TAB set up an auditorium at the Adelaide Railway Station, it was sold as an auditorium which would have carpets, bars and machines, and everyone spoke very highly of it. Because the SAJC is setting up an auditorium at Morphettville, which will have bars and very tasteful facilities, and because there will be a bookmaker consortium, suddenly it is called a betting shop. When I read in the paper that we were setting up a betting shop down there, it really summed up the level of the debate and the attitude of those who were trying to talk against the introduction of on-course telephone betting.

I support the concept of the auditorium. The bookmakers are providing a consortium which will operate there. I understand that at this stage only about eight bookmakers are interested in going into the consortium, and it will probably be operated by an agent.

The other point that should be made is that in Question Time earlier this week we asked the Minister of Recreation and Sport whether he would table a letter sent to him by the then Chairman of the TAB, Ken Taeuber, who was reported to have made an assessment on the impact of on-course telephone betting; it was estimated that the industry and the Government between them would lose $1.875 million. I really do not think the Minister did the industry a service by refusing to let us look at that letter. He claimed it was the view of one person, namely Colin Hayes, who could not be trusted on these matters.

I think that letter should have been put forward because, when the Government brought in its casino legislation, no-one came forward from the TAB or anywhere else talking about a $50 million loss of turnover and an approximate $5 million loss that racing was going to incur. No-one came out about that. They are coming out and running with the hares only because of telephone betting, and it is part of this campaign of its being opposed to telephone betting on course that suddenly we have the TAB saying, 'This is dreadful; it is going to affect the money going back to the Government and back to the codes.' I repeat: where were those people when the Government brought in poker machines? They were not to be heard. I was the first person to put out a media release suggesting that there could be a decrease of $50 million and that the Government would share with the codes a loss of about $5 million. So there are agendas involved.

I would like to see more open debate. If the Minister had tabled that letter, I would have said immediately in the public arena that there are going to be about a dozen machines down there operating during the week, and there alone would be some compensation for the loss of turnover. I do not believe in the $25 million and the $2 million figures, anyway, but there is always a counter argument.

I thought it would have been a good idea to obtain these letters that are floating out of the TAB and get them into the public debate—that is healthy. We should let Colin Hayes put forward his views; I do not think he should be stifled. His letter has been circulated, and Ken Taeuber's letter should be circulated and become part of the public debate. If they become part of the public debate, we will have an opportunity of saying, 'Maybe these figures are correct or maybe they are not correct.' The Government refuses to allow those letters to be circulated because it is frightened they might head off the debate. The Government has to give credit to the fact that sometimes there are people in this Parliament or in the public arena who want to get involved in this public debate and who are prepared to refute argument when it comes forward.

In summary, I support the auditorium. I think it should be tried. I acknowledge that the bookmakers do not necessarily want to be there, but it is a very important role, because they set the prices. People will go to that auditorium; large professional punters and other people will see the bookmaker price and they will walk straight over to the tote and put money on the quinellas, the trifectas or whatever. So, on that occasion the bookmakers will generate revenue for the tote, and that will offset Colin Hayes's argument that this is going to be gloom and doom for the racing industry. The bookmakers play a very useful purpose. I am pleased to see we are to have an auditorium. I will be most interested to see how it washes up. I was disappointed to see the antics against what is suddenly called a betting shop at Morphettville, yet people choose to refer to an auditorium if it happens to be under the Adelaide Railway Station. The consortium seems to be a good idea. It is a practical way of overcoming the fact that not every bookmaker wants to be at Morphettville. There are also clauses in the Bill regarding the size of the transactions that can be conducted.

The next question relates to the contentious issue of bets by telephone. I am prepared to support telephone betting on course. I think it is an issue that is far larger than people realise. I will refer at length to the findings of the Criminal Justice Commission in Queensland, which conducted a fairly in-depth inquiry into this whole question of the illegal SP bookmaking market and the impact it was having on the licensed bookmakers and the TAB.

I suppose it depends where one is coming from whether or not one can shoot holes in part of this report. However, as I see it from reading it, there are some

basic observations in this report which cannot be challenged and which should be put on the public record so that the readers of *Hansard* in the future who get involved in this debate and who are critical of where we are going can at least go to this report and see the rationale of it.

I freely acknowledge that there is a clause in the Bill which provides that, if the Government or the Minister recognises there is a problem and believes that the TAB or Government revenue is suddenly being eroded at a greater rate than was anticipated, or that there is any problem at all, the Minister can step in and stop it. That cannot be done with the Casino legislation; we are stuck with that. However, it can be done with this legislation. If there is the slightest problem, it can be chopped off. However, I would like to be sure in my mind that, if anyone makes overtures with regard to cutting it off because they believe there is a drop in TAB turnover, they should remember that the poker machines will have a great impact also. We have to be careful that we do not blame any drop in turnover on only telephone betting; it could be the poker machines or the recession.

I will cite those parts of the report of the Queensland Criminal Justice Commission that refer to bookmakers. Members are welcome to have a copy of the whole report, which I will be happy to print off for them. I hope that members will bear with me, because it is valuable material that should be recorded for future debates. The executive summary states:

Before substantive changes to either the law or law enforcement methods can be made, grounds to justify such change must be established. On the basis of the studies that it has undertaken over the last 12 months, the commission is satisfied that such grounds do exist. Moreover, if there were to be no change in current arrangements, the commission believes that Queensland will experience a progressive increase in SP bookmaking activity to the detriment of legal gambling, consolidated revenue, and the community as a whole.

To summarise briefly...:

- SP bookmakers pay no turnover tax or licensing fees. This represents a substantial denial of Government revenue;
- SP bookmakers do not pay their full share of income tax;
- The racing industry suffers as a direct result of SP bookmaking;
- The greater economy must also be seen to suffer as a result of money being siphoned into the black economy by unlawful bookmakers;
- There are other costs associated with unlawful bookmaking. These include such matters as the need for additional police resources and the significant costs associated with the prosecution of SP bookmakers. Significant amounts of time and resources must be devoted by various Government departments to the ongoing SP bookmaking problem;
- Unlawful bookmaking has connections with other forms of major and organised crime;
- Because of the associations between SP bookmakers and other criminals, the SP network provides an ideal conduit for crime. Criminals who may otherwise have been regionally confined, are given the opportunity to expand their activities and make contact with other criminals and crime opportunities in other States;
- The illegal SP bookmaking industry has consistently proven itself to be one of the principal sources of corruption of police and other public officials;
- SP bookmakers are able to resort to either the threat, or actual use of violence;
- There is a nexus between SP bookmaking and race fixing;
- There are significant social problems involved with SP bookmaking. These include the family dysfunction that tends to result from gambling addiction.

Under the subheading 'Changes to lawful gambling' it is stated:

In the past, strategies aimed at the suppression of SP bookmaking have placed undue emphasis upon the ability of increased law enforcement efforts to solve the problem. This commission's studies have indicated that the principal initiatives that are adopted to suppress SP bookmaking must instead become economic.

In other words, we have to change the approach. Further, it states:

SP bookmaking continues to exist despite efforts directed at its suppression and despite a wide diversity of lawful gambling options, because it provides a service that a substantial minority of punters demand. The service that is currently provided by unlawful bookmakers must be supplanted by some legal alternative. The aim must be to attract the market share that SP bookmakers currently hold away from the unlawful operators by offering legal alternatives to those aspects of their service that attract punters in the first place.

Therein lies one of the reasons for our supporting on-course telephones—to provide this alternative to a very large illegal market, which has been estimated in Victoria alone to be $2.7 billion a year. One does not know what the sum is in South Australia, because we do not have a squad involved in it, as far as I can establish through the Victorian Police. The report further states:

In this regard, it must be recognised that the crucial aspect is not merely to simply expand the array of legal options, but to replace the specific type of service that is currently offered by SP bookmakers. Recent experiences in other States where attempts have been made to simply expand legal gambling options do not appear to have led to any significant reduction in the incidence of SP bookmaking.

The following paragraph is important:

This commission has identified the following as being the most significant aspects of SP bookmaking that are attractive to punters. Any major extension in available legal gambling should be directed towards replicating, as far as possible, these services:

- SP bookmakers offer telephone access;
- SP bookmakers offer fixed odds betting;
- SP bookmakers offer credit and, additionally,
- SP bookmakers accept wagers on a diverse range of contingencies; and
- SP bookmakers often offer a discount on losing bets.

The legal gambling options currently available to punters are rigid, inflexible and largely unappealing to those who bet SP.

It is all about bringing in new money and getting it into the legal system. The report continues:

The legal gambling industry must become more flexible and responsive to market demand. It is probably reasonable to conclude that the community is either neutral towards the present off-course betting arrangements provided by the TAB or, alternatively, that it believes the TAB is not adequately servicing a legitimate social activity.

SP operators have a flexibility which allows them to tailor their products to match their customers' requirements—they offer credit, a personalised and convenient service, and a more

acceptable betting form. Fluctuating totalisator odds are essentially unattractive to many large punters.

That is exactly what our South Australian legal bookmakers are requesting—at least to be able to offer credit and a personalised and convenient service to those out there in the illegal SP market. I think they are to be encouraged.

I refer now to the role of the licensed bookmaker, as follows:

Given that the TAB foresees the introduction of TAB credit betting as an impossibility the best alternative would appear to be to allow licensed bookmakers to field by telephones. If licensed bookmakers were allowed to field by telephone the 'need' to bet SP, experienced by many punters to obtain the service that they so clearly demand, could then be obviated. The issue of allowing licensed bookmakers to field by telephone has always been rejected in the past. The predominating consideration has invariably been a fear that it is likely to impact on the TAB revenue—

which of course is a campaign that is being run by Colin Hayes at the moment—

This commission's research has indicated that given the inability of the TAB to offer a system of credit the provision of telephone betting with on-course bookmakers should be seriously explored.

To the Government's credit it has done that. I had a Bill in my top drawer during the recess which was ready to run this session, anyway, but the Government has done it; it has beaten me to it and, therefore, I am standing here in this place supporting its action. It continues:

The commission believes that the arguments that have traditionally been advanced in opposition to telephone betting can marginally be overcome in this regard. The following points are made for consideration...

I will not read into *Hansard* all the points but I am prepared to give the paper to members afterwards. However, I would like to refer to three points, as follows:

The belief that the TAB should be recouping the money currently bet with SP bookmakers is unnecessarily centralist. Punters should be allowed the freedom to choose whether they wish to bet with a bookmaker or alternatively with the State-run TAB. Similarly, the rights of an on-course bookmaker to earn a living should not be denied to them by a policy designed to minimise competition with the TAB. There needs to be some recognition that the role of on-course bookmakers is an important one. On-course bookmakers have an important cultural, historic role within the Australian community. Bookmakers fielding at racing carnivals provide one of the prime attractions for racegoers. As such, their presence (or otherwise) at race meetings will have an important determinant effect on the overall viability of the racing industry. Policy decisions that impact on the future viability of bookmaking should be taken into account.

I think the commission missed one very important factor there, and that is that the bookmakers on-course set the price. It has been demonstrated to me by bookmakers, and it is a very interesting exercise, that if you care to look at the win/place screen and the pools being carried there, over the last minute, say, in a mid-week race, maybe $30 000 is being held in the pool 60 seconds out, and then it crawls up; 30 seconds out it might be up to $60 000 or $70 000, and by the time the race starts it is around the $120 000 mark. This is brought about by the professional punters who know the prices and then lay off onto the tote—I know bookmakers lay off onto the tote as well—and that is a significant revenue for the tote.

Never let it be forgotten that the bookmakers play a very real role, and if those opposed to this whole scheme continue to argue along the line that damage could be caused they should remember that if we continue down the track that we have been following in this State, where bookmaking businesses have been falling over to the extent that three of four years ago we had twice the number of bookmakers we have today and we keep on at the rate we are going without giving them some sort of relief in their businesses to survive, bookmakers will eventually disappear. We would have the situation, as in America, where it is all totalisators without having the luxury we have in this State with the bookmakers being on-course and setting the prices for us. That is the big issue.

It is not so much for the colour of the bookmaker, under his umbrella out there at Oakbank the weekend after next: it is nice to have and to see them there, but it is important that they are there because they set the prices which influence the TAB. It is no good getting rid of bookmakers and suddenly the $500 million turnover drops back to $400 million because we do not have an active and strong bookmaking ring there to keep the prices firm. I support the bookmakers because they play a very real part in the survival and turnover of the TAB, and I do not think that should be forgotten. The last point I quote is as follows:

This commission's studies support the view that if licensed bookmaking becomes unprofitable and continues to demise then the way will be left open for a substantial enhancement of the role of the SP bookmaker.

In other words, there is a clientele out there that do not want to invest at the TAB. If we do not have a strong bookmaking ring and if they do not have access to the legal market, they will go out into the illegal market. The Bill is correct in providing for a mechanism to be set up to allow punters to trade with a bookmaker. Some punters may not always want to get into the illegal market; they can come across and shift their investments over into the legal market. At the end of the day I hope Government will gain and I hope also that the racing industry will gain by the move.

It is my intention to move an amendment this afternoon. I would like to briefly explain the amendment because in some people's view it may be controversial. I refer to section 104 (1) of the original Act, under the heading of 'Suspension, cancellation of licences'. What I am going to propose at the Committee stage—and I cannot canvass it in detail here—is that if a bookmaker knowingly or intentionally falsifies any records then, on a second offence, he will immediately have his licence cancelled. We give him the opportunity first time around to be warned or whatever the board decides to do but on that second occasion I believe the licence should be cancelled.

I say that because we are now talking about creating the position where the bookmakers will hopefully be able to tap into the vast illegal market which is a multi-billion dollar market around Australia—a market where very large sums of money are circulated. Their betting is *Monopoly* money compared to mine. I have full

confidence in every registered bookmaker we have operating. I have no question in my mind about the integrity of the bookmakers that I personally know. With huge sums of money around I think the public would like to think that there is a clause somewhere in the Bill and then somewhere in the subsequent Act that, if a bookmaker had strayed once and was in the habit of falsifying his records because he became tempted by these huge sums of money and he erred a second time, he would lose his licence.

I commend the Bill, which I know involves a conscience vote on this side of the House. I know that every member has his or her own personal views on where we are going with these matters of expanding gambling facilities. However, I do not look upon this as an extension of gambling at all but as an opportunity for a segment of the racing industry, namely, the bookmaking side of the racing industry, to survive.

It has not been pleasant to go to the races and see, over the course of the past three, four, five years, the number of people in the stands slowly diminishing. I know that to some extent that has a lot to do with the lack of patrons coming on-course because, as we have seen over the past five years, pub TAB has gone from a $2 million to a $120 million turnover, which is an indication of money which normally was going through the bookies' bags. Part of their business is now being turned over and going purely through the tote. It is all very well for the tote operators and management to be jealous of that money and saying, 'We can't create a system for it to go back to the bookmakers', but I believe the bookmakers deserve what they are getting. Their businesses have deteriorated greatly because of the TAB having a captive and protected audience. What we are doing is treating them as business men and women in their own right. They are entitled to be treated as such and this Bill, I believe, goes a long way towards that end.

In summary, we have had several initiatives to help them. We have had the sports betting and other types of betting that were brought in which I supported. We now have telephone betting and I think the third one, which I would like to see the Government bring in and for which I have been pressing for as long as I have been a spokesperson on racing, is the turnover tax. I think providing relief on turnover tax is a very vital part of running the business. Some other States have tackled this aspect: in South Australia the Government should consider biting the bullet and also give relief on turnover tax, because not every bookmaker will be in the position or will want to take up on-course telephone betting; it will be constrained to only certain operators.

I have not heard the latest figure, but I would ask that the Government also give consideration to providing relief on bookmakers' turnover, because that again will help bookmakers survive so that we will have a healthy bookmaking ring, it will help the TAB, help generate revenue, help provide stakemoney, and help the breeders, trainers, owners and everyone else involved. I support the Bill.

Mr INGERSON (Bragg): I congratulate the member for Morphett on an excellent presentation. Prior to his being the Opposition spokesman for sport, I had the privilege of representing the Opposition in this area. Whilst there were a few controversial areas in relation to trotting, I enjoyed my time as shadow Minister.

The subject of telephone betting to on-course bookmakers has been raised many times in the past 20 years. It is important to note that the Liberal Party, at the 1989 election, had telephone betting as part of its policy. It was promoted with that idea in mind. It is now interesting that the Government has seemingly done a backflip and with a new Minister we seem to have a change of direction. I wonder what has caused the Minister to make that change. I shall be surprised if we get an answer to that question.

Whenever there has been any discussion on illegal SP betting, the suggestion of providing a legal alternative as a means of combating illegal practices has always been put forward. Totalisator betting through the TAB was thought to be the answer to illegal betting. As we have known in recent times, TAB betting is a somewhat restrictive and inflexible method. I will not go into all the details put forward by the member for Morphett. When we read his speech we will see all those inflexibilities that apply to telephone betting, particularly as it relates to SP betting.

Western Australia and Victoria started their TABs in the 1960s, Queensland in 1961, New South Wales in 1964 and finally South Australia in 1967. There is no question but that the TABs have had a significant impact on illegal betting. The legal alternative, which has been acceptable to a large percentage of the population, has been provided through the TAB.

Pub TAB, which has had a dramatic impact on attendance at race meetings, has all but eliminated the small illegal bookmaker who usually operated in the front bar of every pub. It has been my view for a long time that it has had little effect on larger SP bookmakers who continue to operate in every city of this nation. That has been my view for a long time, even though many in the industry have argued that as an outsider I would not understand it. I repeat: that is my view, and it is a huge industry that we will now have an opportunity to tap into.

Pub TAB operates in more than 300 hotels. Last year it accounted for 39 per cent of the total TAB turnover. Telephone betting, which accounted for 24 per cent of total TAB turnover in 1986, now accounts for only 13 per cent, and it is progressively falling. We have a drop in interest in telephone betting at the TAB and we have to ask why that is so. Is it because of a move to other areas, is it because of pub TAB, or is it because there is still a very significant market opportunity to be tapped?

Whilst pub TAB has been successful from the TAB point of view and, with the growth in the number of outlets, has seen TAB total turnover double over the past six years (from 1986 to 1992), it has seen bookmakers' total turnover fall by 50 per cent in the same period. This has come about principally by the progressive fall in attendances because of the services provided to the off course bettor. I suggest that these two different areas—pub TAB and falling attendances at race courses—are more closely linked than first appears in the demise of the betting turnover of bookmakers on-course.

There were significant changes in the opportunities for the public to gamble in the 1980s. First, we had the opening of the Casino in 1985, Sky Channel started in

TAB agencies and pubs in 1987, and that was accompanied by a dramatic growth in the number of pub TABs. Teletext and subsequently Austext became available on home television sets and, in effect, every encouragement was given to punters to stay away from race courses. It is important to note that there has been this encouragement by the community to stay away from race courses.

It is also my view that racing clubs, whether galloping, trotting or greyhound, have not considered why people are no longer going to those clubs. The facilities of the clubs, as well as the involvement of bookmakers and TAB, have been an important issue. That is why the development of an auditorium is an important future encouragement for people to go, particularly to galloping. I note that in the greyhound area, whilst I have not been out ,to the trotting area for some time, most clubs now recognise that the facilities for attracting the community are very important in getting people back to racing.

The Hancock inquiry into the racing industry in 1974 was silent on the subject of telephone betting to on-course bookmakers. That inquiry led to the introduction of the present Racing Act. At that stage bookmakers numbered about 180 and they were not hurt financially. In fact, under the new Act the full control of bookmakers' permits was given to the BLB or, as it was then, the Betting Control Board.

Bookmakers' turnover was steadily growing through the early to mid-1970s although the number of bets had started to fall, which was a reflection of falling attendances at racecourses. In the late 1970s the bookmakers' problems started, and they were not helped by an increase in all turnover tax rates by .3 per cent in December 1980. The removal of the majority of that increase gave bookmakers' turnover a lift which carried it through to the record level of $228 million in 1985-86.

The increase to the rate of turnover tax in December 1980 was a recommendation of the Byrne committee of inquiry into the racing industry during 1980. The Byrne committee introduced the subject of telephone betting to on-course bookmakers into the public arena. That report referred to estimates of illegal betting turnover in South Australia of between $50 million and $200 million and it considered that telephone betting to on-course bookmakers was a proposal which had merit and which should be further examined by the South Australian Bookmakers League, the Betting Control Board and the controlling bodies.

At the time of the Byrne committee there were only 130 bookmakers, compared to 180 in 1974. Their problems had really started to occur in the early 1980s. The number of bets laid or transactions made by bookmakers has fallen every year from 1976 to date, with only one very small increase in 1983-84, the year in which turnover tax was reduced. It is very significant that in all those years the number of bets or transactions has fallen every year, except for that little blip.

The next industry inquiry was chaired by Frances Nelson, QC, in 1987. That inquiry looked long and hard at the subject of telephone betting to on-course bookmakers as a result of submissions made by the South Australian Bookmakers League and the then Betting Control Board. During consideration of this subject, the TAB announced to the committee that it was developing a system for fixed-odds betting by that organisation. I remember that debate some time later. I wonder what the Government will now do about fixed-odds betting. That is another question that I should ask later.

The committee finally made a unanimous recommendation that the Racing Act be amended to enable bookmakers to provide an on-course telephone betting service to off-course patrons, the TAB to provide fixed-odds and credit betting facilities, and on-course totalisator operators to provide a fixed-odds betting system.

The Nelson inquiry led in October 1988 to the formation of a working party to examine the TAB's proposal to introduce a computerised fixed-odds betting system. This working party, chaired by the Hon. Jack Wright, recognised that bookmakers were already experiencing considerable difficulties and that a fixed-odds betting system would have a significant impact on bookmakers' operations.

As a result of the recommendation of the Wright working party, another working party was set up under the chairmanship of Mr Ron Barnes, to examine the viability of licensed bookmakers in South Australia. This report was never released publicly, but I understand that it recommended a package of measures that could be introduced by the Government and the racing industry to ensure the future of bookmakers in South Australia. I am staggered that in so many areas the Government does not like to make reports public, and here is another one, by the previous Under Treasurer, that is not made public.

The Government in South Australia then set up another industry working party under the chair of Frances Nelson, to examine the feasibility of permitting bookmakers to accept telephone bets on course. The report of this working party, also, has not been released. I repeat: two reports into telephone betting or the involvement of bookmakers were not released publicly. It is known that, of the submissions received by the working party, the author organisations were evenly divided on the merits of the concept. There is no doubt that the services of bookmakers are essential to supply the market moves that lead the big players in on-course totalisator to make their investments, a point made by the member for Morphett.

If bookmakers do not survive, the on-course totalisator as we know it today will die. It will be left with a minute amount of money from small, recreational investors. Equally, the off-course TAB patrons are guided in their investments by moves made on course, which they see reflected in teletext and Sky Channel screens in agencies and in hotels. There is no doubt that the survival of bookmakers and the whole legal system go hand in hand. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

STATUTES AMENDMENT (FISHERIES) BILL

The Legislative Council intimated that it insisted on its amendments to which the House of Assembly had disagreed.

Consideration in Committee.

The Hon. T.R. GROOM: I move:

That the House of Assembly insist on its disagreement to the Legislative Council's amendments.

Motion carried.

A message was sent to the Legislative Council requesting a conference at which the House of Assembly would be represented by Messrs D.S. Baker and Groom, Mrs Hutchison, Messrs Meier and Quirke.

RACING (MISCELLANEOUS) AMENDMENT BILL

Second reading debate resumed.

Mr INGERSON: Bookmakers are in dire straits, which we all agree, even though there are some with a purist view in relation to the TAB who would not agree with that statement. There are only two ways in which bookmakers can be helped: that is, to reduce their operating costs or to increase their turnover by giving them access to wider markets. The Minister's option is to reduce their costs; to give them an opportunity to increase their turnover levels is the choice of this Parliament by giving them telephone betting.

Telephone betting will be on trial. The auditorium and the concept that creates is also on trial. If the betting community wants to support bookmakers in this matter, it will. If it does not, the whole system will fall over, and that is how it should be. I have been widely lobbied—as I am sure many of us have—on this Bill by bookmakers; by members of the racing club, whether it be galloping, trotting or greyhounds; and by Mr Colin Hayes. I am fascinated that the Victorian Racing Club hierarchy, for some odd reason, has indicated an interest. All have expressed valid points both for and against this issue.

I support the change, because I believe that the bookmakers should be given the market opportunity either to put their wares on the line or not. If the public want this change, they should be able to do it, because there is no difference in my view between betting on a telephone with a bookmaker and betting on a telephone with the TAB. It should be a consistent opportunity for both sides of the fence to compete. I believe that there is a large amount of opportunity for the injection of new money into the system from the SP area. I do not believe that this change will significantly affect the TAB.

Finally, I wonder why the Minister is not prepared to table the letter that supposedly shows a $1.8 million loss to the TAB. I wonder whether that letter talks about the telephone bets of over $250 or about all the telephone bets that might be being held at the same time by the TAB. Unless it is talking about the bets that are likely to be affected by this change in legislation, I think it is a furphy. I hope that the Minister tables that letter or at least makes it available for public identification so we can all understand what really is going on. I support this legislation very strongly and wish the bookmakers and the racing community the best of luck in this new venture.

The Hon. G.J. CRAFTER (Minister of Recreation and Sport): I thank those members who have contributed to this debate. I find it a very rewarding experience to work in this Ministry of Recreation and Sport and with the racing industry, particularly in the bipartisan spirit that is enjoyed for the great majority of time in this portfolio area. There is a common concern in this Parliament to assist the racing industry, which is going through a difficult time, and I believe this measure will assist in that endeavour. It is not the answer to all the problems in the industry: it is not intended to be so. Indeed, it is a series of measures that will help to enhance and provide stability for this industry and its various components.

That has been argued thoroughly in this debate and in the community. I very much appreciate a vigorous debate on these matters. It concerns and disappoints me when those who oppose a particular measure do not engage in a debate that canvasses all the reports or all the facts surrounding the issue. However, I certainly do not lose respect for those who want vigorously to debate their point of view. That is a healthy approach.

There has been some criticism of a letter that I received some weeks ago from the former Chairman of the Totalisator Agency Board. I returned the letter to the Chairman and said that I would like to have an opportunity to go through the comments in the letter so that the material provided by the board could be contested. I said also that, if the TAB wished to release the information publicly, I believed it ought to be on a factual basis and on all of the circumstances surrounding this issue; and, when that was achieved, I would be happy to release that representation provided that it was seen as appropriate by the TAB. I do not think too much should be made of that. I have said publicly that the TAB is concerned about protecting its revenue base, and I think we can predict that some sections of the industry are also concerned about protecting their revenue base.

The measure before us does three things. First, it addresses the issues raised in the reports on the TAB which I tabled in this place some weeks ago. The member for Morphett referred to his private member's motion that seeks a further inquiry by the committees of this Parliament. I notice that his motion was put on the Notice Paper prior to those reports being tabled. I would have thought that they provided sufficient information to enable the TAB to carry out the actions that are recommended in those reports, and then it would be possible to measure through some other form of scrutiny whether progress has been made. However, I think an inquiry at this stage would serve little additional purpose.

Following the passage of this measure we will have the ability to increase the size of the TAB board to provide for wider community representation and additional expertise on the board. It is a $500 million organisation, and we believe that we need the best people available, and we need to find a balance between the sectional industry groups that are represented on the board and the broader community representatives. Very major decisions need to be taken in respect of the appointment of a new General Manager and on the whole issue of the radio broadcasting of races and its penetration in this State. In fact, 10 per cent of our population cannot receive race broadcasts where they live, and that is detrimental to the ability of the TAB to serve our community.

Many issues relating to the management of the TAB have been brought up in the reports that I have referred to, particularly the Government Management Board

Report, and they are either being attended to or will be attended to when the new management structure is put into place. The Bill provides for the power of direction by the Minister. That has been lacking in the past, and I believe clearly there is a strong role for the Government to play in this area, and that needs to be clarified by legislation.

The extension of betting services in this State is not a new form of betting, as the honourable member for Morphett said. It is an extension of existing forms of betting that are available. Telephone betting is widespread in this State and is accessed through TAB agencies across this State. It is believed that the extension of this service to on-course licensed bookmakers will assist the viability of the bookmakers in this State, and as the member for Bragg has said the relationship between the viability of bookmakers on course and the well-being of the industry is a matter that simply cannot be ignored. I reject the argument of those people who believe that you can run a successful racing industry without bookmakers.

I think that bookmakers are a part of the culture of racing in this country—and this may stem from our English and Irish ancestry—and they are a part of the culture of racing. We must take every step to encourage people to come onto the course and to maintain their interest in the sport of racing. If we do not do that, there is a great danger that the next generation of Australians will not be interested in the sport of racing, and all of the great value that is gleaned by our community in economic and recreational terms will be lost, and a great slice of the Australian culture will be diminished if that sad day comes. We do have a responsibility to take these actions, which will be monitored carefully. The auditorium, which is an extension of the opportunities for gambling and for gathering for recreation purposes in more appropriate and modern, comfortable surroundings, has been the subject of consultation and discussion for some years in South Australia.

In conclusion, with respect to sources of additional revenue that might come to the State and to the racing industry as a result of these measures, I point out that there is the suspicion that extensive telephone betting is already being conducted in an illegal way in this State. This legislation will provide the opportunity for both the punter and the bookmaker to operate in a legal environment. Secondly, there can now be an opportunity for substantial interstate access to this new service, South Australia being the only State that will provide it. Further, there will be a new opportunity for people to bet on the races that was otherwise not available. I refer to those who are frequent travellers and those required to attend other activities, such as work and sport. With the passage of this legislation, they will be able to gamble through licensed bookmakers by telephone. We are providing a more attractive service in a market place which is competing for the gambling dollar. We know that bookmakers lay off much of their risk to the tote and the TAB. No doubt this will continue to occur. Through the auditorium, bookmakers will be able to lay off in a similar way.

There is also a belief, as the member for Morphett has said, that this legislation will provide strong competition for and thus a deterrent to SP bookmaking services in South Australia and across this country, and that is always of great concern to Governments and the community. So, there is a variety of reasons, and no doubt there are many more, why we should embrace these measures. Obviously, we need to monitor them carefully, and most certainly we will do that. This industry is well worth the support of each member. It provides a great deal of revenue to Government and a large number of jobs. Apart from that, it is a pleasant sporting pastime, which provides much enjoyment for a great number of South Australians.

Bill read a second time.

Mr OSWALD (Morphett): I move:

That it be an instruction to the Committee of the whole that it have power to consider a new clause relating to suspension and cancellation of licences.

Motion carried.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Rules of board.'

Mr INGERSON: I have no idea whether or not this is the right clause under which to ask this question: the Minister, in his second reading explanation, referred to a minimum bet of $250; how does he justify that amount as a minimum bet?

The Hon. G.J. CRAFTER: Obviously, an arbitrary decision had to be made. It is not only a minimum bet of $250 but it is a take of $2 000. That provides for a variety of odds. For example, it could be a $10 bet at 25/1. This is a matter on which we took advice and we determined that this was the most appropriate level. Obviously, we had discussions with the bookmakers about this, because they will not find it economic to hold small bets in these circumstances. This was seen as the best compromise.

Mr INGERSON: Is the Minister saying that the maximum amount with the odds is $250 or that the maximum bet will be $250? There is a significant difference. The community would like to know what is the smallest unit they can bet under this system.

The Hon. G.J. CRAFTER: It can be a minimum of $250 or an amount to take out a sum of $2 000. For example, it could be a bet of $50 at 40/1.

Clause passed.

Clauses 4 to 13 passed.

New clause 13A—'Suspension and cancellation of licences.'

Mr OSWALD: I move:

Page 4, after line 17—Insert new clause as follows:

13A. Section 104 of the principal Act is amended by inserting after subsection (1) the following subsection:

(1a) If, in the opinion of the Board, the holder of a licence under this Part has intentionally issued a betting ticket or made a record pursuant to this Act that falsely states the terms of a bet on two or more separate occasions, the Board must cancel the licence.

I explained the clause during my second reading speech. I will not delay the Committee with another lengthy explanation, other than to remind members what they are voting on. Given the vast sums of money that will be circulating, the public has an expectation that a deterrent will be incorporated in the Bill to act as a strong disincentive to a bookmaker's knowingly and intentionally falsifying records. The Minister recently

referred to minimum bets, but there can be some large bets with large sums of money involved. Whilst we have no reason to doubt any of the existing licensed bookmakers in this regard, this deterrent should be incorporated in the Bill.

I hope that the Minister will not refuse the amendment; if he does, I will call for a division. If the Minister feels that he could not support the amendment now, he should advise me and the matter could be discussed in another place at another time and the Bill reconsidered. I feel very strongly that, if a bookmaker offends and knowingly falsifies records, the board, under the existing section in the Act, can admonish and set a penalty; however, if the bookmaker offends a second time, I strongly believe that that should result in the cancellation of his licence.

The Hon. G.J. CRAFTER: The Government opposes this amendment. I understand the reasons for it. I indicate to the Committee that it is proposed that regulations, which will be subject to scrutiny by this place, will be brought down with respect to the matters arising out of these amendments. One of the amendments proposes that any bookmaker who is found guilty by the board of breaching the preceding provisions shall, for a first offence, have his bookmaker's licence suspended for a period of one year and not be granted endorsement under this part again; and, secondly, for a second offence, will have his bookmaker's licence cancelled permanently. I think this meets the requirement that the honourable member has raised.

I certainly will undertake to have this matter looked at before it is considered by the other place. Obviously, we need to take advice from the Attorney and his officers with respect to sentencing, appropriate penalties and the like, but I agree that the penalties should be substantial—a large amount of money is involved here—and we need to maintain an ethical profession. I am sure bookmakers want to see that achieved as well. For those reasons, I oppose the amendment.

Mr OSWALD: I am encouraged by the Minister's remarks. If that is the form of words that is going into the regulations, it forsakes my concern. As I said initially, perhaps we can have a look at it between now and when the Bill goes to the Legislative Council. At this point, I am reasonably comfortable with that.

New clause negatived.

Remaining clauses (14 to 23) and title passed.

Bill read a third time and passed.

PUBLIC CORPORATIONS BILL

Second reading.

The Hon. G.J. CRAFTER (Minister of Housing, Urban Development and Local Government Relations): I move:

That this Bill be now read a second time.

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

Leave granted.

At the time of the release of the first of the Royal Commissioner's reports on the State Bank of South Australia the Government announced its intention to introduce into Parliament a Public Corporations Bill to ensure that the duties of directors of public corporations are clearly defined and that the objectives, authority and accountability of the parties involved with commercial statutory authorities are well understood.

As stated on that occasion, the experience of the State Bank has made it abundantly clear that there is a need for the Government to set clear objectives, priorities and performance criteria for its statutory authorities and that these objectives must be defined and understood so that boards and management can get on with the job of managing while also accepting responsibility for the performance of the statutory authority.

However, this Bill is not intended just to be a response to problems with the State Bank. It is part of a package of reform measures directed towards commercial statutory authorities, designed to encourage better performance whilst safeguarding against the sort of failure which occurred with the Bank.

The recently completed study of the South Australian economy conducted by consultants
A D Little, underlined the fact that problems in the South Australian economy are not derived just from a recession or even from the collapse of the State Bank, but are manifestations of the need for major structural changes, brought about by the increasing globalisation of the Australian economy as a whole.

At the state level, industries and businesses in South Australia are now competing not only with those interstate, but also with overseas companies. Many Government owned businesses are also subject, directly or indirectly, to this competition as well as providing important infrastructure and services upon which the private sector itself relies to be able to compete. These businesses are a very significant part of the South Australian economy, the major enterprises operating assets valued at over $12.0 billion and raising revenue of over $1.5 billion per annum. The Government acknowledges the need for its public trading enterprises to achieve standards of productivity and service equivalent to world best to help ensure that South Australia is competitive.

Much has already been achieved in this regard. In recent years the commercialisation reforms implemented by the South Australian Government have seen many public trading enterprises realise significant improvements in the way of—

- real reductions in charges for their services
- restructuring of tariffs and charges in line with user pays principles to encourage efficient resource use and conservation
- major improvements in capital and labour productivity

and

- improved return on assets for many enterprises.

Details of these reforms and their results may be found in the 1992-93 budget papers. Suffice it to say that whilst it is understandable that the problems of the State Bank should be foremost in our minds, these should not overshadow the many significant gains which have been made with other public enterprises, which have left those enterprises in a much improved position to compete and to provide services which are vital to this state's economy.

It is essential that an effective response be made to ensure that problems akin to those of the Bank do not occur again. However, we must also ensure that we do not introduce controls which make it impossible for it and other authorities to perform effectively and to act in a commercial manner. Rather it is necessary to implement a balanced system which encourages, and indeed requires, high standards of performance whilst strengthening accountability to the Government, and ultimately to Parliament.

The Public Corporations Bill is designed to overarch the legislation establishing each Authority, and will put in place a consistent framework of duties, responsibilities, and relationships between each authority and the Government. As necessary, the incorporating legislation for each Authority will also be amended to remove any inconsistent provisions.

The mechanisms contained in the Bill are based on the following principles:

- The establishment of clear and non conflicting objectives and targets for public corporations.
- An appropriate balance of Ministerial control and managerial responsibility and authority combined with a clear line of accountability from the corporation to the Minister and thence to Parliament.
- Ongoing monitoring of the performance of each corporation.
- An effective system of rewards and sanctions.

Whereas the State Bank Act removed the Government's capacity to control and direct the Bank, it is now clear that this policy was flawed, as it seriously restricts the Government's capacity to fulfil its obligations as owner of an Authority on behalf of the community, and guarantor of its debts. The Public Corporations Bill is predicated on the belief that if the Government is to accept final accountability for the functioning of its public trading enterprises, then the Government must have authority to control and direct these authorities, subject to safeguards to ensure that this power is not used inappropriately.

I have alluded to the fact that this Bill is intended to provide the framework for a wider package of reform measures designed to enhance both the performance and accountability of public corporations. In concert with the measures in the Bill the Government will implement or accelerate the following reforms:

- The composition of boards of public corporations will be reviewed progressively with a view to ensuring that membership has the optimal mix of skills having regard to the responsibilities of the boards under the Public Corporations Act.
- The process for recruiting, selecting and appointing directors will be reviewed to ensure that, on an ongoing basis, the persons appointed are the best available.
- Remuneration practices will be reviewed to ensure that whilst board fees adequately reflect the new accountabilities, directors are precluded from accepting fees for service on the boards of subsidiaries except as authorised by the Government.
- The charters for public corporations will ensure that any non commercial functions carried out by public corporations are explicitly identified in order to improve accountability. Accounting practices will be reformed to support these measures.
- New standards for annual reporting will require higher standards of public disclosure. These standards will be based on those applicable in the private sector but will contain additional requirements specifically to meet the needs of public corporations. Certain requirements are stated in the Bill, but will be dealt with more exhaustively in separate Treasurer's Instructions under the Public Finance and Audit Act.
- A handbook of practice and conduct will be prepared for directors, particularly new directors, explaining their obligations, relationships with Government and what represents "best practice" for boards of this type

and

- A system of ongoing monitoring public corporation performance will be installed to provide the Government with advice regarding performance and early warning of any problems.

In summary, it is intended that the legislative arrangements, together with the policy changes will result in an arrangement for the management and oversight of the operations of public corporations which have the following essential components:-

- The Government is responsible for setting the strategic framework for public corporation operations via a charter and a performance agreement. The Charter, which may limit the statutory objects of the corporation, authorises the board to pursue certain strategies (usually in the context of a three to five year strategic plan).
- The performance agreement will stipulate specific performance targets to be pursued, against which the board's performance will be assessed.
- Within this framework, each board is responsible for strategic leadership of the public corporation, for monitoring and evaluating management's performance and for stewardship over the assets of the corporation. The board's broad management functions will be specified in the legislation to ensure that there is no misunderstanding of their role vis-a-vis government. One particular responsibility will be that of ensuring that the corporation's Minister is advised of any material development that affects the financial or operating capacity of the corporation or any of its subsidiaries, or gives rise to an expectation that it may not be able to meet its debts as and when they fall due. In addition, the board will be accountable for ensuring that each corporation and any subsidiaries operate within the corporation's statutory objectives and the charter agreed with the Government. In accordance with currently accepted standards of best practice, boards will be required to establish an Audit Committee to focus on the financial and management practices of each corporation and to ensure that adequate internal audit systems are in place.
- The Minister retains power to direct a board and can do so either on broad policy or in relation to a specific operational issue. However, directions are to be given in writing, and unless there is no overriding reason (arising for example from the need for commercial confidentiality) any direction is to be made public and reported in the corporation's annual report.
- Directors' legal duties will be clearly specified in the legislation and in certain instances criminal sanctions will apply for failure to perform these duties.

The Bill provides a comprehensive framework of duties for directors of public corporations. These duties have been developed having regard both to the existing common law duties of persons holding public office and to the statutory and common law duties of directors in private sector. However, effort has been made to fine tune these duties to make them more relevant to the needs of public corporations in today's climate, where the boards will be required to operate in a commercial manner but also have accountability to the Government and Parliament. The duties have been written in a way which emphasises that directors of public corporations must operate according to the highest standards of ethics and probity both as regards their own conduct and that of the corporation.

Whilst commercial transactions between a director and the public corporation of which he or she is a board member are not

prohibited, as such transactions may be to the benefit of the corporation, the Bill requires both Ministerial approval of any such transaction and full disclosure of the fact in the corporation's annual report so that there is both public and Parliamentary scrutiny of such transactions.

Supporting provisions apply to require full disclosure by a director to the Minister of any direct or indirect interest in a matter under consideration by a board of which he/she is a member and of any interests or offices which the director holds which may create a reasonable expectation that a future conflict may arise. In these circumstances, the Minister may require the director to divest himself of a conflicting office or interest or to resign from the board. In appropriate circumstances, the Bill provides for criminal penalties to be applied where a director has breached his/her duties.

The Bill also specifies clear standards for directors to fulfil their duty of care to a corporation and provides for appropriate criminal penalties in circumstances where a director is culpably negligent.

- A regime of routine monitoring of public corporation performance will be put in place in order to ensure that the Government has early advice of potential problems. The monitoring will not duplicate the work of the Auditor-General, but rather will focus on monitoring of commercial and non-commercial performance against the performance and prudential targets set in the performance agreement.
- There will be greater authority for the Auditor-General to audit operations of corporations and their subsidiaries
- Whilst these arrangements presuppose that boards will generally have broad scope to make operating decisions, this will only occur within a framework of strategic objectives and targets agreed with the Government. Any necessary restrictions on a board's authority not dealt with in the legislation will be detailed in each corporation's charter. For example, the fixing of fees and charges would normally be subject to Government control.

As pioneering legislation in South Australia, a reasonable period was allowed for consultation and public comment. Amendments have now been made to the Bill in the other place to meet suggestions and comments resulting from the public exposure.

A detailed clause by clause explanation follows and I seek leave to have the explanations inserted in Hansard without reading them.

PART 1

PRELIMINARY

Clause 1: Short title. This clause is formal.

Clause 2: Commencement. This clause provides for the measure to be brought into operation by proclamation.

Clause 3: Interpretation. This clause contains definitions of terms used in the measure. Whether a statutory corporation is a "public corporation" is dealt with by *clause 5* which provides for the application of the measure to particular corporations by the Acts under which they are constituted or by regulation. Attention is drawn to subclause (2) which defines when a person will be taken to be an associate of another. This provision has application in relation to various provisions designed to regulate transactions and shareholding and other relationships between public corporations and subsidiaries of public corporations and their directors and executives.

Clause 4: References to board or directors where corporation does not have separately constituted board. The provisions of the measure make references to the board of a public corporation and directors of a public corporation. Some public corporations will continue to be constituted under their incorporating Acts without separately constituted boards of directors. This clause is designed to ensure that the provisions operate properly in relation to any such corporation so that references to the board will be taken to be references to the corporation itself and references to a director will be taken to be references to a member of the corporation.

Clause 5: Application of Act. This clause provides that a provision of the measure will apply to a public corporation if the corporation's incorporating Act so provides or if regulations under the measure so provide.

PART 2

MINISTERIAL CONTROL

Clause 6: Control and direction of public corporations. This clause provides that a public corporation is an instrumentality of the Crown, holds its property on behalf of the Crown and is subject to control and direction by its Minister. Any direction by the Minister must be in writing and published by the Minister in the *Gazette* and by tabling in Parliament and by the corporation in its next annual report. If, however, the Minister is of the opinion that the publication of the direction might detrimentally affect the corporation's commercial interests, constitute a breach of a duty of confidence or prejudice an investigation of misconduct or possible misconduct, the direction need only be reported to the Economic and Finance Committee of the Parliament and the fact that direction was given reported in the corporation's next annual report.

Clause 7: Provision of information and records to Minister. This clause gives a public corporation's Minister full access to any information or records in the corporation's possession or control. The corporation may advise the Minister as to the confidential nature of any information or record, but any question as to public or other disclosure of the information or record remains a matter for decision by the Minister. The Minister must, however, ensure that any legal duty of confidence is observed to the extent consistent with the proper performance of ministerial functions and duties.

Clause 8: Minister's or Treasurer's representative may attend meetings. Under this clause a representative of a public corporation's Minister or the Treasurer may, at the initiative of the Minister or Treasurer, attend (but not participate in) meetings of the board of the corporation and have access to board papers.

Clause 9: Notification of disclosure to Minister of matter subject to duty of confidence Under this clause the fact of disclosure to a public corporation's Minister of a matter subject to a duty of confidence must be reported to the person to whom the duty is owed.

Clause 10: No breach of duty to report matter to Minister This clause makes it clear that no duty owed by a director to the public corporation limits the reporting of any matter relating to the corporation or its subsidiaries to the Minister.

PART 3

PERFORMANCE AND SCOPE OF CORPORATION'S OPERATIONS

Clause 11: General performance principles. This clause requires a public corporation to perform its commercial operations in accordance with commercial principles and to use its best endeavours to achieve a level of profit consistent with its functions. The corporation is required to perform its non-commercial operations (if any) in an efficient and effective manner consistent with the requirements of the corporations'

charter (for which see *clause 12).* The question whether particular operations are commercial or non-commercial may be determined by the classification given to the operations by the corporation's charter.

Clause 12: Corporation's charter. Under this clause a charter must be prepared for a public corporation by the corporation's Minister and the Treasurer after consultation with the corporation. The charter must deal with the following:

- the nature and scope of the commercial operations to be undertaken, including—
  - the nature and scope of any investment activities;
  - the nature and scope of any operations or transactions outside the State;
  - the nature and scope of any operations or transactions that may be undertaken by subsidiaries of the corporation, by other companies or entities associated with the corporation or pursuant to a trust scheme or a partnership or other scheme or arrangement for sharing of profits, co-operation or joint venture with another person;
- the nature and scope of any non-commercial operations to be undertaken and the arrangements for their costing and funding;

and

- all requirements of the corporation's Minister or the Treasurer as to—
  - the corporation's obligations to report on its operations;
  - the form and contents of the corporation's accounts and financial statements;
  - any accounting, internal auditing or financial systems or practices to be established or observed by the corporation;
  - the setting of fees or charges, the acquisition or disposal of capital or assets or the borrowing or lending of money.

The charter may limit (but not extend) the functions or powers of the corporation and deal with any other matter.

The charter must be reviewed by the corporation's Minister and the Treasurer at the end of each financial year and may be amended at any time by the corporation's Minister and the Treasurer, in either case, after consultation with the corporation.

On the charter or an amendment to the charter coming into force, the corporation's Minister must within six sitting days, cause a copy of the charter, or the charter in its amended form, to be laid before both Houses of Parliament and, within 14 days (unless such a copy is sooner laid before both Houses of Parliament), cause a copy of the charter, or the charter in its amended form, to be presented to the Economic and Finance Committee of the Parliament.

Clause 13: Performance statements. Under this clause the corporation's Minister and the Treasurer must, when preparing the charter for a public corporation, also prepare, after consultation with the corporation, a performance statement setting the various performance targets that the corporation is to pursue in the coming financial year or other period specified in the statement and dealing with such other matters as the Minister and the Treasurer consider appropriate.

This must be reviewed when the corporation's charter is reviewed and may be amended at any time by the Minister and the Treasurer after consultation with the corporation.

PART 4

DUTIES AND LIABILITIES OF BOARD AND DIRECTORS

Clause 14: General management duties of board. This clause provides that the board of a public corporation is to be responsible to its Minister for overseeing the operations of the corporation and its subsidiaries with the goal of securing continuing improvements of performance and protecting the long term viability of the corporation and the Crown's financial interests in the corporation.

In particular, the board must ensure as far as practicable—

- that appropriate strategic and business plans and targets are established that are consistent with the corporation's charter and performance statement;
- that the corporation and its subsidiaries have appropriate management structures and systems for monitoring management performance against plans and targets and that corrective action is taken when necessary;
- that appropriate systems and practices are established for management and financial planning and control, including systems and practices for the maintenance of accurate and comprehensive records of all transactions, assets and liabilities and physical and human resources of the corporation and its subsidiaries;
- that all such plans, targets, structures, systems and practices are regularly reviewed and revised as necessary to address changing circumstances and reflect best current commercial practices;
- that the corporation and its subsidiaries operate within the limits imposed by the corporation's incorporating Act and charter and comply with the requirements imposed by or under this measure or any other Act or law;
- that the corporation and its subsidiaries observe high standards of corporate and business ethics;
- that the corporation's Minister receives regular reports on the performance of the corporation and its subsidiaries and on the initiatives of the board;
- that the corporation's Minister is advised, as soon as practicable, of any material development that affects the financial or operating capacity of the corporation or any of its subsidiaries or gives rise to an expectation that the corporation or any of its subsidiaries may not be able to meet its debts as and when they fall due;

and

- that all information furnished to the corporation's Minister by the corporation or any of its subsidiaries is accurate and comprehensive.

Clause 15: Directors' duties of care, etc. Under this clause, a director of a public corporation must at all times exercise a reasonable degree of care and diligence in the performance of his or her functions.

In particular, the director must—

- take reasonable steps to inform himself or herself about the corporation and its subsidiaries, their businesses and activities and the circumstances in which they operate;
- take reasonable steps through the processes of the board to obtain sufficient information and advice about all matters to be decided by the board or pursuant to a delegation to enable him or her to make conscientious and informed decisions;

and

- exercise an active discretion with respect to all matters to be decided by the board or pursuant to a delegation.

A director need not, however, give continuous attention to the corporation's affairs but is required to exercise reasonable diligence in attendance at and preparation for board meetings.

In determining the degree of care and diligence required to be exercised by a director, regard is to be had to the skills, knowledge or acumen possessed by the director and to the degree of risk involved in any particular circumstances.

A director is to be guilty of an offence punishable by a maximum of a Division 4 fine ($15 000) if the director is culpably negligent in the performance of his or her functions. For this purpose, a director will not be culpably negligent unless the court is satisfied the director's conduct fell sufficiently short of the standards required to warrant the imposition of a criminal sanction.

Finally, the clause makes it clear that a director commits no breach of duty by acting in accordance with a Ministerial direction.

Clause 16: Directors' duties of honesty. This clause sets out offences in the same terms as apply to company directors under the *Corporations Law*.

A director of a public corporation must at all times act honestly in the performance of the functions of his or her office, whether within or outside the State.

A director or former director of a public corporation must not, whether within or outside the State, make improper use of information acquired by virtue of his or her position as such a director to gain, directly or indirectly, an advantage for himself or herself or for any other person or to cause detriment to the corporation or any of its subsidiaries.

A director of a public corporation must not, whether within or outside the State, make improper use of his or her position as a director to gain, directly or indirectly, an advantage for himself or herself or for any other person or to cause detriment to the corporation or any of its subsidiaries.

Each of these offences attracts a maximum penalty of a Division 4 fine ($15 000) or Division 4 imprisonment (4 years), or both.

Clause 17: Transactions with directors or associates of directors. This clause requires the Minister's approval for any transaction with the corporation or a subsidiary in which a director of the corporation or an associate of a director is directly or indirectly involved. Subclause (2) provides that a person has an indirect involvement in a transaction if the person initiates, promotes or takes any part in negotiations or steps leading to the making of the transaction with a view to that person or an associate of that person gaining some financial or other benefit (whether immediately or at a time after the making of the transaction). This will be so despite the fact that neither that person nor an agent, nominee or trustee of that person becomes a party to the transaction.

The clause makes an exception from this requirement for transactions of an ordinary retail non-commercial nature:

- the receipt by the corporation or a subsidiary of the corporation of deposits of money or investments;
- the provision of loans or other financial accommodation by the corporation or a subsidiary of the corporation for domestic or non-commercial purposes;
- the provision of accident, health, life, property damage or income protection insurance or insurance against other risks (excluding credit or financial risks) by the corporation or a subsidiary of the corporation;
- the provision of services (other than financial or insurance services) by the corporation or a subsidiary of the corporation,

  in the ordinary course of its ordinary business and on ordinary commercial terms.

The clause also allows other exceptions to be made by regulation.

Any transaction made in contravention of this provision may be avoided by the corporation or the corporation's Minister provided that no innocent third party has acquired an interest in property subject to the contract.

The clause provides that a director is to be guilty of an offence if he or she counsels, procures, induces or is in any way (whether by act or omission or directly or indirectly) knowingly concerned in, or party to, a contravention of this provision. This offence is, if an intention to deceive or defraud is proved, punishable by a Division 4 fine ($15 000) or Division 4 imprisonment (4 years), or both, or in any other case, by a Division 6 fine ($4 000).

Clause 18: Directors' and associates' interests in corporation or subsidiary. Under this clause, the Minister's approval is required for a director or an associate of a director to have a beneficial interest in, or a right or option or other contractual entitlement in respect of, shares in, or debentures issued or prescribed interests made available by, the corporation or a subsidiary of the corporation. The same offence and penalties apply to a contravention of this provision as apply under the previous clause.

Clause 19: Conflict of interest. This clause provides that a director of a public corporation who has a direct or indirect personal or pecuniary interest in a matter decided or under consideration by the board—

- must, as soon as reasonably practicable, disclose to the board full and accurate details of the interest;
- must not take part in any discussion by the board relating to that matter;
- must not vote in relation to that matter;

and

- must be absent from the meeting room when any such discussion or voting is taking place.

Contravention of this provision is to be an offence punishable by a division 4 fine ($15 000).

If these requirements are complied with in respect of a proposed contract, the contract is not liable to be avoided by the corporation and the director is not liable to account to the corporation for profits derived from the contract.

Failure to comply with these requirements entitles the corporation or the corporation's Minister to avoid the contract subject to protection of property rights of innocent third parties.

Further disclosure is required where a director of a public corporation has or acquires a personal or pecuniary interest, or is or becomes the holder of an office, such that it is reasonably foreseeable that a conflict might arise with his or her duties as a director of the corporation. Contravention of this requirement is also to be an offence punishable by a division 4 fine ($15 000).

Any disclosure under this provision is to be recorded in the minutes of the board and reported to the corporation's Minister.

If the corporation's Minister forms the opinion that a particular interest or office of a director is of such significance that the holding of the interest or office is not consistent with the proper discharge of the duties of the director, the Minister may require the director either to divest himself or herself of the interest or office or to resign from the board (and non-compliance with the requirement will constitute misconduct and hence a ground for removal of the director from the board).

The clause makes it clear that a director will be taken to have an interest in a matter if an associate of the director has an interest in the matter.

These requirements will not apply in relation to a matter in which a director has an interest while the director remains unaware that he or she has an interest in the matter, but in any proceedings against the director the burden will lie on the director to prove that he or she was not, at the material time, aware of his or her interest.

Clause 20: Removal of director. This clause is intended to make it clear that breach by a director of a duty imposed under this measure will constitute a ground for removal from office.

Clause 21: Civil liability if director or former director contravenes this Part. This clause allows the recovery of profit gained by a person or loss or damage suffered by a corporation or subsidiary as a result of the contravention by a director or former director of any provision of Part 4 of the measure other than a contravention consisting of culpable negligence. This may occur by order of the court convicting the director of an offence in respect of the contravention or by action in a court of competent jurisdiction commenced by the corporation or the corporation's Minister.

Clause 22: Immunity for directors. This clause provides an immunity from civil liability for honest acts or omissions of a director in the performance or discharge, or purported performance or discharge of, functions or duties as such a director. Any liability that would otherwise have been incurred by a director of a corporation will become a liability of the corporation. This immunity does not detract from a liability otherwise imposed under the measure.

PART 5

SUBSIDIARIES AND INDIRECT OR JOINT OPERATIONS

Clause 23: Formation, etc., of subsidiary companies. Under this clause the Treasurer's approval is required before a public corporation may form or acquire a subsidiary company (that is, a company under the *Corporations Law).* Any such approval may be conditional on inclusion in the company's memorandum or articles of association of provisions imposing limitations, controls or practices consistent with those applicable to the parent public corporation.

Clause 24: Formation of subsidiary by regulation. This clause empowers the Governor to establish a body corporate as a subsidiary of a public corporation by regulation. Regulations establishing a subsidiary of a public corporation—

- must name the body;
- must constitute a board of directors as the body's governing body and provide for the appointment, term and conditions of office and removal of the directors;
- must provide for the procedures governing the board's proceedings;
- may limit the powers and functions of the body; and
- may make any other provision (not inconsistent with this measure or the public corporation's incorporating Act) that is necessary or expedient for the purposes of the subsidiary.

The powers and functions of the subsidiary are to be the same as those of its parent corporation, subject to any limitations in the regulations establishing the subsidiary and any directions given by its parent corporation.

The clause makes it clear that any such subsidiary will be an instrumentality of the Crown and hold its property on behalf of the Crown.

Clause 25: Dissolution of subsidiary established by regulation. This clause provides for the dissolution by regulation of a subsidiary established by regulation.

Clause 26: Guarantee or indemnity for subsidiary subject to Treasurer's approval. Under this clause the Treasurer's approval is required before a parent public corporation may provide a guarantee or indemnity in respect of any liabilities of a subsidiary company.

Clause 27: Indirect or joint operations by public corporations. This clause requires the Treasurer's approval before a public corporation may establish a trust scheme, partnership or other scheme or arrangement for sharing of profits or joint venture with another person or undertake any operations or transactions pursuant to such a scheme or arrangement.

PART 6

FINANCIAL AND OTHER PROVISIONS

Clause 28: Guarantee by Treasurer of corporation's liability. This clause is the usual provision providing the Treasurer's guarantee in respect of liabilities of a public corporation.

Clause 29: Tax and other liabilities of corporation. Under this clause a public corporation will be liable to all such rates (other than rates payable to a council), duties, taxes and imposts and have all such other liabilities and duties as would apply under the law of the State if the corporation were not an instrumentality of the Crown.

Amounts equivalent to income tax and other Commonwealth taxes will be payable to the Treasurer for the credit of the Consolidated Account. Similar provision is made in respect of local government rates. In each case, this is to be subject to any exception or limitation determined by the Treasurer. Subclause (4) makes it clear that these provisions do not affect any liability to pay rates to a council that would apply apart from these provisions.

Clause 30: Dividends. Under this clause, a public corporation must, before the end of each financial year, recommend by writing to the Treasurer, that the corporation pay a specified dividend, or not pay any dividend, for that financial year. Any such recommendation may be accepted by the Treasurer or subject to variation by the Treasurer. The Treasurer must act in consultation with the corporation's Minister.

Provision is made for interim dividends in the same way, that is, first a recommendation from the corporation and then final determination by the Treasurer.

Any dividends or interim dividends are to be payable to the Treasurer for the credit of the Consolidated Account at times and in a manner determined by the Treasurer after consultation with the corporation.

Clause 31: Internal audits and audit committee. Under this clause a public corporation must, unless exempted by the Treasurer, establish and maintain effective internal auditing of its operations and the operations of its subsidiaries.

The public corporation must, unless exempted by the Treasurer, establish an audit committee to be comprised of the board or members of the board together with such other person or persons as the board may from time to time appoint.

Such a committee may not include the chief executive officer of the corporation.

The functions of a corporation's audit committee are to include—

- the reviewing of annual financial statements prior to their approval by the board to ensure that the statements provide a true and fair view of the state of affairs of the corporation and its subsidiaries;

- liaising with external auditors on all matters concerning the conduct and outcome of annual audits of the corporation and its subsidiaries;

and

- regular reviewing of the adequacy of the accounting, internal auditing, reporting and other financial management systems and practices of the corporation and its subsidiaries.

Clause 32: Accounts and external audit. This clause provides that a public corporation must cause proper accounts to be kept of its financial affairs and financial statements to be prepared in respect of each financial year.

Unless exempted by the Treasurer, the corporation must include in its financial statements the financial statements of its subsidiaries on a consolidated basis.

The accounts and financial statements must comply with the requirements of the Treasurer contained in the corporation's charter and any applicable instructions of the Treasurer issued under the *Public Finance and Audit Act 1987*.

The Auditor-General may at any time, and must in respect of each financial year, audit the accounts and financial statements of the corporation.

Clause 33: Annual reports. A public corporation is required by this clause to report to its Minister, within three months after the end of each financial year, on the operations of the corporation and its subsidiaries during that financial year.

Each such report is to—

- incorporate the audited accounts and financial statements of the corporation and each of its subsidiaries (if any) for the financial year;
- incorporate the corporation's charter as in force for that financial year;
- set out any approval or exemption given or determination made by its Minister or the Treasurer under this measure or the corporation's incorporating Act in respect of the corporation or any of its subsidiaries during that financial year or that has effect in respect of that financial year;
- set out any disclosure made during that financial year by a director of the corporation or a subsidiary of the corporation of an interest in a matter decided or under consideration by the board of the corporation or subsidiary;
- contain the prescribed information relating to the remuneration of executives of the corporation and executives of its subsidiaries;
- contain any information required by or under the provisions of this measure or any other Act.

The Minister is required to cause a copy of the report to be laid before both Houses of Parliament within 12 sitting days after his or her receipt of the report.

Clause 34: Remuneration of corporation's directors. Under this clause the Minister's approval is required before a director of a public corporation may become entitled to any remuneration (apart from that determined by the Governor) for or in connection with membership of the board of the corporation or membership of the board of a subsidiary of the corporation or any other appointment made by or at the direction of the board of the corporation or any of its subsidiaries.

Clause 35: Minister to be consulted as to appointment or removal of chief executive officer. This clause requires a public corporation to consult its Minister before appointing or removing a person as chief executive officer of the corporation.

Clause 36: Delegation. This clause provides for delegation by the board of a public corporation. The clause prohibits a delegate from acting in a matter in which the delegate has a direct or indirect pecuniary or personal interest. The clause provides for recovery of any profit gained by a person or loss or damage suffered by the corporation as a result of contravention of this provision and allows any contract made in contravention of the provision to be avoided by the corporation or the corporation's Minister subject to protection of the property rights of any innocent third party.

Clause 37: Transactions with executives or associates of executives. This clause limits the involvement of executives of a public corporation in transactions with the corporation in the same way as does *clause 17* in relation to directors of a public corporation.

Clause 38: Executives' and associates' interests in corporation or subsidiary. Similarly, this clause regulates executives' interests or rights in respect of shares, debentures or prescribed interests of the corporation in the same way as does *clause 18* in relation to directors of a public corporation.

Clause 39: Validity of transactions of corporation. This clause provides that a transaction to which a public corporation is a party or apparently a party (whether made or apparently made under the corporation's common seal or by a person with authority to bind the corporation) is not invalid because of—

- any deficiency of power on the part of the corporation;
- any procedural irregularity on the part of the board or any director, employee or agent of the corporation;

or

- any procedural irregularity affecting the appointment of a director, employee or agent of the corporation.

However, the provision will not validate a transaction in favour of a party who enters into the transaction with actual knowledge of the deficiency or irregularity or who has a connection or relationship with the corporation such that the person ought to know of the deficiency or irregularity.

Clause 40: Power to investigate corporation's or subsidiary's operations. This clause confers a power to investigate the operations of a public corporation or a subsidiary of a public corporation that corresponds to the power under section 25 of the *State Bank of South Australia Act 1983*. Under the provision, the Minister responsible for a public corporation may appoint the Auditor-General or any other suitable person to carry out such an investigation.

Clause 41: Approvals and exemptions. This clause allows any approval or exemption given by a Minister under the measure to be specific or general and conditional or unconditional and to be varied or revoked by the Minister at any time.

Clause 42: Proceedings for offences. Under this clause, a complaint for an offence against the measure may only be made with the consent of the Director of Public Prosecutions.

The time for commencing proceedings for a summary offence is extended to three years after the date on which the offence is alleged to have been committed and may be further extended by the Director of Public Prosecutions.

Clause 43: Regulations. This clause confers the usual regulation-making power.

SCHEDULE

Provisions applicable to subsidiaries

Clause 1 of the schedule applies the schedule to a body corporate that is established by regulation under Part 5 of the measure as a subsidiary of a public corporation and, subject to the regulations, to a company (under the *Corporations Law)* that is a subsidiary of a public corporation.

The remaining clauses of the schedule deal with the following matters in relation to subsidiaries and correspond to the clauses of the measure (as shown in brackets) dealing with those matters in relation to public corporations:

Direction by board of parent corporation *(clause 6)*
General management duties of board *(clause 14)*
Directors' duties of care, etc. *(clause 15)*
Directors' duties of honesty *(clause 16)*
Transactions with directors or associates of directors *(clause 17)*
Directors' and associates' interests in subsidiary or parent corporation *(clause 18)*
Conflict of interest *(clause 19)*
Removal of director *(clause 20)*
Civil liability if director or former director of subsidiary contravenes
this schedule *(clause 21)*
Immunity for directors of subsidiaries *(clause 22)*
Tax and other liabilities of subsidiary *(clause 29)*
Accounts and external audit *(clause 32)*
Delegation *(clause 36)*
Transactions with executives or associates of executives *(clause 37)*
Executives' and associates' interests in subsidiary or parent corporation *(clause 38)*
Validity of transactions of subsidiary *(clause 39)*

Mr S.J. BAKER secured the adjournment of the debate.

[Sitting suspended from 5.15 to 5.35 p.m.]

SOUTH AUSTRALIAN TOURISM COMMISSION BILL

Returned from the Legislative Council with amendments.

STATUTES AMENDMENT (FISHERIES) BILL

A message was received from the Legislative Council agreeing to a conference, to be held in the Legislative Council committee room at 2 p.m. on Wednesday 7 April.

ADJOURNMENT

At 5.39 p.m. the House adjourned until Tuesday 20 April at 2 p.m