HOUSE OF ASSEMBLY

Tuesday 25 May 1999

The SPEAKER (Hon. J.K.G. Oswald) took the Chair at 2 p.m. and read prayers.

LINWOOD ASPHALT PLANT

A petition signed by 626 residents of South Australia requesting that the House urge the Government to require the operators of the Linwood Asphalt Plant to supply local residents with an analysis of the plant's emissions was presented by the Hon. W.A. Matthew.

Petition received.

NOARLUNGA HOSPITAL

A petition signed by 1 186 residents of South Australia requesting that the House urge the Government to fund intensive care facilities at the Noarlunga Hospital was presented by the Hon. R.L. Brokenshire.

Petition received.

PELICAN POINT

A petition signed by 5 302 residents of South Australia requesting that the House inquire into all aspects of the proposal to construct a power station at Pelican Point, Outer Harbor was presented by Mr Foley.

Petition received.

PARATOO ROAD, ORROROO

A petition signed by 121 residents of South Australia requesting that the House urge the Government not to close that part of the Paratoo Road at Orroroo between East Terrace and Railway Terrace was presented by the Hon. G.M. Gunn.

Petition received.

PARKLANDS

A petition signed by 5 384 residents of South Australia requesting that the House reject the amendments to the Local Government Bill which relate to the City of Adelaide Parklands was presented by Mr Lewis.

Petition received.

WAITE ARBORETUM

Petitions signed by 1 556 residents of South Australia requesting that the House urge the Government to impose a moratorium on the proposed redevelopment of the Waite Arboretum and investigate the circumstances under which development approval has been granted were presented by Messrs Meier and Hamilton-Smith.

Petitions received.

HOLDFAST SHORES DEVELOPMENT

A petition signed by 163 residents of South Australia requesting that the House urge the Government to direct the Holdfast Shores Consortium to reinstate pedestrian right of way across the new lock gate was presented by Mr Meier.

Petition received.

QUESTIONS

The SPEAKER: I direct that written answers to the following questions on the Notice Paper, as detailed in the schedule that I now table, be distributed and printed in *Hansard*: 7, 21, 61, 89, 90, 98 to 101, 103, 108, 112, 115 to 188, 120, 121, 127, 128, 130, 131, 137, 140, 144, 145, 149, 151, 152, 154, 156, 159, 164, 168, 169, 171 and 178; and I direct that the following answers to questions without notice be distributed and printed in *Hansard*.

ELECTRICITY, PRIVATISATION

In reply to **Mr FOLEY (Hart)** 9 December 1998.

The Hon. J.W. OLSEN: The Treasurer has provided the following information:

Consistent with previous responses to this question (see *Hansard* 30 June 1998 and 9 December 1998), I advise that the Government has undertaken to report to Parliament at the end of each financial year on the annual expenditure on consultancies involved with the electricity supply industry reform process.

HAMMOND, Dr L.

In reply to **Ms HURLEY (Napier)** 2 March.

The Hon. J.W. OLSEN: Termination arrangements were negotiated with the former Chief Executive of the MFP by the Commissioner for Public Employment at the request of the then Chairman of the MFP Sir Llew Edwards.

ELECTRICITY TARIFFS

In reply to **Mr HANNA (Mitchell)** 4 March.

The Hon. J.W. OLSEN: The Treasurer has provided the following information:

I have been advised that the Government commissioned no polling on the evening of 3 March and taxpayers therefore have not paid for any such polling.

NATIONAL ELECTRICITY MARKET

In reply to **Mrs MAYWALD (Chaffey)** 25 March.

The Hon. J.W. OLSEN: The Treasurer has provided the following information:

The honourable member is referring to a quantum of funds known as inter-regional settlements surplus or residue. These residues arise due to the differential spot market prices experienced in South Australia and Victoria. Victorian generators despatching electricity into South Australia receive the Victorian pool price, while South Australian customers receiving that electricity pay the higher South Australian pool price.

The National Electricity Code requires NEMMCO to allocate these funds to the transmission network service provider in the importing region to apply to the reduction of transmission charges. Under a Code derogation obtained by South Australia, these funds are currently used to provide a risk management instrument (commonly referred to as a hedge) to the South Australian market.

Half of these funds are sold direct to ETSA Power for the benefit of franchise customers, while the remainder form the basis of a settlement residue auction conducted by the South Australian Government. This auction enables market players to bid for the rights to the residues as a form of hedge to manage exposure to the price differences between the regions. The total proceeds of these processes are then distributed to the benefit of all customers through reduced network charges. From 1 July 1999, under changes proposed to the Code, it is expected that NEMMCO will manage an equivalent auction process on a market-wide basis. The proceeds of the NEMMCO auction will continue to be returned to the benefit of customers in the importing State.

Under the market arrangements, there are some charges payable to the Victorian transmission network for the use of these assets in transporting the electricity to the South Australian border. The benefit to South Australian customers in a full year from the settlement residues can only be estimated, but some market analysts would support a figure of up to $80 million. These arrangements apply irrespective of ownership, and it is unlikely that this reimburse-

ment process will have any impact on the net benefits from the sale of the Government-owned electricity business.

Charges payable to Victoria are still under negotiation. Payments benefiting South Australian customers to date (net of an amount being provided against expected payments to Victoria) have provided lower prices through a 40 per cent decrease in transmission charges in South Australia.

LOUTH BAY TUNA FARMS

In reply to **Mr HILL (Kaurna)** 4 March.

The Hon. R.G. KERIN: In a radio interview on Thursday 4 March 1999 regarding the location of tuna farms at Louth Bay the Director of Fisheries, Dr Gary Morgan when questioned about the likelihood of immediate prosecution stated that warnings had been given to the farm managers who had located their farms in an area that did not have development approval. Dr Morgan also stated that to proceed with prosecution under the Fisheries Act immediately would be like jailing a person for jaywalking. Sensible and practical application of powers under the Fisheries Act often means that warnings are first given prior to proceeding with charges under the Fisheries Act. This is common practice and ensures that the Fisheries Compliance Officers are able to operate both in an education role as well as an enforcement role. In cases where warnings are ignored or offences are repeated then of course charges for breaches of the Fisheries Act follow.

In answer to the honourable member's question of whether I agree with the statement by the Director of Fisheries, I would suggest that, first of all, the honourable member gets his facts right, as the transcripts show that the Director of Fisheries did not say that penalising the developers would be likened to punishing a person for jaywalking. What was said reflected the practice of providing warnings first before proceeding to charges and in that context I agree with the statements made by the Director of Fisheries.

EMERGENCY WORKERS, ROAD SAFETY

In reply to **Ms THOMPSON (Reynell)** 9 February.

The Hon. DEAN BROWN: The Minister for Transport and Urban Planning has provided the following information:

A working party established by the Minister for Transport and Urban Planning and the Minister for Emergency Services has examined this issue. A final report has been prepared which is now being considered in light of the Australian Road Rules proposals.

EDS CONTRACT

In reply to **Mr FOLEY (Hart)** 28 October.

The Hon. M.H. ARMITAGE: The Minister for Information Services has advised that the Government and EDS have recently reached agreement on a number of outstanding matters associated with the contract including 'assumed costs'.

A pricing regime for network provision and application pricing has been agreed which will deliver infrastructure and services to the Government at market prices.

Unit pricing in the Local Area Network (LAN), Midrange and Workstation segments will be based on resource inputs.

The price for assets which were identified and sold to EDS after contract commencement have been finalised.

MOTOROLA

In reply to **Mr CONLON (Elder)** 10 February.

The Hon. R.L. BROKENSHIRE: The Minister for Information Services has advised that the State will retain ownership of the network infrastructure and the Government Radio Network (GRN) Unit within the Department for Administrative and Information Services, which will have responsibility for managing the contract with Telstra.

Telstra will be engaged to design, construct, maintain and operate the proposed GRN. Accordingly, Telstra will be managing the infrastructure Operational Management of information and data on the network will remain the responsibility of those Government departments and the agencies using the network.

FINGERPRINT EVIDENCE

In reply to **Mrs GERAGHTY (Torrens)** 4 March.

The Hon. R.L. BROKENSHIRE: I have been advised by the Deputy Commissioner of Police that fingerprints located at scenes of crime are received and examined by the Fingerprint Bureau members and prioritised in accordance with:

- The seriousness of the offence
- The quality of the fingerprints
- The suitability of the prints for searching. Some prints located are of particular portions of the hands, which do not allow fingerprint investigators to search on the National Automated Fingerprint Identification System.
- Information received from investigators, including advice on patterns of offences, suspects known and involvement in policing operations.
- The delay in searching all prints received has been exacerbated over the last 18 months due to the long term illness and eventual separation of one of its staff. Two other staff members have transferred from the Fingerprint Bureau in recent months.

A number of initiatives have been undertaken to improve the effectiveness of the Bureau, including a reduction in the backlog of fingerprints waiting to be searched. Some of these initiatives are as a result of the Focus 21 Review of the Forensic Services Branch and include:

- Provision of an additional position within the Fingerprint Bureau.
- The advertising and selection of three civilian staff who are due to commence employment within the next month.
- The employment on contract of a recently retired fingerprint expert to deal specifically with the searching of fingerprints located at scenes of crime.
- A review of duties carried out within the Bureau to free up fingerprint investigators from clerical duties.
- The continued negotiation for the replacement of the National Automated Fingerprint Identification System to a 'state of the art' searching machine.

However, the level of training and time required to become a proficient Fingerprint Investigator will mean that our goal of eliminating the current backlog will not occur in the short term.

The Fingerprint Bureau has not taken a reduction in staff, but rather is about to be increased by one. In its endeavours to provide the best service possible, the Bureau makes over 1 500 identifications annually from over 3 500 files of fingerprints developed at crime scenes, and is providing a significant contribution to the fight against crime in South Australia.

STATUTES AMENDMENT (SENTENCING—MISCELLANEOUS) BILL

In reply to **Mr ATKINSON (Spence)** 11 March.

The Hon. I.F. EVANS: The Minister for Police, Correctional Services and Emergency Services has been advised by the Department for Correctional Services that in South Australia, legislation for persons to be sentenced *ab initio* to Home Detention is yet to be proclaimed.

This legislation will empower a court to sentence a person to a period of Home Detention, under the Criminal Law (Sentencing) Act 1988, with Home Detention conditions after her/his sentence of imprisonment has been suspended.

Currently, prisoners are allowed, under the Correctional Services Act 1982, to apply for Home Detention after they have completed half of their non parole period. The Chief Executive of the Department for Correctional Services has sole responsibility to approve or disapprove these applications.

In addition, courts may approve Home Detention for bailees who they consider may be appropriately managed in the community.

The current, major, conditions of Home Detention are:

- to reside at a specified address and to remain at that place of residence, unless directed or approved to be absent from the residence;
- to be of good behaviour and commit no violation of the law;
- not consume alcohol or any illegal substance;
- not contact or associate with prisoners or ex-offenders;
- not participate in gambling, incur debts or contract time payments; and
- to participate in recommended core programs.

To these may be added conditions to meet the specific needs of the offender or to ensure the level of security considered necessary by the Department for Correctional Services.

It is likely that similar conditions could apply to offenders sentenced *ab initio* to Home Detention.

There are currently eight officers employed to provide supervision of home detainees. This includes a combination of electronic

monitoring and supervisor visits conducted over 24 hours per day, seven days per week.

A number of computer generated telephone calls are made throughout the day and night to those offenders who are electronically monitored. Offenders are required to respond immediately by placing a special wrist band into equipment attached to their telephone. In addition, random checks of homes and workplaces are undertaken to confirm the location of home detainees.

Not all home detainees are monitored electronically. Those offenders who are not, are visited and monitored by supervisors either at their home or at their place of work or education.

The decision as to who should be monitored electronically depends on the level of supervision considered appropriate.

Home detainees are also subject to random alcohol and other drug tests.

SCHOOL VANDALISM

In reply to **Ms RANKINE (Wright)** 25 March.

The Hon. R.L. BROKENSHIRE: I have been advised by the police that if Police Security Services personnel apprehend people trespassing or causing damage to State Government owned property, they are required to report the matter to the Police Security Services Division Control Centre. An after-hours representative is then contacted, and, depending on the circumstances of the incident, and considering the wishes of the victim, the South Australia Police may be notified to attend.

The incident at Golden Grove Hill School on 19 March 1999 involved two youths that had removed a tree from the ground. The PSSD patrolman took the name and address of each youth, and waited the arrival of the after-hours contact. The after-hours contact informed the PSSD patrolman that no further police action was required at that time. The youths had offered to pay restitution to the amount of $36 for the damage to the tree. At a later time the Principal of the school decided to initiate police action against the youths, by reporting the matter to the police.

PUBLIC WORKS COMMITTEE REPORTS

The SPEAKER: I lay on the table the following reports of the Public Works Committee which have been received and published pursuant to section 17(7) of the Parliamentary Committees Act 1991:

Ninety-Forth Report on the Qualco Sunlands Groundwater Control Scheme.

Ninety-Fifth Report on the Adelaide Festival Centre—Priority Upgrade Works.

Ninety-Sixth Report on the Government Radio Network Contract.

JOINT PARLIAMENTARY SERVICE COMMITTEE

The SPEAKER: I lay on the table the report of the Joint Parliamentary Service Committee for 1997-98.

PAPERS TABLED

The following papers were laid on the table:

By the Premier (Hon. J.W. Olsen)—

Public Sector Management Act—Appointment of all Ministers' Personal Staff

By the Minister for Primary Industries, Natural Resources and Regional Development (Hon. R.G. Kerin)—

Regulations under the following Acts—
Fisheries—Aquaculture Management Committee
Livestock—Hormonal Growth Promotant
Wine Grapes Industry—Production Area

By the Minister for Human Services (Hon. Dean Brown)—

Development Act—
Crown Development Report—Proposal to Establish the National Wine Centre (Stage 2 of the Botanic Wine and Rose Development)
Report on the Interim Operation of the District Council of Kapunda and Light—Light (Outer Metropolitan) (DC) Development Plan—Sheaoak Log Plan Amendment Report
Report on the Interim Operation of the City of Tea Tree Gully Rural Living Zone and Inclusion of Land into the Hills Face Zone Plan Amendment Report
Report on the Interim Operation of the City of Port Adelaide Enfield Local Heritage Places and Historic (Conservation) Policy Areas Plan Amendment
Regulations under the following Acts—
Motor Vehicles—Trade Plates and Other
Road Traffic—
Duty to Report Accidents
Photographic Detection Devices

By the Minister for Government Enterprises (Hon. M.H. Armitage)—

Institution of Surveyors, Australia South Australian Division Inc— Report, 1998
South Australian Ports Corporation—Direction
State Records Act Regulations—Exclusion—Police

By the Minister for Education, Children's Services and Training (Hon. M.R. Buckby—

Teachers Registration Board of South Australia—Report, 1998
Vocational Education, Employment and Training Board—Report, 1998
The University of Adelaide—Report, 1998
Regulations under the following Acts—
Lottery and Gaming—Promotional Lottery Licence
Southern State Superannuation—Members and Minimum Contributions
Funds SA Subsidiary Holding Corporation—Charter
The University of Adelaide—Legislation made by the Council
SA Generation Corporation—Direction
ETSA Corporation—Direction

By the Minister for Environment and Heritage (Hon. D.C Kotz)—

Mallee Water Resources Planning Committee—Report, 1997-98
Department for Environment, Heritage and Aboriginal Affairs—Report, 1997-98, Erratum
River Murray Catchment Water Management Board—Report, 1998
Northern Adelaide and Barossa Catchment Water Management Board—Initial Catchment Water Management Plan Annual Review, 1998-99
Onkaparinga Catchment Water Management Board—Report, 1998-99

By the Minister for Industry and Trade (Hon. I.F. Evans)—

Judges of the Supreme Court of South Australia –Report, 1998
Regulations under the following Acts—
Co-operatives—Corporations Law Modifications
Trustee—Prescribed Insurers
Security Agents and Investigation Agents—Offences Preventing Licensing
Building Work Contractors—Plumbing
Liquor Licensing—Dry Areas—Coober Pedy
Rules of Court—
Magistrates Court—Amendment No 15
District Court—Amendment No 23
Rules of Racing—Racing Act—Amendments to Rules

By the Minister for Local Government (Hon. M.K. Brindal)—

District Council By-Laws:
Mount Barker—

No. 5—Keeping of Dogs
No. 7—Council
No. 16—Waste Management
No. 17—Straying Stock
Local Government Act—Regulations—Notice of Valuation
Public Parks Act—Disposal of Park by the City of Onkaparinga.

TAXATION REFORM

The Hon. J.W. OLSEN (Premier): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.W. OLSEN: Last month, when the Prime Minister, the Federal Treasurer and State Premiers met we reached an historic agreement. We ended more than 50 years of disputation between the Commonwealth and States over revenue. We signed an agreement that created a whole new era for Federal-State financial relationships in this country. That agreement was not just an endorsement of the GST by the Liberal Premiers. It was a new financial blueprint welcomed by Peter Beattie, Bob Carr or Jim Bacon as much as it was by Richard Court, Jeff Kennett and myself. And why it was welcomed by the Premiers, along with the Chief Ministers of the ACT and the Northern Territory, was that, for the first time, the Commonwealth was guaranteeing a stream of revenue to the States. Even better, the Commonwealth was guaranteeing a stream of revenue to the States that would allow us to end our dependence on taxes that damaged jobs and investment.

Today, the spectre of defeat hangs over that package—and, of all the States at risk, South Australia has the most to lose. There can be no major compromise on this package. To do so will see all State and Territory leaders return to Canberra to negotiate a new financial deal. If food is exempted—even partially—we will be faced with a series of options which will impact on this State. Importantly, we will not be in a position to abolish the nine taxes we said we would under the financial agreement struck with the Commonwealth.

Financial institutions duty and BAD tax would have to stay. We simply could not afford to abolish them. Stamp duties would remain—again, we could not afford to do otherwise. It is essential to achieve the abolition of wholesale sales tax; it is not and should not be a negotiable option. The future of too many South Australian families rests on its abolition. Wholesale sales tax adds between 4 per cent and 6 per cent to Holden and Mitsubishi products going on to the world market. It is essential to 17 000 jobs in the automotive industry in this State that that cost is reversed.

But this is about more than just the GST. It is about whether or not Australia will enter the next century with a taxation system that meets the demands of an internationalised economic environment or a creaking, old, patched-up system designed for the Australia that existed between the Wars. The Senate must pass the Federal Government's new tax system Bills. As someone who has served as a Senator I understand the Senate's importance as a House of review. However, I am also mindful of its role as the States' House—and this is an issue of crucial importance to our State of South Australia.

The current tax system puts South Australian exporters at a significant disadvantage in competing in overseas markets. It also disadvantages local firms competing with imported goods. The Commonwealth's proposals offer a range of opportunities for this State. Most significant of all, they promise to reduce costs for our vital automotive industry by removing the burden of wholesale sales tax, increasing its international competitiveness and protecting jobs. This will also have benefits across manufacturing as a whole—the area that remains the State's most important industry sector.

Australia is unique—and behind the rest of the world—in the taxes it imposes on financial transactions. Current tax arrangements put Australian enterprises at an increasing disadvantage, and the cost of persevering with them will become even greater. These are not just taxes that hit the screen jockeys of the foreign exchange markets. We are talking about charges such as FID, debits tax and stamp duties on mortgages and cheques.

Mr Foley interjecting:

The Hon. J.W. OLSEN: The Commonwealth's—

Members interjecting:

The SPEAKER: Order! The Premier will resume his seat. We are three minutes into Question Time. The behaviour is unacceptable. The Opposition is here to probe the Government ranks: it is not here to come in and deliberately disrupt them.

Mr FOLEY: I rise on a point of order. I apologise, Sir, but this is sheer hypocrisy from the Premier.

The SPEAKER: Order!

The Hon. J.W. OLSEN: The hypocrisy shown by the member for Hart is his rejection of a sale or lease of ETSA, which would have avoided the necessity for our power bill levy increase. It is simply the member for Hart attempting to shift the blame off their shoulders, where it rightly resides. The Commonwealth's tax reform package—

Mr FOLEY: Sir, I rise on a point of order. The Premier is wrong. That is not what I am doing: I am pointing out your hypocrisy on tax.

The SPEAKER: Order! There is no point of order.

The Hon. J.W. OLSEN: The Commonwealth's tax reform package locks in a system of horizontal fiscal equalisation—and I would be interested to know if the member for Hart does not want to maintain HFE in this State's interest—that will end more than 50 years—

Ms WHITE: Sir, I rise on a point of order. I believe that the Premier is debating his ministerial statement.

The SPEAKER: Order! There is no point of order. The House has given the Premier leave to make a ministerial statement: he is not answering a question.

The Hon. J.W. OLSEN: It is pretty clear what the Caucus has decided are to be the tactics today—disrupt, disrupt, disrupt.

Members interjecting:

The SPEAKER: Order! The Premier will get on with his statement, please.

The Hon. J.W. OLSEN: The Commonwealth's tax reform package locks in a system of horizontal fiscal equalisation that will end more than 50 years of financial disputes between the States and the Commonwealth. We won this concession after much lobbying. It would be untenable to now lose it. Horizontal fiscal equalisation provides a guaranteed stream of revenue to underpin strong and successful health and education systems across Australia, including South Australia, to ensure that there is a standard of provision of essential service across the country.

Today I appeal (and certainly without the member for Hart's support) to the leadership of the Australian Democrats to take these facts into consideration as they negotiate with the Federal Government over the fate of tax reform. The

Democrats' leadership is in a unique position to understand our case. Both their Leader and their Deputy (Senator Lees and Senator Stott-Despoja) are South Australian. This is a crucial moment for them. The Democrats often speak of the need to protect local industry against competition. They often speak of the importance of our education and social welfare systems. This is the time, the chance and the opportunity for them to act in a way that will help save local jobs and provide the funding for essential services. The Democrats need to realise how important tax reform and the Commonwealth's tax package is to South Australia. So far, Senator Lees has acknowledged the need for tax reform and shown the courage to actively engage with the Government on the matter.

An honourable member: Showing a bit of leadership.

The Hon. J.W. OLSEN: Indeed. And, for the sake of her constituents here in South Australia, she must continue. This contrasts to the ALP. As Senator Lees says, the Labor Party does not have a plan of its own. The Labor Party has chosen to make itself redundant in the debate. It has dealt itself out. Labor does not have to make itself an irrelevancy.

As I said, the Senate is a States' House. South Australia's Labor senators should consider the tax package very carefully. Bob Carr, Peter Beattie and Jim Bacon have supported it for one simple reason: it is good for their States. It is also good—indeed, vital—for South Australia. The choice for our senators, and this State, should be clear: tax reform cannot fail.

ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE

Mr VENNING (Schubert): I bring up the thirty-second report of the committee, on mining shale at Leigh Creek—interim report, and move:

That the report be received.

Motion carried.

PUBLIC WORKS COMMITTEE

Mr LEWIS (Hammond): I bring up the ninety-seventh report of the committee, on the Motorola stage 3—extensions to software centre—Technology Park, and move:

That the report be received.

Motion carried.

The Hon. R.G. KERIN (Deputy Premier): I move:

That the report be printed.

Motion carried.

Mr LEWIS: I bring up the ninety-eighth report of the committee, on the Australian Aboriginal Cultures Gallery—status report, and move:

That the report be received.

Motion carried.

The Hon. R.G. KERIN (Deputy Premier): I move:

That the report be printed.

Motion carried.

QUESTION TIME

EMERGENCY SERVICES LEVY

The Hon. M.D. RANN (Leader of the Opposition): My question is directed to the Premier. How much will the new emergency services tax raise in total in its first and second years of operation and did the then Minister for Emergency Services mislead the Parliament on 21 July last year when he claimed that the new tax would simply replace existing levies, given that the emergency services tax announced today will replace levies that raised a total of around $40 million a year? In supporting the Bill in a speech to the House on 21 July last year, the then Minister for Emergency Services stated:

> . . . this is simply a different method of collecting the revenue that has previously been collected under the levy on insurance premiums.

That is not true.

The SPEAKER: Order! The honourable member is now commenting.

The Hon. R.L. BROKENSHIRE: It is interesting that, for the first time in 5½ years, I have seen bipartisan support by the Opposition for a Bill to protect life and property in South Australia. Unfortunately, down the track, Opposition members have played their typical political game and have tried to toss, turn and twist everything. The $141.5 million that will be raised under this levy will do what has been asked for a long time by many people in this Parliament. It is very interesting that the Opposition—

Mr Foley interjecting:

The SPEAKER: Order! The member for Hart will come to order.

The Hon. R.L. BROKENSHIRE: It is very interesting that the member for Hart interjects as he does, given the comments that have been made in this House, and I will quote a couple of them. The member for Elder said that the Opposition agreed with the Government on the matter that the current system of funding for emergency services is inequitable. The member for Taylor said that the Opposition was pleased to see some aspects of the Bill, including the broadening of direct funding to certain agencies. We are having to do more to look after life and property in this State. Emergency services will be expanded to look after the surf lifesaving movement and volunteer marine rescue.

Members interjecting:

The Hon. R.L. BROKENSHIRE: Well may members laugh, but the bottom line is that the Bill is about protecting life and property. Its support has been bipartisan. The Opposition supported it all the way, and it should acknowledge that, because that is what it says in *Hansard*.

Members interjecting:

The SPEAKER: Order! The Leader will come to order. The member for Schubert.

Mr Foley interjecting:

The SPEAKER: Order! The member for Hart has had quite a fair go. If he continues in this vein, I will warn him.

Mr VENNING (Schubert): Can the Premier inform the House of the Government's plans to ensure that the emergency services levy can never be used as a wealth tax, as suggested by the Opposition?

The Hon. J.W. OLSEN: I thank the honourable member for his question because it follows comments by the member for Ross Smith, who seems to be doing a little bit of bragging around the place. At a recent function, the member for Ross Smith commented that Labor in Government would use this in a way to ramp up additional revenue. That is what the member for Ross Smith said. So I went back to check the parliamentary record to see what the Labor member for Ross Smith had to say.

An honourable member interjecting:

The Hon. J.W. OLSEN: He is currently the Labor member for Ross Smith. He said that Labor Governments would use the legislation in a progressive manner. He also said that, if bringing in this legislation would result in stinging the residents of Tusmore, Burnside, Netherby and the like for money, the Government would be doing the Labor Party a favour. I have news for the member for Ross Smith. First, under section 10(8), the amount of the levy cannot be increased in subsequent years. If the member for Ross Smith happens to be in the next Parliament as a member, he will see us introduce an amendment to the Bill currently before the House to require both Houses of Parliament to concur with any increase. We will take away from the member for Ross Smith the opportunity to undertake that task in the future. This shows the hypocrisy of the Opposition.

Members interjecting:

The Hon. J.W. OLSEN: We hear from the member for Hart and the Leader about 'Labor listening': this is their campaign. The Opposition should 'listen' to an article in the *Australian* of 6 May in which it was reported that South Australia is 'Labor's biggest basket case'. That clearly is the case: it is the biggest basket case, and Kim Beazley, no less, had to tell his colleagues that the Party was in good shape everywhere in Australia except in South Australia. That is the damning indictment of their own Federal Leader on their performance.

The Minister has just pointed to where a number of members opposite supported the change to a fair, equitable basis of collecting funds to provide emergency services. The member for Reynell noted that there is a need to pay some form of tax where people have been successfully avoiding all forms of contribution to an emergency services levy. We can go along the line of members opposite who have clearly supported the legislation before the Parliament.

The other thing that ought to be taken into account is that the legislation passed by the Parliament has quite strict criteria as to what can be funded under this scheme. It is not an open-ended scheme; it cannot be opened up to a whole raft of other measures. In fact, the former Minister last year said that we wanted to collect something like $30 million towards the Government radio network contract. The fact is that we are not: it is $13 million towards the Government radio network contract, not the $30 million that was put on the public record. So, members opposite who have been going around the media saying, 'This is going to open it up: what they are doing is dragging in all these funds', simply ignore the legislation before the Parliament.

The legislation that was put before the Parliament has very strict criteria under which components of funding can be sourced from this levy. And that is being complied with. Every component has been checked with Crown Law advice as to its applicability to this levy. That is why we are not getting $30 million towards the GRNC but only $13 million dollars—complying with the law as passed by the Parliament to restrict and contain those areas. To answer the Leader's first question, if he looks at the Act he will see that the levy cannot be increased.

The Hon. M.D. RANN (Leader of the Opposition): My question is directed to the Premier—not to the most junior Minister, who does not even sit in Cabinet. Given the Government's decision today to withdraw debate on the emergency services tax legislation from this week's legislative program, how does this affect the bottom line of the budget to be brought down in two days' time, and does the Premier now agree with the Independent member for MacKillop and the Liberal members for Colton and Stuart that MPs were misled about the tax and that it is unfair? In today's newspaper the member for Colton states: I f w e sacrifice our aged community for the sake of income, I don't think we are being responsible. I would fight on against it on their behalf.

On 11 May the member for Stuart told the media:

> My constituents can't afford to pay any more, many of them. And I don't care who I upset, because we were given clear undertakings when this was about to be in Parliament that most people would not be paying any more. . . I, like Mitch, will be using whatever methods are available to me to make life somewhat difficult until some commonsense applies to this issue.

The Hon. J.W. OLSEN: Members of the Labor Party were this morning going round the media saying that the matter had been taken off the agenda because we were having some difficulty. Well, that is simply not the case. We have been drafting amendments to take account of statements by the member for Ross Smith at a function either last Saturday night or the Saturday night before. If the member for Ross Smith is going to go around indicating what he and the Labor Party would do in Government with this tax, we will thwart him: he will not have an opportunity to do that. This is for funding of emergency services and emergency services only, and we will make sure that it is contained to that.

The other point for the Leader of the Opposition is this: the amendments pick up things such as pensioner concessions and concessions for self-funded retirees. That is how we are looking after the elderly in the community. I draw the attention of the House to the fact that in the past pensioners and self-funded retirees have not had one cent of concession on their fire levy premiums. If they were insuring before, they paid full tote odds. We are offering a $40 refund to pensioners and, in addition, self-funded retirees who have been ignored—absolutely ignored—by Labor Governments in the past will receive the same benefit as pensioners.

The Hon. D.C. WOTTON (Heysen): Will the Minister for Emergency Services inform the House of some of the improvements that can be expected for the emergency service agencies in South Australia coming out of the introduction of the emergency services levy?

The Hon. R.L. BROKENSHIRE: I thank the member for Heysen for this question, because I know he has a real commitment to those who provide emergency services. There are many good things about this levy, not the least of which is that we will be able to provide to emergency services workers ongoing, sustainable funding for all their services to provide the sort of support they should have had for many years. Many volunteers have not had adequate provision for clothing and personal protective equipment in the past. That is not satisfactory. As hard as the CFS board and the SES tried, this personal protective equipment was never up to a basic standard.

In parts of Yorke Peninsula, the West Coast or, indeed, in any part of South Australia, sadly a lot of emergency services have not been up to providing a basic standard of fire cover. That is a big concern because, when life and property are at risk, it is fundamental that we have everybody up to a standard. This emergency services levy will guarantee that standard, and it will guarantee it on an ongoing basis. I will provide a couple of examples of the dangers that face the emergency services before this new levy is introduced. I recently visited Bute, where there was a road trauma of some

magnitude. It involved the SES, the CFS, the Ambulance Service and the police. Their radios were not working, so those at one end of the trauma scene were not able to let those at the other end of the scene know what was happening. In fact, they had to dedicate an SES officer and a vehicle to travel from one end of the emergency scene to the other. This legislation will fix this problem.

In the South-East police and emergency services have blocked black spot after black spot. What happens if there is another crash in the South-East, you cannot call up those people to attend and somebody dies? Who will then say what value that life was worth? It will be the Opposition. This is about guaranteeing improvement, looking after those people and providing them with further services. Recently when I was in the South-East I spoke to some members of the SES. There have been some bad road crashes there recently. Sadly, 16 bodies have been cut out of road accident trauma scenes in the past 12 months.

Mr Foley: Bring it back to reality.

The Hon. R.L. BROKENSHIRE: That's a very cheap shot at people who are providing an emergency service for life and protection. We care about those, even if you don't, because we are not about political point scoring. The bottom line is that we will be able to improve equipment such as the Jaws of Life and provide support individually to those volunteers who have not had enough incident stress and risk management in the past. They are just some of the examples we will be able to provide through this new levy. This is an important levy. We are serious about it, and it is in the best interests of South Australia.

The Hon. M.D. RANN (Leader of the Opposition): My question is again directed to the Premier. In light of the statement made today by the Emergency Services Minister that the withdrawal of debate on amendments to the emergency service taxes legislation from this week's program was 'no panic', will the Premier now meet with the South Australian Council of Social Services, the Farmers Federation, local government, the real estate industry and the Council for the Ageing and other concerned organisations to listen to their concerns about the fairness of this tax?

The Hon. J.W. OLSEN: The Leader is a bit late. We have been talking to the Local Government Association for days over the past week, including the Farmers Federation. The Leader is a bit late with his suggestion; that has already been occurring. Let me highlight the absolute hypocrisy of a comment of the member for Hart, when we said we have a commitment to emergency services. Their commitment to emergency services was such that during the whole period of the Bannon Labor Government, when they had the 1983 Ash Wednesday report from the Coroner that said lives were at stake unless something was done, the Bannon Labor Government, to which the Leader was a contributing Minister at the table, did nothing. You ignored the Coroner's report that the emergency services communication network was in chaos and was going to breakdown and, when it did, it would cost South Australian lives. You were prepared to play with that, because you ignored it for over a decade.

Mr FOLEY: I rise on a point of order, Mr Speaker. The Premier has now accused members of this Opposition of playing with people's lives. That is offensive, and I ask that he withdraw that remark.

The SPEAKER: Order! There is no point of order.

The Hon. J.W. OLSEN: There was not only the Ash Wednesday Coroner's report; something like five reports have been given to the Government over the past decade on this matter. Being in government, you have a responsibility to the broader community to deliver.

The Hon. M.D. Rann interjecting:

The SPEAKER: Order!

The Hon. J.W. OLSEN: The Government has a responsibility on behalf of South Australians not to take the easy course but to take the responsible course. After a decade or more of no action, ignoring it and walking away from the issue this Government has had the fortitude to stand up and do something about it. Reform never comes easy, but it is important reform that is in the interests of South Australians in the future. The funds that are collated for this will go for the provision of emergency services for South Australians—the Metropolitan Fire Service, the Country Fire Service and the SES (and by and large the SES has had to rely on barbecues to keep going). Is that what you want? Only last Sunday we saw television footage of the SES with their uniforms at an incident—and I will refer only to it as an incident; you know what I am talking about. We had a storm here last Saturday night. SES employees were out there, working off barbecue money to be able to provide a service.

They have to be properly resourced to provide a service. You cannot just take for granted that these volunteers, day after day, week after week, year after year will turn out without the appropriate service equipment to undertake their task. When a coroner—a coroner, no less—tells you to do something about it, it is incumbent upon this Parliament to react to the Coroner's report. It is a total abdication of responsibility to ignore the Coroner's report. What have we done? We have undertaken the reform.

For the Leader's benefit, I suggest that he had better take a look at *Hansard*. He will see that it was Paul Holloway in the Upper House who, on 18 August, said that the Labor Party was not opposing this Bill. This went through the Parliament with Labor Party support: if one has to raise this taxation or levy, it is probably as good and equitable a way that it can be done, given how the other States operate. Interestingly, many of the other States are moving to exactly the same type of system that we have put in place through legislation last year in South Australia.

This is about meeting responsibilities, but you may play your political games, your one-upmanship, as you will, as is your wont, as you normally do. However, at the end of the day, every member on this side can rest with this comfort—that we have provided appropriately for emergency services. It does not matter who we are, what our socioeconomic background is or where we are when we are in need of emergency services we know, under the system we are going to put in place, when you need it, you will get the emergency service and you will get an efficient emergency service that will protect your life in the future.

Mr LEWIS (Hammond): My question is directed to the Premier. If the emergency services levy is to be a benefit and a support for all our emergency services, I ask the Premier to outline the benefits for the volunteer workers in our emergency services?

The Hon. J.W. OLSEN: I thank the honourable member for his question and, like the honourable member, I am particularly impressed and have regard for the amount of volunteer effort and work that is contributed into the South Australian community. I have said on a number of occasions that volunteers set this State apart from many other States in Australia in the charitable base upon which they respond and

the range of services which those volunteers offer. Approximately 260 000 South Australians are carrying out 46 million hours of voluntary work within our broader community. It is incumbent upon us to give those volunteers support not only with equipment but with some regard for the services they are providing the broader South Australian community, and this will do that.

Emergency services volunteers will be funded through this measure. We will ensure that the appropriate equipment to which the Minister for Emergency Services has referred is in place. Appropriate skills training is also provided to these volunteers, and that means recognising their role and contribution, their skills base and the off-set, therefore, in costs. It means that the volunteers will be put on the same footing as the professionals. That will show that the volunteers have a capability equal to the professionals, and that is an important aspect for us to recognise and to understand.

No longer will we have a situation as occurred last weekend (yet another example) where the MFS, the CFS and the SES all attended flash flooding throughout the metropolitan area, yet the MFS is funded by 75 per cent, the CFS by approximately 33 per cent and the SES by the barbecue—that is its funding base. Members should just recall the visuals of the weekend. The SES assisted with the incident at Waterloo Corner and also helped people to get beyond a roof taken off their home—flood and storm damage and the like. That is the important component. In addition, there will be, I think, six additional support staff in country and regional areas of South Australia for the purpose of recruitment, stress and financial management, and a range of other issues.

Members opposite might chuckle in relation to stress management but some of the incidents that these people must attend deserve appropriate professional support. Volunteers are important. They are critical to the success of emergency services. Every member in this House—even the Labor Party, I am sure—understands that it would be beyond Government's capability to just take away the CFS and replace it with a professional service. You just could not afford to provide that. That is why the volunteers are very important and why we owe them something, not the least of which is some basic support.

Mr CONLON (Elder): My question is directed to the Premier. Will the Premier confirm reports that the company Michels Warren has been commissioned to promote the Government's emergency services tax in the community? How much will Michels Warren be paid and how much has been budgeted for the total cost of the Government's promotional campaign?

The Hon. J.W. OLSEN: My understanding is that it is doing some work. As to the scope and the costs, that is not at my fingertips.

Mr SCALZI (Hartley): My question is directed to the Minister for Human Services.

Members interjecting:

The SPEAKER: Order! The member for Hartley has the call.

Mr SCALZI: Will the Minister outline any effect that the emergency services levy will have on Housing Trust residents and older South Australians?

The Hon. DEAN BROWN: I thank the honourable member for Hartley for his question, because I know that he is very concerned about the older people within his community and also those who live in Housing Trust homes—in fact, the group within the community on low incomes. In introducing a levy such as this, I guess all members would be concerned to ensure that those on low incomes are protected to the maximum extent possible. The Government has decided, after some pretty vigorous debate and consideration of how to protect those people, to ensure that we introduce—

Members interjecting:

The Hon. DEAN BROWN: It was a debate about which the members of the Party have been quite open. The Party, the Government and the Premier have responded very strongly on this issue.

Mr Foley interjecting:

The SPEAKER: Order! I warn the member for Hart for continuing to interject.

The Hon. DEAN BROWN: The important issue is that those on low incomes will be protected, because they will receive a $40 cheque to help cover the cost of the levy. Let me read to the House the list of people who will be the beneficiaries of this $40 cheque each year: first, those who receive the SA Water concessions, and the list is long; those who receive the pensioner concession card, and that includes aged pensioners; those with a disability allowance, the carer's allowance, the sole parent's allowance, the widow's allowance and the mature age allowance; those who are on a State concession card; those with a veteran's gold repatriation card; and New Zealand and British war widows.

Also included are the beneficiaries of the following Federal Government income support measures, and this includes many younger people: Newstart allowance; sickness allowance; widow's allowance; NIES allowance; and youth allowance. In addition, the Government will introduce measures to give the same $40 cheque to self-funded retirees, which is a very important acknowledgment to those people who have saved and who have taken it upon themselves during their working lives to look after themselves in their older age. They need some support, we have recognised that support and we are giving it to them.

The other area that directly concerns me is Housing Trust tenants, because approximately 90 per cent of Housing Trust tenants are people with very low incomes and who receive a very significant rebate on their rent through the Housing Trust. I am delighted to be able to say that the Cabinet and the Government have decided that all Housing Trust tenants will be exempt from paying any of the levy. That is a very important decision indeed, because these are the people most at risk within the community and this Government, on a whole range of initiatives, has recognised those people on low incomes.

We have moved to protect those people. So the sort of fear campaign that we know the members of the Opposition have been running for the past couple of weeks turns out to be without foundation. This Government throughout has been planning to ensure that we had in place the appropriate protection. I am delighted to say that it is the low income people who will be able to get that $40 cheque. They will get it up front. So, right from the outset they will be able to decide how they spend that money.

Mr CONLON (Elder): My question is directed to the Minister for Emergency Services. By how much was the Government obliged to increase the emergency services tax rate as a result of the eleventh hour decision by the Premier to allow pensioner, pastoralist and other concessions?

An honourable member interjecting:

Mr CONLON: I am glad the honourable member made that point; I will go on and explain. The Government opposed amendments in both Houses of Parliament last year to introduce pensioner concessions to the emergency services tax. The Attorney-General on 27 August last year, in opposing our amendments, told Parliament:

> The present Government has no intention of granting concessions but maybe a future Government will offer it in the heat of an election campaign.

Last Thursday in an interview the Premier said for the first time:

> I have always been of the view that pensioners deserve, needed, were entitled to some concession.

The Hon. J.W. OLSEN: The member for Elder has got it wrong. The levy was not altered one cent: it is coming out of Consolidated Account.

RURAL AND REGIONAL EMERGENCY SERVICES

The Hon. G.M. GUNN (Stuart): Will the Deputy Premier please explain the important role undertaken by emergency services in rural and regional communities and the importance of ensuring that these services are properly resourced in the future?

The Hon. R.G. KERIN: The member for Stuart well knows, through many years of experience, just what does go on out in regional South Australia, where there is an enormous number of volunteers, some having served in the CFS for 30 or 40 years. It is really lifelong dedication in what is a very difficult job. All those volunteers deserve resources and they deserve to be resourced a lot better than has been the case in the past. It is very critical work that they do. Going back a few years, they dealt mainly with fires—and the member for Hart asked the Minister for Police to get back to reality when he started talking about the Bute situation. I can tell the member for Hart that the situation about which the Police Minister spoke is the reality. Reality is being out on a country road at 2 o'clock or 3 o'clock in the morning where a deli owner, a motor mechanic and a farmer are trying to cut people out of some very serious car accidents. They deserve to be given much better resources than they have had in the past. That is reality.

To try to duck the responsibility of doing something about resourcing those people—which is, basically, what Governments in this State have done for many years—is just not correct. Reality is out there at the sharp end, and those people deserve a lot better than we have given them. And it is not just about radios. Radios are very important, but safety gear is absolutely essential for these people.

As far as country people are concerned, the equity argument always has been a big factor for them. When we talk about people who were not paying their share because of the old insurance levy, I think members will find that country people have an excellent track record and would have been well above the average as far as paying their insurance locally and paying the levies. So, I do not think that we can forget the equity issue at all. The old system is indefensible, so I do not know why people would want to go back to that. Not only was it inadequate in not giving enough resources but certainly it was inequitable.

I remind members of the Opposition of the fact that they did not vote against this measure when it was debated the first time. The member for Kaurna said:

> There is no doubt that more money is needed in the area of emergency services. . . the CFS, surf lifesaving clubs and so on are desperately short of funds to do the jobs that they try to do. . . There is no doubt that there is a need for extra money for those areas. . . [This] will replace an insurance levy which is not paid by everyone, and there is an element of unfairness in that.

So, we would like to get back to that sign of bipartisanship that we saw when this Bill went through. Our emergency services workers right across the State certainly deserve the support of their members of Parliament in making sure that they have secure financial arrangements to look after their safety and to allow them to do the job they do very well.

There is no doubt that the introduction of this levy is a very fundamental change. Nowadays in Australian politics change is extremely difficult because of the political landscape and the fact that some people want to play politics rather than address the real issues. But there is absolutely no doubt that this particular change is right. It is only just that we have a system that has some equity in it and that we ensure that we resource these people properly.

The SPEAKER: Before calling the member for Elder, the Chair makes the observation that both the Premier and the member for Elder made extensive reference to quotations from another place in explaining their questions. I remind all members that references and quotations from another place used in this Chamber are totally contrary to Standing Orders.

EMERGENCY SERVICES LEVY

Mr CONLON (Elder): My question is directed to the Minister for Local Government. In light of the Premier's answer that concessions will come from consolidated revenue, why is the Government still locked in negotiations with the Local Government Association, which included a proposal to claw back $5.5 million from local council rates to fund pensioner concessions on the new emergency services tax, and why is it still locked in those negotiations 14 months after the Government first announced a new tax, eight months after the Bill passed Parliament and two days before the State budget?

The Hon. M.K. BRINDAL: As usual, the shadow Minister is not correctly informed, and the House will be informed in due course.

Mr CONDOUS (Colton): My question is directed to the Minister for Emergency Services. The Minister has spoken of problems apparent in the current system of levies on insurance. Will the Minister clarify what he means by these problems and how the new levy will address these issues?

The Hon. R.L. BROKENSHIRE: As we all know, the best way in which one could describe the old system of collecting the emergency services levy would be simply to call it a dog's breakfast—that is, it was all over the place. It was not transparent, it was not all above board and it certainly was not equitable and fair. To give an example, a pensioner at Elizabeth who was fully insured with respect to their contents, building and the like would have contributed to the emergency services levy: however, a multinational company in Adelaide which had as part of its portfolio a high-rise investment here and which was insuring off shore would not have contributed to the emergency services levy. That was a failure of the old system. It was not a fair system, and I would suggest that there would not be one member in this House who would agree. In fact, as I have seen in *Hansard*, all members agreed that we had to introduce a fair and equitable system, and that is what we have introduced.

I cite the situation where someone had comprehensive motor vehicle insurance with a payment of, for example, $500. They were contributing 6 per cent, or $30, towards the mobile part—the road accident rescue and the like—of emergency services. If someone else chose not to fully insure or not to insure at all, the emergency services still had to go out and look after them if they had a crash, but the other person was paying. Some 30 per cent of those people were not contributing. That is not fair, it is not equitable and it is now addressed in this scenario.

I will give some other examples. I cite the situation where a particular insurance company wants to try to get most of its policies on mobile assets, that is, motor vehicles. It takes back the levy: it does not charge the recommended 6 per cent. Instead, in the past, that company loaded up the policies on the contents, the building and the like and then averaged it out. So, it could target one sector and not the other. This is about bringing things through fairly and equitably and it is about having transparency.

The final very good ingredient of this levy is that we will be able to guarantee the funding in the future, and we will know exactly where we are headed when it comes to funding and supporting the emergency services.

SOUTH-EAST WATER

Mr HILL (Kaurna): My question is directed to the Premier. Given the Minister's handling of the ongoing dispute over water allocations in the South-East and the rumour that the member for Bragg will return to the ministry, does the Premier continue to have absolute confidence in the Minister?

The Hon. J.W. OLSEN: I see that the Labor Party has been at it yet again. I note that there was only one journalist in the *Australian* who picked up the Labor Party's theme from yesterday, and he is wrong.

GOVERNMENT RADIO NETWORK

Members interjecting:

The SPEAKER: Order!

Mr MEIER (Goyder): Will the Minister for Government Enterprises inform this House of the additional benefits that will accrue to South Australians as a result of the Government radio network contract?

The Hon. M.H. ARMITAGE: I thank the member for Goyder very much for a very important question. As I have been at pains to say to Parliament, the implementation of the Government radio network contract is a matter for the Minister for Administrative Services, but the network provides a number of exciting opportunities to develop the information economy in South Australia. The network will clearly bring a range of benefits in that area—in addition, of course, to providing state-of-the-art emergency services. Some of those additional benefits that will accrue to South Australia as a result of the commencement of the network include improvements in the provision of emergency services, with thousands of professional and volunteer workers having exposure to world-class technology. That exposure in itself is important as a learning experience for them in the information economy.

Also, there will be a range of significant industry development initiatives which will allow for job creation. Telstra will provide fixed term employment positions to graduates for projects related to the South Australian Government radio network, a real bonus to those people who will be employed in this state of the art network.

Extraordinarily importantly, South Australian businesses and schools will be boosted by the implementation of 'sa.com', a high speed data network which will provide Internet access with distance independent tariffs, and that will be a significant benefit to those in regional and rural areas, including regional Internet service providers. The opportunity to expand that high speed data network, provided only through this contract, will be of enormous benefit to the whole of South Australia.

These are all very exciting initiatives which have occurred for one reason and one reason only: the Government has actually had the courage to see through a project which the Labor Opposition ignored for more than a decade when it was in Government. In the years 1984 to 1993, no provision whatsoever was made in any Labor budget for the Government radio network contract. That was even after the coroner's report had been released. Labor did not commence this project, despite the coroner's report, despite the running down of the emergency services network, despite a range of proposals, consultancies and studies, and despite what all South Australians knew was necessary. Even now, in attacking the emergency services levy, it remains unclear whether Opposition members are actually for or against the network. They were for it before when, in a bipartisan manner, they passed the Bill, but we are not sure at the moment where they actually stand. But it is very—

Mr Atkinson interjecting:

The SPEAKER: Order! The Chair is not interested in the personal campaign between the member for Spence and the Minister. I am only interested in the fact that if the Chair brings members to order they respect the Chair and make sure that they remain at order. If the honourable member continues to interject, next time he will be named.

The Hon. M.H. ARMITAGE: Sir, I thank you for alerting me to the personal campaign between the member for Spence and me. It had been of such little concern to me that I had not noticed it! Even now in attacking the emergency services levy, as Opposition members are clearly doing today, as I have indicated, we are not sure whether they are for or against providing a state of the art emergency network system for South Australians. We are clearly for it because we wish to protect South Australians.

YEAR 2000 COMPLIANCE

The Hon. R.B. SUCH (Fisher): Can the Minister for Year 2000 Compliance indicate what could happen next year if our emergency services network and the computer aided dispatch system are not upgraded?

The Hon. W.A. MATTHEW: I thank the member for his question and for his genuine understanding and interest in this matter.

Mr Foley interjecting:

The Hon. W.A. MATTHEW: The member for Hart might well laugh—

Mr Conlon interjecting:

The Hon. W.A. MATTHEW: —and the member for Elder will laugh as well.

An honourable member interjecting:

The Hon. W.A. MATTHEW: I am not so sure if they are the team at the moment. I think the team is starting to shift a bit. We need to remind members actually what it is that we are talking about at the moment, what the system comprises

and where the problems could be. I remind members that we are talking about a system that involves 17 government agencies, that has 28 separate networks, that involves 12 000 radios, that has 8 000 pages, that has up to 45 000 users—

Mr Koutsantonis interjecting:

The Hon. W.A. MATTHEW: —and I do not need the member for taxis to advise me about this—and has a coverage of some 226 000 square kilometres or 20 per cent of the area of South Australia. It is a network that is in disrepair, past its serviceable life and therefore is already compromising delivery of services. It is an ageing network and, for that reason alone, needs to be replaced. That is already on the public record and clearly not, as the members for Elder and Hart would have us believe, a laughing matter.

There are other problems apart from that. Without the upgrade, without the provision of the purpose-built Government radio network, there are other problematical aspects for emergency services. That involves the year 2000 compliance issue. Obviously the extensive network I have just detailed to the House has been investigated fully and extensively by those 17 agencies or agency sectors involved. What they found is alarming. Rectification of parts of the computer-aided dispatch system has already taken place in the South Australia Police Department, the Metropolitan Fire Service and the South Australian Ambulance Service. If this work had not been undertaken or were not under way, these emergency service units would simply not have an effective communications capacity come the turn of the century and, indeed, lives could be endangered.

Also, in some emergency service areas such as the Country Fire Service, where combinations of manual systems and digitally enhanced systems are used, problems were found. An example of the problems the Government has found and would have faced with outdated networks and dispatch systems can be simply seen by focusing on the Police Department. I would hope that the shadow Minister, the member for Elder, would at least have some interest in this.

Already costs of $437 000 have been identified for remediation of mission critical systems in the telecommunication, radio and telephone systems which support SAPOL's core business. That has happened just to maintain the existing systems in preparation for what is to occur.

Mr Conlon interjecting:

The Hon. W.A. MATTHEW: If the member is to interject about New South Wales, I suggest he gets in a plane, flies to New South Wales and has a look at what they are doing over there, and he will actually find there are some pretty fundamental differences.

Mr Conlon interjecting:

The Hon. W.A. MATTHEW: If he did it last week, I would venture to suggest that he did not ask the right questions, did not look at the right equipment and is not making the correct comparisons. That aside, there are things that have to be remediated just to keep going the existing systems in preparation for the introduction of these new services. If it does not happen, come next year we simply will not have any system that hangs together.

As another example, police currently use electrodata reel-to-reel VHS tape equipment to effectively tape the calls that are coming into their communications system. That is occurring on an ongoing basis. This system logs all of their communications centre telephone and radio traffic, and effectively is an integral component of the overall operation of their systems. This information is used not only for their operational purposes but also importantly for material before courts.

We have found that that equipment simply is not compliant and in fact will not operate come the year 2000, so again that equipment has to be replaced. There is no choice: no ifs, no buts. It has to be replaced and has to be paid for. Those funds clearly have to come from somewhere. So, year 2000 compliance of this part of the system is also a prerequisite for the computer aided dispatch system and for the Government radio network. Without that, the whole thing cannot integrate together.

I would encourage members opposite, before they jump on the bandwagon of criticism and in fact generate criticism, to look carefully at what some of these funds will be used for and see that some of these changes have to be made simply to continue communicating and running a system come the year 2000. I offer an open invitation to the members for Elder and Hart and any others opposite: if they want information, all they have to do is ask and I will be able to furnish it.

EQUAL OPPORTUNITY

Mr HANNA (Mitchell): My question is directed to the Minister for Government Enterprises, representing the Attorney-General. What was the outcome of the committee appointed by the Attorney to review the Martin report on equal opportunity law? Back in 1994 Brian Martin QC, now Justice Martin, undertook a review of the equal opportunity laws at the request of the Attorney-General (Hon. Trevor Griffin). Obviously his recommendations were not acceptable to the Attorney, because none of the recommendations has been implemented, except the limited extension to the coverage of sexual harassment provisions, and that was only consequent to the introduction of a private member's Bill on the subject.

Instead, the Attorney-General appointed a committee comprising Julie Selth, Margaret Heylen, Carmel O'Loughlin and two private sector members. To my knowledge the findings and recommendations of that committee have never been publicly released.

The Hon. I.F. EVANS: I shall be happy to get a report from the Attorney-General and bring it back for the honourable member.

EDUCATION DEPARTMENT, CASH RESERVES

Ms WHITE (Taylor): Given the Minister for Education, Children's Services and Training's statement that 'only' $39 million will be cut from education this year because of the Minister's decision to fund another $23 million of budgeted savings from cash reserves, can the Minister tell the House how much cash his department currently has on deposit or on call?

The Hon. J.W. Olsen interjecting:

The Hon. M.R. BUCKBY: As the Premier rightly indicates, it depends on the cheques that have been drawn in the past week. I cannot give an accurate figure as to what the member for Taylor is seeking, but the $39 million that was outlined in the papers last year is the amount that I have to find in my budget.

CAPE BARREN GEESE

Mrs PENFOLD (Flinders): Will the Minister for Environment and Heritage advise the House of the manage-

ment strategy being implemented to deal with problems caused by Cape Barren geese on the lower Eyre Peninsula?

The Hon. D.C. KOTZ: I certainly thank the honourable member for her question. It is a serious question because it has great impact on certain areas of farming on Eyre Peninsula. I thank the member for Flinders for her advice in recent times as to understanding the difficulties that farmers have faced in relation to Cape Barren geese. I am very pleased to announce that the Government has adopted a series of recommendations to manage the large increase in number of Cape Barren geese on Eyre Peninsula which have been the cause of serious problems, as I have said, for farmers and local landowners. During the summer months an estimated 5 000 to 6 000 Cape Barren geese graze on farming properties and this causes severe crop loss and degradation.

The southern coastal area of mainland Australia and Tasmania—and this is important for members to understand—is the only place in the world where Cape Barren geese exist. Since the 1960s, when the Cape Barren geese were thought to be close to extinction, South Australia has implemented responsible conservation and management practices for this species. In fact, I suggest that we have been so successful that the number of geese has increased from fewer than 3 000 in the 1980s to approximately 9 000 to 10 000 in 1998. Following a review of the report 'Managing Cape Barren geese in agricultural landscapes of South Australia', presented by the Wildlife Advisory Committee, I accepted a number of recommendations, including the establishment of an Eyre Peninsula Cape Barren Geese Action Committee which will oversee the plan of management and which will include representatives from the local farming community, Government agencies and the member for Flinders. I am confident that a cooperative effort will certainly ensure that Cape Barren geese are controlled.

The recommendations include the drafting of a code of management for trial farming, an increase in the grazing habitat on islands and existing national parks and wildlife reserves for geese, and we will also be undertaking immediately a trial cull, which will start in about six weeks, when it is anticipated that non-breeding birds will return to the mainland to feed on freshly grown crops. Public comment on the management proposal has been received, with a great deal of strong support being expressed for controlling Cape Barren geese numbers through a combination of culling, harvesting and ranching and increasing the grazing habitat for the birds. Over the past 30 years, South Australia has successfully managed Cape Barren geese populations and these latest measures will ensure that we have a continuance of this success.

POLICE, WORKERS' COMPENSATION

Ms BEDFORD (Florey): Can the Minister for Police, Correctional Services and Emergency Services advise the outcome of the review he referred to on 11 March in answer to my question on SAPOL and its right to self insure for workers' compensation? Can the Minister confirm that SAPOL will be paying workers' compensation premiums and how much the premiums are likely to be?

The Hon. R.L. BROKENSHIRE: I will take the question on notice because of the specific detail, but I will tell the member that the review is continuing and, when the review is completed, as I said before, I will be happy to go through it with her. I will get back to the member on the other two points in due course.

EMERGENCY SERVICES LEVY

Mr MEIER (Goyder): In view of the Minister for Police, Correctional Services and Emergency Services's announcement today of the emergency services levy, what will be the situation for local councils which in the past subsidised and contributed to CFS funds, where they currently have a debt outstanding for CFS units, perhaps those having been there for only a year or two and perhaps involving a large debt? Will the Government pick up that debt or will the local councils still have it as a debt now that the State Government is taking over the financing of the CFS and other emergency services?

The Hon. R.L. BROKENSHIRE: I spent a day—but it was like a week—with him.

Members interjecting:

The Hon. R.L. BROKENSHIRE: Actually, it was like two weeks. The member for Goyder is actually a very good member but he packed so much into the day that it seemed like a month. I spent a day with the member on Yorke Peninsula recently and I think we visited every emergency service over there. I acknowledge and thank all the magnificent volunteers providing CFS and SES support on Yorke Peninsula and doing an incredible job like the rest of the volunteers in our State. I also acknowledge the contribution that local government has put into emergency services together with the State Government, as well as the other collections through insurance levies, etc., which have supported this partnership to fund emergency services. As to the specific issue regarding loans on vehicles, the simple answer is that they will not be picked up by the levy. That is the simple answer.

Let me explain why they will not be picked up. Until 1 July this year local government is responsible by law to provide emergency services equipment and support to the CFS, the SES and the MFS. Some councils decided to borrow money that they appropriated to the mobile property and others may or may not have borrowed money to fund their vehicles. That was clearly a choice left to the individual councils. The situation is this: there was never an intention or reason why reimbursements for that equipment should go back to local government. Depending on what happened with that equipment, it may be that up to 70 per cent of a vehicle has already been funded by the State Government through the CFS and, almost without exception on all the standards of fire cover equipment, I understand that about 35 to 37 per cent of the vehicle is already funded by the CFS.

As from 1 July next year all funding to provide standards of fire cover equipment for emergency services will be met by the levy and there will be no further requirement from local government to fund that by law. I also point out to the Opposition that, with regard to the maintenance of buildings and the like, maintenance in the future will also be picked up by the levy. The burden, if you want to call it that, that local government has picked up in the past for CFS and SES stations and units will not be required by local government in the future. At the end of the time when the building is no longer required for emergency services, for example, involving collocation and the like, the fully maintained building will be obviously owned by local government if it has such a property in its ownership. That is the situation.

GRIEVANCE DEBATE

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

Mr CONLON (Elder): Today, after a wait of some eight months, we have finally heard details of the Government's new tax grab, which is described as the emergency services levy. What we have heard from the Minister today is nothing short of astonishing. About a year ago, an insurance-based system in the form of a levy on people's insurance premium, used to raise around $40 million towards the funding of emergency services in this State. Today much was made of the fact that members on this side supported a more equitable system of funding, and we did. Equity is something that the Australian Labor Party always supports. The Government told us it would be a more equitable system. What we have heard from the Minister today is that the $41 million that was raised under the unfair system will be replaced by a fair system that will raise $141 million.

Mr Koutsantonis: Much fairer!

Mr CONLON: As the member for Peake says, it is a much fairer system! If you occupy the Government benches and want a new tax grab from people, it is much fairer.

Mr Scalzi: What about pensioners?

Mr CONLON: I thank the member for Hartley for his interjection about pensioners. Let me talk about this Government's commitment to equity. When this matter was before Parliament in August last year, the ALP asked, 'What about pensioners?' The responsible Minister at the time, Hon. Iain Evans, said in this House that there would be nothing for the pensioners. We went upstairs and tried again, asking, 'What about the pensioners?' The Attorney-General said, 'Forget the pensioners. There is nothing for the pensioners.'

We have argued about this matter for eight months. We said that the Government was going to use this new system to raise more money than it should, and that is why the Opposition moved an amendment that would have given scrutiny of the raising of this sum to the Economic and Finance Committee, but the Government refused. The Government refused that amendment because it intended to use the measure as a tax grab, unfortunately, from those in the community who cannot afford it. When we went upstairs with it and asked about the pensioners, the Government said, 'Forget about pensioners. We will not be able to grab as much tax as we intend to if we give any concessions to pensioners.'

Now, eight months later, after the Government was going to bring its legislation back to this place and grab some more money, after the Opposition shamed it on the issue, after it had a backbench revolt from the few members on that side who have a conscience about these issues, after the Independents threatened warfare, suddenly we find that the Government always intended to look after the pensioners. We can believe the Government on that as much as we can believe it on ETSA.

The Government will give pensioners a $40 concession, but what does the new system entail? On an $80 000 home—no-one on that side of the Chamber lives in an $80 000 home—the levy will raise $106. If the people living in that $80 000 home were pensioners and could afford to insure their property, they would have paid on average about $35 in their insurance premium. That will go up to $106. In addition, now they will pay $32 on each vehicle. Of course, they do not have to worry about vehicles because, in its last budget, this Government made sure that only a few pensioners can afford a car any more. If they have a car, they will pay an extra $32 instead of $4. With the generous $40 concession that the Government has given, pensioners are between $65 and $70 worse off on their household and $24 worse off on their car. In total, they will be $90 worse off, but they can feel comfortable because the Government will give them $40 back.

We have been told today that it is a flat rate. The first rate is $50 and the rest is calculated on the value of the property up to a capped level. What we have been told today, absolutely disgracefully, is that people in North Adelaide who own $500 000 homes will be better off under the new system than under the old fire insurance levy. If that is the case, that is an absolute disgrace and the Government should hang its head in shame. This new tax is aimed at one group in our community, but that is not the wealthy, who own a lot of property. It will not be unfair on those people. It will be unfair on those who own some property, not because they are wealthy but because through thrift and hard work they have got a family home. This tax is a disgrace.

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

The Hon. R.B. SUCH (Fisher): I should like to address the topic of biotechnology, following a recent visit to the United States and Canada. It is a topic that members will be hearing a lot more about in the future, not just from me but from other people who are interested and involved in this subject. The developments are both exciting and, in many respects, quite worrying. To simplify it, I am talking about the genetic manipulation of plant and animal material and human genes to bring about particular outcomes. As a community, at the moment we are very much unprepared for the technology that is about to be revealed to us and in many cases imposed on us.

In the future in agriculture, giant chemical companies such as Monsanto will own the seed that farmers sow. That seed can only be used for one year because, after that, its genetic make-up means that the seed will not have any further life. Each year farmers will need to buy their seed from the large chemical companies. Those companies are developing crops that are particularly resistant to their chemicals. The benefit for the farmer is that there will be an increased yield. The downside, as I indicated earlier, is that the seed material will need to be purchased each year from the chemical company or some other large multinational organisation.

The significance for humans is that, at the moment, in the United States and to a lesser extent here, developments are taking place to rapidly identify the genetic composition of humans so that, ostensibly, we can target diseases like cancer and arthritis with drugs and other agents to try to bring an end to those illnesses. One should note that the focus is on treatment rather than prevention because the companies that develop the mechanism for identifying those genes stand to make a huge amount of money and they will make the money by selling the drugs or other treatments that will be directed at the human genetic material.

What a lot of people do not realise is that, as companies work on the genome project to identify the human gene composition, those companies take out patents on the information that they discover. The argument in favour of that is that those companies are investing money in research to identify the gene components. The downside is that those companies will own the patents to that information and therefore will be in a position to reap the financial reward

from knowing something in detail about the genetic make-up of humans. And so it goes on.

As part of this trip, I saw evidence that gene research companies can now absolutely guarantee the sex of the offspring of various animals. So, if you want to produce female sheep, cattle or whatever, you can do it. Not surprisingly, the technology is there to do the same in the human area, so we are going to face the very real ethical situation that parents will be able to choose the sex of their child on a very wide basis. That has serious implications for the wider community. As a society, as a Government and as a Parliament we are nowhere near ready, either legally or ethically, to deal with what is being uncovered. There are positives, too, but, as a community, our people are unaware, for example, of the significance of transgenic foods, of the many foods that they are already digesting that are the result of genetic manipulation.

In Canada for years they have been informing their young people of the significance of these developments, so that they are well aware of the consequences of transgenic foods. I saw evidence of that in places such as Saskatchewan, and in States such as North Carolina converting tobacco plants through gene manipulation to produce oil rather than the traditional focus on tobacco. You can do almost anything once you have your hands on that gene technology, and as a community we need to come to grips with that very quickly.

Mr FOLEY (Hart): I want to make a contribution today about the emergency services tax. Let us make no mistake about what this is: it is a tax. I noted that members opposite today sat very glumly as they realised the political impact this tax will have on their future. It is important to make a few points here. First, the Opposition never did argue with the fact that perhaps there is a fairer way to raise revenue for emergency services, but we were talking about a number of the order of $40 million. We hear today from the Emergency Services Minister that it is more like $140 million that we will be raising by this tax. No mention was made, of course, of the current appropriation to emergency services from Consolidated Revenue. What is happening to that money? As the $140 million comes into Government, we take away the $40 million, $60 million or $80 million that we currently appropriate for emergency services and use that to plug another hole.

When will members wake up to the fact that this is a con? It is a tax con and it is a pork barrelling revenue stream for this Government as it repairs its own fiscal damage and prepares itself for the lead up to the next State election, when it knows that it is going to need to spend money to redeem itself. The Minister for Tourism shakes her head. We hear that she is doing well out of the budget: perhaps she has done pretty well around the Cabinet table to get a little bit of money. But if you follow the Premier's logic, are we going to see an increase in appropriations for emergency services equal to the amount that we have seen come in through the tax? I doubt it. I doubt whether there will be a proportionate increase in expenditure on emergency services with this new tax. Will there be? I doubt it very much.

I note the member for Colton sitting there. The member for Colton is always one to rush to the media, saying this morning:

> I am duty bound to protect the elderly pensioners and retirees who have to be looked after in this whole thing. Once I have the figures and I judge that they are being treated fairly, that is when I will make my decisions. If we sacrifice our aged community for the sake of income, I do not think we are being responsible.

They are fair comments, member for Colton: now let us see you stand by them; or will we see the same style from the member for Colton where he says one thing, comes in here and does the complete opposite? We saw that with the petition on shopping hours and we saw it over the West Beach issue. He was going to lie in front of the bulldozers at West Beach, but he was never to be seen. And of course we saw it when it came to the issue of council rates in North Adelaide, where another bold statement by the member for Colton resulted in nil when that matter came in here.

If members had looked at the faces of the member for Hartley and the member for Light during Question Time today, they would have seen a very interesting display of anxiety as the members realised the political impact of this. At the end of the day, if you give a $40 rebate to a pensioner you can hardly call that fair, given that the pensioner will already be paying more than he was previously. It is a really silly notion to be talking about this $40 rebate as a fairness factor, given that it is putting an impost on pensioners of more than they previously had to pay. At the end of the day, this is a tax. It is the first of two new taxes that the Olsen Government is introducing. The next one, of course, will be the ETSA tax.

We have the Olsen emergency service tax and we will then have the Olsen ETSA tax as the community is hit to the tune of perhaps as much as $500. I look forward to the reaction in the electorate when people receive the Olsen emergency services tax bill in the letterbox, in that little window envelope from the State Government. It will be a very angry voter who reaches into his letterbox, and I look forward to seeing how members opposite deal with the politics of that. The one person who has been silent on all this has been the Treasurer. This will be one of the single largest taxes introduced by a Government for many a year, and we have heard nothing from the Treasurer. He has been happy to see a very junior Minister in a marginal seat carry it. As with most things, Rob Lucas is nowhere to be seen or heard.

Mr LEWIS (Hammond): I want briefly to draw attention to what I see as a system that is failing in its duty, its purpose, and that is WorkCover. It was set up to make sure that people had safer places in which to work and, when they were injured or became ill as a consequence of their work, they would be properly rehabilitated; otherwise, if they were unable to work again, they would be found the necessary support to enable them to continue their lives in some reasonable dignity. I want to refer in this instance to the way in which I think that has not happened to a person who used to work here, Ms Carmen Wicks.

Without going into any of the matters that are currently before the court, in which she is in dispute with Ms June Roache as to whether or not her sacking was a racist act: now that it is demonstrated that she is psychotic, she is extremely mentally distressed and disturbed as a consequence of the way she has been treated. She is being told that she has until some time next week—she has had this notice for a few weeks—to accept a pittance of $70 000 as compensation for the income she will forgo for the rest of her working life, which is almost six years. For the life of me I cannot see how such a formula was derived by an organisation called WorkCover, compelling its agent companies (such as the Royal Sun Alliance, which is handling her case) to offer no more and no less than that and to put a deadline on it.

That is wicked. That is wrong. That is not what we intended when we debated this legislation, and I use this case to illustrate that. If something is not done about it this week, I will name the people in the corporation and in Sun Alliance who have simply washed their hands of the matter after making that ridiculous offer, when she was being paid something like $35 000 a year and left that work in consequence of the—

Mr Atkinson: What is her illness? What is her malady?

Mr LEWIS: Her malady is that she is simply now so distressed as a consequence of the way in which she was set aside and then dismissed, taken out of the system.

Mr Atkinson: Is that the employer's fault?

Mr LEWIS: It is, because she alleges that she was removed because her ethnic origins in Sri Lanka and her religious beliefs were inappropriate and incompatible—

Mr Atkinson: Was this allegation upheld?

Mr LEWIS: So far as I am aware. I do not wish to go into that: that may still be before the court. I just think that it is wrong. The other thing I now wish to draw attention to is the South Australian *Government Gazette* of 20 October 1994 (page 1 076). Under division 3—Facilities Levy, it talks about the boating levy. In part, clause 174 provides:

> The levy fixed by schedule 14 in relation to recreational vessels must be paid on the registration of a recreational vessel and the vessel will not be registered until the levy is paid.

Clause 175 provides:

> (1) All levies recovered under these regulations in relation to recreational vessels must be paid into a separate fund.

Mr Atkinson interjecting:

Mr LEWIS: You wait for that. Further, that clause provides:

> (2) That fund is to be applied by the Minister (after consultation with the Boating Facility Advisory Committee) for the purpose of establishing, maintaining and improving recreational boating facilities and may only be applied for that purpose.

Mr Atkinson interjecting:

Mr LEWIS: Let me tell you what I have found in looking at some information that fell off the back of a truck: in the Port Adelaide area on 18 September 1997 approval was given to spend $180 000 out of the recreational boating fund for dock 1, the marina, and it is not certain that that is for recreational boating purposes. Indeed, not all of it would be for sure. The same applies at Tumby Bay, where $10 000 was approved on 15 May 1997. Likewise at Venus Bay, Port Broughton, Davenport Shoal, Black Point and Sultana Passage, on 20 April 1997, $47 000 was provided from that fund. At Arno Bay approval was given for the construction of a new boat ramp and protective breakwater, and I could go on with a whole list.

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

Ms THOMPSON (Reynell): I refer today to the serious matter of sexual assault in the hope that this Thursday's budget will contain more money for work in the area of sexual assault, particularly in terms of treatment services for offenders and sexual assault. The information I will refer to is mainly about sexual assault on women. We know that sexual assault also occurs to men, but we know very little about the ratio of that. Unfortunately, the information I have come across recently indicates that we are doing extremely badly as a society in dealing with the issue of sexual assault against women. We have been trying to get this right for about 20 years. So, if we have not managed in relation to women, we will have to move a lot further in that direction before we get things right in relation to men as well.

Sexual assault covers a range of offences, and it has a range of impacts, from leaving a victim feeling dirty, invaded, uncertain and glum to suicide in the worst case and, before that, depression, agoraphobia and an untrusting approach to many people in the community, for women particularly to men. As I said, we have been trying to get things right in relation to sexual assault for the past 20 years. We have looked at the laws and procedures, and we have trained police especially to deal with the issue. The judiciary themselves have considered how they might be more effective and supportive in the cases that come before them. Yet, recently I discovered that over the past few years there has been an average of about 400 cases of sexual assault reported by women where the assaulter was a man in South Australia. However, on average only fourteen persons were convicted of sexual assault in any one year.

I thought this was alarming and set out to discover why it was so. I held a small forum to which I invited a number of people with different expertise. These included a mother of three daughters and a teacher, as well as workers in the sexual assault area. I discovered that the figures I mentioned were only the tip of the iceberg. In 1996, the ABS published a report on women's safety. In the chapter relating to sexual assault, that report revealed that only 15 per cent of women who had been sexually assaulted in the 12 months prior to the survey even reported the incident to police. Of that number, we have the sad experience of only about three per cent resulting in convictions. About 40 per cent of women who had been physically injured reported the incident to police.

In a quick attempt to explain what is happening, I can advise the House that only about 11 per cent of the sexual assaults were committed by strangers. Assaults were perpetrated, in 5 per cent of cases, by the current partner; in 23 per cent, by the previous partner; in 28 per cent, by the boyfriend or a date; and, in 33.5 per cent, by another man known to the victim. This presents a complicated position for women. They want the behaviour to stop but they often do not necessarily want this person who may be dear to them or who may simply be an acquaintance—a school mate or someone they will have to see again in the regular course of events—to go to gaol.

Women generally talked to a friend, neighbour or family member: a small proportion of them talked to service providers. Women did not go to the police because 39 per cent of them said they dealt with it themselves; 6 per cent were scared of the perpetrator; 2 per cent did not want him arrested; 6 per cent did not think they would be believed; and 14 per cent did not think the offence was serious enough. We have a difficult situation before us. It is quite clear from this brief piece of information that the current laws are not delivering what women need.

Mr MEIER (Goyder): Over the past few weeks, once again I have had to question our voting system as it relates to deciding which Government will govern Australia and South Australia. We all remember that at the last Federal election the Coalition clearly went to the people on the commitment to introduce a goods and services tax if it won the election.

The Hon. M.D. Rann: And we got 52 per cent of the vote.

Mr MEIER: If you want to talk about 52 per cent of the vote, let us think back to 1985 and 1989.

The Hon. M.D. Rann interjecting:

The DEPUTY SPEAKER: Order! The member for Goyder has the floor.

Mr MEIER: There was 1985 and 1989. In which one did you get 52.1 per cent of the vote? I think it was 1989, and you had no business to be in government, if you want to use that argument.

The Hon. M.D. Rann interjecting:

Mr MEIER: All right. We accepted that you were in government. I remember some of the slanging that went on from one side of the House to the other, with members saying, 'You don't deserve to be over there; you didn't get a majority of the vote.' However, the comment from the Government side was, 'Yes, but we're here and you're there,' and we had to accept that. Given that argument, I fully agree that redistributions will help sort that out. Even the Leader of the Opposition knows that, no matter what redistribution system you have, under our current system of election, you will not get a perfect situation where 50.01 per cent of the vote will guarantee government. Regarding going to the New Zealand system, which the honourable member probably knows more about than I—although I have been there and looked at it—it would be the last thing in the world I would ever want to see come into Australia.

The Hon. M.D. Rann: We've agreed on something.

Mr MEIER: We certainly have. You said it was a disaster, and I agree fully. However, that is not what I wanted to talk about. I wanted to say that the Commonwealth Government went to the people on a GST promise. It said, 'If you want the GST, put us into government.' That is exactly what happened. In fact, it won comfortably, probably by even more than the average political pundit would have predicted. Within hours of that victory, the Labor Party said, 'We just want to make clear that we will not support a goods and services tax.' It said, 'We will not let the Government do what it went to the people for. We will not let it bring in the goods and services tax if we can possibly avoid it.' With the Democrats throwing in their weight as well, plus Senator Brian Harradine and also Senator Mal Colston, we have a situation where I feel that our having an election was a total waste of money.

What was the point of having an election? It proved nothing, absolutely nothing, other than the fact that the Senate will be been more hostile after 30 June. Where are the problems occurring? For a start, they are occurring in the Senate. I had to smile when the Hon. Kim Beazley as Leader said that, if Mal Colston should go, he would have to be replaced with a Labor senator. I can understand that argument very clearly. But he should not be saying that he would have to be replaced with a Labor senator; he should be saying that he would have to be replaced with a Queensland senator, because Mal Colston is one of several senators representing Queensland. That is the key issue: a Queensland senator has to be reinstated in the Senate. It will occur and, undoubtedly, it will be a Labor senator because of prior practices.

In other words, the role of the Senate has changed. Whereas the whole thinking behind our Constitution at the turn of the century was that the Senate was supposed to be the States' House and it was supposed to stand up for what the States wanted in the Federal Parliament, the Senate with two exceptions—Senator Harradine and Senator Colston—has now become a political House. People vote according to the Party of which they are a member. Therefore, the role of the Senate is simply to be an obstructionist House. It does not reflect the States' views; it does not reflect the Federal system. Something has to change, otherwise we will have government by compromise—which is what we have right now—and we will have a mediocre Government. Things will be half baked. There will be just a little of this and a little of that, but nothing that will be first and foremost of any one particular political Party. I admire and envy Queensland for its system and the way in which it has shot ahead of every other State in Australia.

SELECT COMMITTEE ON WATER ALLOCATION IN THE SOUTH-EAST

The Hon. G.M. GUNN (Stuart): By leave, I move:

That the committee have leave to sit during the sitting of the House today.

Motion carried.

INDUSTRIAL AND EMPLOYEE RELATIONS (WORKPLACE RELATIONS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 24 March. Page 1342.)

The Hon. M.D. RANN (Leader of the Opposition): Once again, we find ourselves debating in this Chamber Liberal anti-union and anti-worker legislation dressed up as so-called reform. Our opponents have a different concept of reform from those of us in the Labor Party. Just because their big brothers in Canberra are planning yet another wave of attacks on the rights of working people, the Olsen Liberals feel duty bound to mimic them. In fact, in some areas, the Bill that we are considering is actually worse than that foreshadowed by Peter Reith. Once again we are hearing from the Liberals about efficiency, productivity, individual liberty and freedom of choice in relation to a Bill that really delivers none of these.

What this Bill is all about is division, coercion and removing basic protections from the most vulnerable members of the work force. What this Bill is not about is employers and employees working together. There is no vision here whatsoever about a partnership between workers and management to create careers in productive workplaces. This is a piece of legislation aimed at lowering the lowest common denominator, removing vital protection and allowing those few unscrupulous employers to exploit workers. Of course, as with all Liberal industrial relations legislation, it is based on two major false premises. The first is that, when a worker, or potential worker, walks into the boss's office and sits down across from him to discuss wages, conditions or getting a job, they are somehow on a level playing field. That is a total fantasy, but it suits the Liberals' purposes to pretend that it is so. Under the Liberals' fantasy, a 50 year old blue collar worker can negotiate with his boss as an equal in the workplace. An unskilled migrant woman, with English as a second language, is apparently at no disadvantage when it comes to one on one negotiations with her boss.

The second fantasy at the core of this Bill is that, if it were not for collective bargaining and these troublesome collections of workers known as unions, then everything would be fine. Award safety nets, minimum standards, training, and occupational health and safety are just impediments to higher

wages and jobs growth under the Liberals' cockeyed ideology.

There is absolutely no recognition of mutual purpose, of shared rights and obligations, and no understanding that successful companies not only treat their workers fairly but value them and invest in them as a resource not just for production but for creative innovation. The Liberals' vision for our nation is that of a collection of selfish individuals, in it for themselves, getting what they can, and a notion of 'me' not 'we', rather than Australia winning as a team. By blaming all the problems of Australian industry on workers and their unions, the Liberals have embraced a philosophy and policies that are the antithesis of efficiency and productivity. You never hear the Liberals mention the challenges for management, the pressures from overseas, the importance of keeping up with new technology, investing in plant, better training, better work organisation and so on. They do not mention these challenges because they believe, or pretend that they believe, that workers are the problem.

It is a policy that flies in the face of overwhelming international evidence that low wage, low skilled jobs go with low productivity and uncompetitive industries, as well as the creation of an army of working poor. Many employers know that. They know that, if their company is to survive and grow in today's world, they have to invest in the skills of their workers and they have to reject the narrow, cost cutting models favoured by conservatives. They know that how well they compete as a company is largely a function of how well they cooperate with their workers to improve their products, processes, productivity and quality. Meanwhile, overseas Governments are promoting partnerships between unions and management. Here we have a Government that believes dividing the two—hitting unions and cutting wages and conditions—is the answer.

The conservative Liberal agenda for workers is a back to the future model that is against the best interests of workers and, in the end, the best interests of our economy. Instead of investing in public education or training to develop the skills of our work force, or raising investments in infrastructure, science and research, the Liberals believe that only by making workers more insecure can we inculcate the fear needed to make our economy more competitive. Labor believes that this approach is neither economically efficient nor socially just. Although we hear Liberal Governments talk so much about free choice and non-coercive arrangements at work, what the Liberals really want for Australian workers is the antithesis of freedom.

How can it have anything to do with freedom when waterside workers are sacked simply for being union members? Fourteen hundred workers were sacked in the dead of night, finding that they had been locked out during the maritime dispute at the beginning of last year. Despite the excellent relations between the union and employers on South Australian wharves, we heard nothing, not one simple thing, from the South Australian Liberal Government defending our ports, their productivity and their work forces, and the relations between management and workers on the wharves in South Australia. We heard nothing about them from the Liberals during the maritime dispute. Then we had Peter Reith telling all sorts of stories about the alleged costs and inefficiencies of the Port of Adelaide—untruths and half truths—but the State Liberal Government charged with the responsibility of promoting our wharves internationally was struck dumb.

They would not defend this State. They would not defend this State's workers; instead, they stood by and said nothing. We actually had the operator of our container terminal, Sea-Land, and its local management chief, Captain Andy Andrews, not only being forced to defend his operation from Peter Reith's attacks but also praising local MUA members because the fact was that South Australia's ports have a very low level of industrial disputation. But we are not just talking about our ports: for decades South Australia has consistently had one of the lowest rates of time lost due to industrial disputes of any State in Australia, and we are still leading the pack at a time when the nation is recording historically a low level of industrial disputation—a record that dates back nationally to the early days of the Hawke Labor Government and, of course, here in South Australia much further back.

So, if it ain't broke, why fix it? Why are we getting another wave of so-called industrial relations reforms when industrial disputes are at an all-time low? And why the need for this Bill here in South Australia? Why the need for this Bill after the Liberals' first wave of reform? Has that legislation failed? Was the Bill that Graham Ingerson brought in here some years ago a dud or faulty? Approximately 129 000 South Australian workers, or roughly 40 per cent of our work force under State jurisdiction, are covered by 955 State registered enterprise agreements.

In other words, there has been quite a healthy take-up of State agreements. Incidentally, this State also had the lowest take-up rate of Peter Reith's Federal workplace agreements. So, in the face of all this—a low rate of strikes and a pleasing rate of take-up in State agreements—what does the State Liberal Government do? It introduces this new Bill that plans more unnecessary and retrograde changes to the State's industrial relations system, and those have been dealt with eloquently in this Parliament by the shadow Minister for Industrial Relations. It includes plans to introduce a new Workplace Agreement Authority to change the status of workplace agreements to further diminish the power of the Industrial Commission in South Australia.

It also seeks to attack union deductions (surprise, surprise!) to weaken what protections there are against unfair dismissals (that great Liberal bogey) and also to threaten public holidays, including religious holidays. The Workplace Agreement Authority that is being proposed is actually another level of State Government bureaucracy. A Liberal Government that has cut more than 220 police, cut nurses' and teachers' jobs and cut public sector workers' numbers by more than 12 000 is creating another layer of bureaucracy where none is needed. It is being created, according to the Government, in recognition of 'concerns expressed to it by users and potential users of the system that the existing commission processes can be perceived as legalistic and intimidating'.

Legalistic and intimidating by whom? Who made those accusations? Who made those claims? I certainly have not been besieged by employers, large or small, saying that they are frightened by the independent umpire. Not one has said that to me when I have been visiting industries and small businesses. Given that we have 955 State enterprise agreements registered, it is difficult to see how we can say that the current system is discouraging parties. All workplace agreements will go to this Workplace Agreement Authority while the commission will have only the limited role of considering those agreements referred to it by the new authority. So, the South Australian Industrial Commission, the genuinely independent umpire, is further sidelined.

Significantly, the authority will not have to consider whether the agreement is inferior to the award, and this is one of the features of this Bill: the end of what is called the 'no disadvantage test'. Liberal Governments have long been fond of saying about their industrial relations legislation that no-one will be worse off. It was the mantra for John Howard with his IR Bill; it was the mantra for John Howard for the GST; and it was the mantra for John Olsen about his emergency services levy. That is well and truly over with the likes of this Bill.

Under these proposals workers can be worse off. They can be forced into deals that provide for less. They can be forced to trade away decades of hard won conditions on an uneven playing field, and the Workplace Agreement Authority can let all of this happen. Who will staff this new Workplace Agreement Authority? No formal qualifications or competencies are listed or required by an appointee. Perhaps the most offensive elements of this Bill, however, are those that provide for individual agreements to override collective enterprise deals. Given that it is possible to have individual deals that surpass the collective agreement or award at the moment, there can be only one reason for this move: to undercut collective arrangements.

Put simply, under this proposed legislation the employer will possess a legal method for undercutting the collective deal with every new employee and vulnerable worker. Apparently, this is what the Liberals at Federal and State level call 'flexibility'. Of course, it would not be a Liberal industrial relations Bill if it did not have a go at trade union deductions. This Bill will require employers to ask employees annually whether they are happy to continue their authority to deduct union dues from wages. This, of course, will not be required for health fund deductions or anything else—just for union dues. If there was ever a petty move designed to prejudice unions and cost businesses time and effort it is this.

I am sure, of course, that we will not be seeing any legislation to require Gerard Industries or other companies to go to all their shareholders before they make a deduction and give a sling to the Liberal Party. I am sure that we will not see changes to the Santos Act to require Santos to consult with all of its shareholders before that company makes a donation to the Liberal Party, but this is not a level playing field. Of course, in this legislation we see another attack on unfair dismissals. Here we find an exemption from the unfair dismissal laws for employees in businesses of fewer than 15 employees and where employees have less than 12 months experience.

Any employee with less than six months service will also be excluded from access to unfair dismissal laws. It is only the Liberals who believe that making it easier to sack workers actually creates jobs. In a State with the highest rate of unemployment on mainland Australia, where job security fears have until recently helped suppress consumer confidence, this remains the most foolish of measures. Even public holidays are under threat under the Liberal plans announced in this State; they can be traded away, shifted, or even lost. We saw recently, at the time of the Adelaide Cup holiday, the Employers Chamber saying that it would be lobbying to remove the Adelaide Cup holiday.

I remember the comments made by the former Treasurer, Stephen Baker (flushed with pride after the 1993 election), when he talked about removing holidays such as the Adelaide Cup holiday or even Labor Day. So, Easter, Christmas, ANZAC Day and Labor Day are all up for grabs, according to this legislation. This, of course, flies in the face of the push we have seen, especially from conservative groups, to celebrate public holidays on the day on which they fall. But, now, we have conservatives backing measures that effectively get rid of them altogether or allow them to be traded away.

Labor opposes this Bill. We will fight this industrial legislation tooth and nail right down to the wire because, as I and the shadow Minister for Industrial Relations have explained, this Bill fails every critical test of fairness: the test of fairness and of treating workers as people with rights and worthy of respect, worthy of investment, worthy of trust, worthy of collaboration, worthy of listening to, and worthy of considering their creative talents and energies—the investment that they make in an enterprise. It fails the test of economic rationality and efficiency. This is a Bill for industrial relations that would hinder the development of the high wage, high skill economy that South Australia needs. But it is all part of an ideology. It is the same ideology that sees cuts to training and public education. At the same time as Ministers and Premiers talk about South Australia being the smart State in the clever country, the number of young people finishing year 12 drops from 92 per cent to 58 per cent.

This is a Bill that fails the test of relevance to the present and future world. Just before the beginning of a new century the Minister wants an industrial relations system that turns the clock back to the last years of the nineteenth century. This Bill attests to the lack of intelligence and good will but, most of all, as we know, the lack of vision of the Olsen Liberal Government. It is proof, if there were any need of this, that this is a Government that governs for a minority and its mates—not in the interest of all South Australians. I believe that this legislation, which steals the worst bits of the New Zealand laws, the Federal laws and the West Australian and Victorian legislation, is one of the worst and most odious attacks on the rights of workers and the rights of unions in this State's history since the Second World War. That is why the Labor Party will fight it all the way.

Ms THOMPSON (Reynell): I, too, indicate that I absolutely and totally oppose this Bill. One of the biggest difficulties I have is in understanding what exactly the Government thinks it will achieve from this Bill. At the moment, we have a system that was introduced by this Government in 1997 and 1998. It made some significant departures from the history of conciliation and arbitration that we in this country have had since the end of the nineteenth century and it removed much of the protection that workers have by banding together. However, this protection was not removed totally. We still had an award system as reference. We were part of a nationwide trend which included actions by Labor Governments to focus more on the workplace, to enable special arrangements to be struck so that the requirements of a particular workplace could be met in the interests of productivity, team work and safety.

These were often the features of the workplace agreements introduced under the round of legislation Australia-wide that looked at this focus on the workplace, a focus of team work, of cooperation—not of competitiveness where one worker did not know whether or not they were being paid the same as the worker next to them for doing exactly the same work or where one worker did not know whether the colour of their eyes, hair or skin, their gender or any other factor might contribute to their getting different wages for the same work. It was based on workers cooperating between themselves and with the management to produce good outcomes for all, as I

said, with an emphasis on safety and productivity and respect for the individual, whether the individual was the worker or the management. But we are told that this system is not producing enough productivity, although all the latest figures indicate that the highest rates of productivity are in large unionised companies. We are told that we need another system for South Australia to boom.

We are told that we need flexibility. Flexibility is something that is a little bit difficult to explain. For the worker who is telephoned at work to be told that their child has come down sick and, 'Can you come to the school immediately and take the child home?', flexibility means the ability to respond to that. Too often for an employer, though, flexibility means the ability to telephone a worker an hour before they are required and to say, 'Get in here; if you cannot get in here within an hour you will not be on our books any longer.' This is regardless of any obligations that the worker might have.

I have been contacted by a woman in my electorate who was told not to bother to come any more when she was not able to respond to a call of 'Get in here in two hours' because she had a three year old child who needed to go to child care but who could not be booked in at the last moment. She had no car; she lived at Hackham West; the work was at Marion. She had to arrange child care, get herself and the child from Hackham West to a suitable carer and then to Marion in two hours. Well, she could not do it; she had to decline the offer of that work. The result was that she was taken off the books. Is this what flexibility means when the Minister for Industrial Affairs, the Minister for Workplace Services, or whoever he is these days, talks about flexibility? Or is it the flexibility required by workers to respond to their family obligations and to be social human beings within our community, rather than simply interchangeable economic units?

We already know that South Australia has the lowest wages in the whole of Australia. The ABS tells us that too clearly and too often. We also know that we consistently have the highest unemployment rate on mainland Australia. Again, we are told that too clearly and too often. What people do not talk about is the fact that we also have about the lowest workplace participation rate in the whole of Australia. So, our unemployment rate would be even worse if so many discouraged workers were not taking a pension instead of actively seeking work. That is an issue we have yet to deal with. We consistently have the lowest level of industrial disputes in the whole of Australia. This has been consistent for decades. All these things seem to put together the package that I hear talked about when various Liberal Ministers in the industrial arena, or the workplace arena as, around Australia, they like to call it these days, talk about flexibility: low wages will reduce unemployment. But this has not happened in South Australia. Somehow, low wages are going to reduce industrial disputes; but we have reduced industrial disputes in any case. If the Liberal recipe of flexibility really worked, South Australia would be by far the most prosperous State in the nation.

As I talk to people about the current system and what they like about it I have been surprised that a number of small business operators have told me that they like the award system. They like the award system because they are very busy working out a number of aspects of their business, and trying to reward their employees equitably is something that they often do not have time for. They find that, if they are able to ring up and find out what are the appropriate job classifications, award payments and other conditions, they are saved a lot of time and energy. They know that their nearest competitor down the road, whether it be a hairdresser, a small metal fabricator or a small printing shop, will be paying the same sorts of wages and that they will not gain a business advantage by screwing the workers. They are gaining a business advantage by the way they operate, by their smartness, by their contacts, by their planning and by their ability to involve their workers in the outcome of the business, thus maximising productivity. They can see that there is a level of fairness in everyone having to work from the same award system.

However, what we are looking at now is some notion that individuals can equally negotiate around a table: they can negotiate the most important thing to them in terms of their contribution to their family life—the ability to keep on bringing in an income. People will sit around a table. More likely, it will not be around anything; it will be across a desk that represents the power of one side as opposed to the lack of power of the other side.

Mr Acting Speaker, think about the situation of an over 55 year old migrant man, a very skilled person, who has developed his skills probably over 40 years. Almost certainly, he has a few niggles and little injuries because, unfortunately, not many people working in a blue collar area manage to make it to 55 without some sort of injury, usually a residual injury. He is aware that technology is taking over his job. He has to sit across a desk from one or two men in suits, with heaps of resources behind them and with facts and figures at their fingertips about how much they can gain by costing this person, who is trying to support his family, $10 a week—this person and other persons. Instead of all the 55 year old men, and whoever else they are working with, being able to band together to work out the situation, if all of them negotiate their conditions, one side has information, the other side does not have information; one side is worried about where their future might be, about how they will continue to contribute to their family's support, and the other side is looking simply at the profits of the organisation.

I cite the situation of a young woman—maybe 15 or 16—negotiating with an international chain. We will in this case assume that she is not negotiating about her wages but about the hours that she can work. She feels unsafe working at 3 o'clock in the morning: she feels that being sent outside to pick up all the packaging in the car park at 3 o'clock in the morning is putting her at risk. She is also worried about how she will get home. She is in this situation, knowing that she needs a job to be able to continue her education and obtain the skills that she wants for a good start in life. She knows that her family will not be able to come up with the money required these days, either school council fees or university or TAFE fees. Perhaps they can come up with the fees but they will not have anything left over to enable her to buy a few clothes, to go out and, unfortunately, probably smoke and maybe occasionally drink. She relies on her own resources in terms of her entertainment and her clothing. There she is thinking about her safety versus her lifestyle, negotiating with the representative of an international company that sees her just as one person who can do the job today, and someone else can do the job tomorrow.

I have had the case of someone in my electorate—a young woman of 15—who was required to pick up papers in a car park at 3 o'clock in the morning. She was able to go to her union. Issues such as this were part of the arrangement negotiated with this chain by the union and they were able to come to a satisfactory situation. But this young woman had worried about her situation. She had been scared and her

parents had been scared. Her mother had gone and sat in the car park for a couple of hours so that she would be there when the daughter was going out picking up papers. Fortunately, this situation was resolved. But how will it be resolved in the future—by mediation? This matter is not even allowed to be covered.

I think that persons opposite just do not understand the position of workers negotiating across the big barrier of a table, just as they do not understand the position of small business when negotiating with Westfield. This is one of the ways in which the Opposition and small business are coming closer together, along with the workers of our State, because we do understand that this notion of equality in negotiation is just a fiction, a fantasy, a figment of someone's imagination. It is yet to be displayed in reality.

Another case from my electorate that indicates some of the difficulties with this Bill and the Liberals' notion of fairness in the workplace relates to the unfair dismissal provisions. Some time ago a woman came to see me. She had quit her job as an enrolled nurse in order to take a job at a delicatessen. She knew that the wages were less, but she had done this because the hours at the delicatessen were clear and more suited to her family responsibilities and the support that she felt she needed to give particularly to her daughter, who was studying year 12. She was prepared to put her family responsibilities first, despite the loss of money. However, the owner of the delicatessen decided that he did not want to continue this employment, because one of his relatives had become unemployed. Instead, he wanted to give the position to his relation—and that is quite understandable, in a way. So, he just dismissed Melissa; he told her not to bother coming any more. Her situation is that, under the provisions of this Bill and under current legislation, she has no right to have this situation reviewed at all. She was just expected to accept this unfairness, to accept the fact that she had made a reasonable and sensible decision. She believed that she had entered into an arrangement in good faith.

The circumstances of her employer changed very quickly (within about three weeks) in a way that did not require a business imperative to act: it was simply a feeling that the employer would like to have a family member instead of this worker, who had quit her previous job in order to come and work with him. Melissa was a woman approaching 50, which is a very vulnerable age in terms of being able to get another job. So, what is fairness with respect to the Liberal understanding of that word? Was the treatment of Melissa fair?

Another aspect that concerns me about this Bill is the way in which the provisions in relation to the Employee Ombudsman are being eroded. I will admit to many members of the Opposition having had some concerns when the position of the Employee Ombudsman was established. It seemed very much as though the Liberal Government was setting up another structure to replace the union structures, that it was trying to set up an alternative service to unions, one service being free and the union service being funded entirely by the contribution of its members. The functions of the Employee Ombudsman were to advise employees on their rights and obligations under awards and enterprise agreements; to advise employees on available avenues of enforcing their rights under awards and enterprise agreements; to investigate claims by employees, or associations representing employees, of coercion in the negotiation of enterprise agreements; and a number of other functions relating to fairness and some sort of equity and power in the workplace.

The reports of the Employee Ombudsman show that he and his staff have indeed been very active in this area. The Employee Ombudsman had responsibilities in relation to outworkers—some of the most disadvantaged workers in the whole of Australia. But what has happened now? He was obviously being a bit too effective in this investigation of unfairness, because now all he is able to do is assist or represent employees who request such assistance or representation to negotiate individual or collective workplace agreements and to assist or represent employees who request such assistance or representation who are uncertain about whether agreements with their employers about remuneration, conditions of employment or other industrial matters should be approved as individual workplace agreements or do not want such agreements to be approved as individual workplace agreements.

There are other functions, but just as I cited the principal functions in the existing Act, I have now cited the principal functions. They are very different, very narrow and very much in keeping with the Liberals' narrow definition of what is an industrial matter. They are not about the general issue of rights and obligations. I am also concerned about the area of mediation and the way in which the appointment of people who will be undertaking the mediation is very much under the control of the Minister. The fact that such appointments and conditions will be subject to the whims of the Minister removes much of their independence.

The ACTING SPEAKER (Mr Scalzi): Order! The honourable member's time has expired. The member for Price.

Mr De LAINE (Price): I oppose this Bill in its entirety. It is a terrible Bill and does not do justice to this House. 'If it works, don't fix it' is the saying I would apply to this Bill, because our current legislation has worked very well over the years, despite the efforts of this Government to make changes to the legislation in 1994, some of which have failed but other aspects of which I have to admit have worked fairly well. Despite that, the legislation we currently have still works very well, so why change it? The reason for the drafting and introduction of this Bill is not very apparent. There is no real evidence that the current legislation (or indeed the previous legislation, before it was amended in 1994) has problems which would require a rewrite of the industrial and employee relations laws in this State.

The Bill is mostly highly contentious and seems absolutely unnecessary. South Australia has the best industrial relations record in Australia, and that has been a fact for a number of years. If passed, all this Bill will do is create havoc in the workplace and also put an impediment in the way of would-be investments and the creation of jobs in this State, because it will go a long way towards destroying the excellent industrial relations record that this State has enjoyed for many years. It is a positive impediment to getting more employment opportunities and investment in this State.

This Bill proposes substantial amendments to the State's principal industrial relations legislation—the Brown/Ingerson Industrial and Employee Relations Act 1994—and seeks to rename that Act as the Workplace Relations Act. I note that the words 'industrial' and 'enterprise' are deleted from the legislation and replaced by the word 'workplace'. To me, this renaming lets the cat out of the bag entirely to reveal the influence of the Federal Liberal Government and, in particular, Minister Reith, so I will refer to this Bill as the Reith/Armitage Workplace Relations Bill.

Deleting the words 'industrial' and 'enterprise' and replacing them with 'workplace' does nothing. The Government's stated reasons for the proposed changes are that the amendments will provide employers and employees with added flexibility in the determination of wages and employment conditions; that the changes are necessary to prevent South Australia from falling behind other States in the area of industrial regulation; and that they will result in higher levels of employment, especially for young people.

I have heard this argument about bringing all States into line before. In the industrial relations area, as well as many other areas of Australia, South Australia leads the nation. Instead of bringing the other States up to the standard of South Australia, once again this legislation does the opposite: it serves to take South Australia down to the standard of other States. As I mentioned before, we have the best industrial relations record in Australia, and all this will do is bring us back to the field and make us as bad as some of the other States.

The Government's unstated agenda is to achieve reductions in wages and conditions by stripping back awards; to narrow the circumstances under which workers can seek redress for unfair dismissal; to make it more difficult for trade unions to operate effectively; to marginalise the Industrial Relations Commission; and generally to assist bad employers to do as they like with minimal safeguards and with as little scrutiny as possible. I would mention here that most employers are pretty reasonable people. However, we have to legislate for the ratbags in society. It is no good easing the legislation to let the bad employers off the hook, hence my opposition to this legislation.

Liberal Governments, both State and Federal, and many employers think that, if wages, conditions, job security and work hours are reduced, more jobs will be created. In this context I mean reduced working hours to apply to fewer than 38 hours per week, as is the case with part-time or casual work. There is absolutely no evidence to support this view. On the contrary, experience in other western industrialised countries shows the opposite: that the way to generate more jobs is to increase wages, improve conditions, increase working hours from part-time and casual up to permanent full-time hours of employment and to give workers the confidence of being backed and supported by trade unions. That is a very important aspect, which is vital to the economy of our State.

Part-time and casual employment has created a poor working class in this State and this country. More jobs will be created if workers have secure employment and full-time jobs and receive a decent enough wage to leave for them and their families some expendable income after the necessities of life have been paid for. It is commonsense that this is the case because, if workers have a small earning capacity, after living expenses are taken out they have no money left to spend on other things that create employment in this State and in this country.

The Bill also seeks to marginalise the role of the Employee Ombudsman. Any ombudsman is always in the position where, no matter what opinions or decisions he or she comes down with, they cannot please everyone. However, I believe that the current system works well. One of the few innovations from the 1994 amendments to the legislation, the current Employee Ombudsman is seen generally by both employees and employers as doing a good job, so why change the system and the functions of this extremely valuable position?

One of the main criticisms that the Opposition has is the taking away from the Employee Ombudsman the important area of investigating and reporting on outworking arrangements. As you would know, Mr Acting Speaker, this is an area of extreme and widespread exploitation of workers in industry and, in particular, exploitation of women and people from non English speaking backgrounds such as our migrant workers. It is an area that needs more scrutiny and checks rather than fewer.

A new Workplace Agreement Authority is to be appointed at considerable cost to replace the commission, and it will scrutinise, improve or reject most workplace agreements. The authority is specifically precluded from conducting formal hearings but can visit workplaces to discuss proposed agreements. This has the potential to put enormous pressure on employees who could feel extremely intimidated by having these assessments carried out on site at their workplace. This is extremely unfair to workers and will put them at a great disadvantage.

Discrimination is quite often alive and well in industry, particularly in factories. I know this because I have been a union representative in the workplace. A lot of workers are very vulnerable, especially if they do not know their rights, do not speak English (in the case of people with a non-English speaking background) or have only a limited knowledge of English. There are many good employers and supervisors, but there are also many who are unsuitable to be placed in positions of power over workers. These people are promoted to supervising positions sometimes for the wrong reasons.

Over the many years that I worked in private industry I saw very unsuitable people put in these positions who were not qualified or did not have the commonsense or decency to supervise workers as they should be supervised, and this had disastrous consequences not only for productivity but for the morale of workers and the performance of the industry that they worked in.

The deduction of union dues is another area that is quite unsatisfactory. Employers will be required to obtain a fresh, written authorisation every year for the deduction of union dues from employees' wages. This provision is very discriminatory for employees and I am sure that employers, especially those with large numbers of employees such as the company that I worked for—General Motors-Holden's—would not be very happy about this legislation because of the additional and unnecessary administrative cost to their business.

When I worked at General Motors-Holden's the company fully recognised the role of trade unions and the right of workers to be represented by them. In fact, it insisted that anyone who took up employment with the company had to sign an agreement that within two weeks of starting work they would join the relevant trade union that covered their—

The Hon. M.H. Armitage interjecting:

Mr De LAINE: The Minister laughs. A big company like General Motors-Holden's understood the situation and had that condition of employment so that it could deal with any disputes in an even-handed way and create industrial harmony, which it has done very successfully over very many years.

I now address the employment of children. This part of the Bill is one of the few sections that has merit. If the Government was genuine and wanted to address the area of the exploitation of children and the risks they face in a door-to-door selling situation it would have supported the excellent private member's Bill introduced into this House twice now

by the member for Torrens. Instead, the Government knocked out the Bill and has refused to deal with it for the past 12 months. So much for its concern for the protection of children involved in door-to-door selling!

The main thrust of the Bill is to introduce a new system of workplace agreements to replace the existing system of enterprise agreements. These new workplace agreements will override existing awards. The Bill provides for agreements to be negotiated with individual employees. A worrying aspect of this provision is that an individual workplace agreement will take precedence over collective workplace agreements if there is conflict between them. What a potential recipe for disaster!

This will mean that, in many cases where individual employees enter into individual workplace agreements, the employee will suffer a reduction in his or her working conditions. These individual workplace agreements will promote flexibility—but only for the employer. This situation is similar to what occurred in New Zealand under the Employment Contracts Act, and we have all heard information about what has happened over there in recent years.

In the real world, during the bargaining process many unscrupulous employers will seek to stand over employees and there will be a very unequal bargaining situation. The same will apply to workers who wish to keep their jobs, with many being blackmailed into accepting lower wages and conditions to avoid the dole queues. It is very unfair that this one-sided situation will deny workers representation by their union.

The entire proposal is flawed because at times you will get aggressive, exploiting employers versus intimidated, unsure, scared employees. The opposite is also possible where you will get a timid, unsure employer facing an aggressive, confident, greedy and perhaps very articulate employee. That is also very unfair. So both systems are quite unfair because there is not the proper representation that occurs at the moment. Research shows that the initiative for individual agreements most often comes from employers and not the employees.

Supposedly the Bill provides safeguards against the coercion of workers, but I do not think that this is the case. The Bill will not do that. There are many subtle ways in which an employer can have their way over an employee. I have seen it in the private sector where I was a senior union representative with General Motors-Holden's. I have seen people forced to work overtime and shift work, and even forced to take voluntary 'redundancy' by being stood over by management, and this is very unfair. Also, the Employee Ombudsman will not be able to investigate suspected cases of coercion, and that is a major worry in this legislation. All individual workplace agreements are to be kept secret. This is outrageous and will make the policing and assessing of breaches extremely difficult.

The Bill will allow the reassignment of public holidays to other days. This will have a major impact on families and on the morale of particular establishments, and I think it is fraught with danger. It is not fair that people will not be able to share gazetted public holidays with their families and friends on the days that they are assigned on the calendar.

I will now address unfair dismissals. The right for remedy in respect of an unfair dismissal is recognised internationally as a basic right for workers. This Bill seeks to scrap unfair dismissal laws that protect workers, especially if those workers are new to a job, casual or work for a small business. The Government says that this will encourage small business to employ more people. There is absolutely no evidence to support this claim. In fact, the recent Australian Workplace Industrial Relations Survey showed that only 1.4 per cent of small business employers listed unfair dismissal as a significant barrier to employing people. This is contrary to what the Liberals say and what this Bill seeks to achieve.

The mediation proposal in the Bill is very vague in many respects. The only clear aspect is that the Minister and the Government have absolutely no faith in the Industrial Relations Commission. However, they do not have the guts to abolish it, so they will marginalise it and make it almost irrelevant. Under the proposed legislation the parties must represent themselves during mediation. This is discrimination at its worst. The employee must represent himself or herself and is denied the right to have union or legal representation. However, the employer, if they are a corporation, a partnership or the State Government, can be represented by officers with perhaps high professional qualifications. Mediation works only if the parties have equal bargaining power. This legislation is biased, unfair, anti-union and anti-worker.

I will now address the issue of entry to workplaces by union officials and freedom of association. Restricting access to union officials can cause problems and put the whole area of workplace harmony and productivity at risk. I have been in situations before as a union representative at General Motors where, bringing in the union to sort out problems before they get out of hand usually works. The unions come in and there is some negotiating and talking and serious problems are overcome before they get off the ground. Even if disputes have started, this process in most cases in my experience puts an end to that and agreement is reached before any real damage is done not only to the profits of the company but also to the jobs of workers. I had a good rapport with the management at General Motors and we got together and realised that both management and employees wanted the same things. If the company was successful, the boardroom was happy because shareholders were getting their money and, if they were successful, workers had well paid jobs with the company. Everyone benefited and we should all work together in that respect.

If this Bill is passed it will be a disaster. It is a major assault on the trade union movement and workers of this State. At best it will quite often pit workers against other workers and affect morale in the workplace: I have seen this happen before. It will affect productivity and cause countless problems for employers in particular. At worst it will destroy the State's excellent, best-in-the-nation industrial relations record in terms of workplace harmony and levels of industrial disputation. This will have an enormous impact on the business investment in South Australia and be a major disincentive for business to invest here, set up and employ South Australian workers. If employers and employer groups study the legislation carefully and still support it, they will be their own worst enemies. The South Australian industrial relations system, while not perfect, has served the State well. It is a well balanced system and we should retain it.

Ms HURLEY (Deputy Leader of the Opposition): The member for Price mentioned in his contribution that most employers are very reasonable people and they need to be reasonable because most of them recognise that their employees are an essential part of their business and that it is important to keep good working relations in order to continue that good relationship and to improve their business. Most employees are, similarly, very reasonable too. They

give a good day's work for a good day's pay and take an interest in their employer's business and frequently work above and beyond the call of business.

There is certainly an element among employers, particularly in very competitive areas, where there is the potential for amendments of this nature to be used in order to improve their bottom line by screwing their employees down further and further in terms of their wages and conditions and an attempt being made to use their employees to further their businesses without properly compensating their employees or without treating their employees properly. We have all heard instances of that happening, particularly in some of the faster growing industries, the industries most likely to be significant employers in future. These are the service industries—hospitality and food—which have significant peaks and troughs in employment levels. They want to employ people at short notice, to put people on and off as their business ebbs and flows. That is perfectly understandable and they need to do that in order to ensure that they continue to make a profit and continue to stay in business. But we on this side of the House want to ensure that the employee is a consideration in all of this and that it is not simply the employers' but also the employees' interests that are protected.

This is reasonable and we have many examples of where the employers and employees work together in a constructive way. It actually benefits the business greatly. A number of people in my electorate are employed at GMH at Elizabeth. Many of those employees have been there for a long time and are happy with their employment at Holden and very much enjoy it, but they speak about the 1970s and it sounds like trench warfare. They went to work in an extremely hostile environment, they never knew when they were going to go on strike and never knew when they might be sacked or stood down. Conditions were very difficult. They went through employees very quickly. It was hostile for both parties. Nowadays Holden works closely with its employees. It is a very cooperative arrangement and Holden has forged ahead. The worldwide operation of Holden has been recognised as one of the most efficient and productive plants in the world. Recently it brought a substantial cohort of people from Thailand, where it is setting up a factory to see how it is done at Elizabeth, to see how workers are trained, how productive and willing they are to multi-task and take on new tasks and work with their employer in order for the business to grow. That is a model of what we should be looking for in our work force.

But what we see here is not mere tinkering at the edges to improve the system; we see the employers being given adequate safeguards, adequate representation for their case and an attempt to remove proper representation for employees. This is a particularly one-sided Bill. We are seeing a new workplace agreements authority, which will undermine the Industrial Commission. We are seeing a change in the status of workplace agreements such that individual agreements will override collective workplace agreements. We are seeing an attack on union deductions and unions generally and a weakening in the protections against unfair dismissal laws.

I will dwell on individual agreements overriding collective workplace agreements because this is what we are talking about. In those individual agreements the employers have very good avenues of representation and their interests are well protected. The employees are a different story and this is where the most avenues for abuse of employees open up, where we have individual employees being required to negotiate their own conditions and fend for themselves in the whole process. This is an attack on workers and unions and indirectly an attack on the Labor Party as well. This is very much politically motivated. We have heard Liberal members talk many times about the Labor Party being a hostage to their union membership.

I suggest that the Liberal Party in these industrial relations laws, both State and Federal, are very much hostage to big business and are doing what is requested by big business. Businesses have powerful and very effective organisations that operate much like unions. We see this in the Australian Medical Association, the Chamber of Commerce in South Australia and the Business Council. Those organisations pull the strings, both financially and philosophically, with the Liberal Party in this State. We see the Liberal Party moving to dance to that string pulling, even to the detriment of some of their other constituents. We have seen this over and again in that business is catered for and country and regional areas are very much abandoned, and feel very much that way, by the current South Australian Liberal Government.

Meanwhile, the Liberal Government does what it can to please big business. This Bill is the latest manifestation of that; that is, business is asking for increased protections and increased representations for itself at the expense of its workers. Obviously business is unhappy with the Industrial Relations Commission because, at times, unions and employees have used that very effectively to plead their case and the independent arbiters on the Industrial Relations Commission have found in their favour. Big business does not like this level playing field and it wants to tilt it in its favour. It does this by greatly weakening the Industrial Relations Commission and the Employee Ombudsman and putting in place the Workplace Agreements Authority and the overriding status of the individual workplace agreement.

Over the years, many people coming to my electorate office have not been represented by unions and, in various ways, they have been cheated or misused by employers. It has been very difficult to help them because they have not had union representation. We have been able to pursue breaches of the award or agreements through Department of Labor avenues. This will become more and more difficult under this sort of system which will have individual agreements. I would be very fearful for many of my constituents who engage in casual work or who, in many instances, have been unemployed for a long time and who are desperate for work. Many young families who are paying off mortgages and who, similarly, are desperate for perhaps part-time income will very much be hostage to what employers demand. There are simply not sufficient safeguards for those people in those powerless positions and nothing the Government has said in this debate persuades me that that is the case. Nothing that the Government has argued publicly persuades me that there are sufficient safeguards for those employees.

It is very important that employees be given a fair go in our system. Our society demands that and most people would like to see that. I have not yet seen a constructive argument to say that the Industrial Relations Commission or the Employee Ombudsman are not working well. I have yet to hear a constructive argument about why we need these changes. On behalf of my constituents, I would reject these changes. On behalf of the people who support the ALP and the union movement, I would also reject these changes.

I am not ashamed to say that we in the Labor Opposition seek the advice of the unions because I believe that they have a legitimate place in our society as an organisation represent-

ing working people. Those working people voluntarily have agreed to join the union and I believe that they have every right. I believe that it is appalling that this Government is trying to make it much more difficult for them to join the organisation of their choice by making it difficult for them to have their union dues deducted from their pay.

I believe that it flies against the fair go principle that is common in our society. Employees have every reason to be able to band together to form powerful organisations to lobby for their cause and to represent workers, just as businesses, whether they be small or big businesses, voluntarily join organisations which become powerful organisations to lobby and represent business. I am quite happy to see that happen and Labor Governments have never taken any steps to make that more difficult. I do not see why we should stand by and permit a Liberal Government to take the path that will make it more difficult for workers to have adequate representation.

I am very pleased to join with the shadow Minister and the rest of my colleagues in opposing this Bill. It is undoubtedly a response to the national agenda. I am sure that the Federal Minister for Industrial Relations has a far more coherent and constructive strategy on his side. I imagine this Government is merely following the national trend and supporting businesses in South Australia. I do not imagine, as with anything else, that it has any particular long-term strategy; I would be very surprised if it did. I believe that it is simply following the footsteps of the Federal Minister. However, on behalf of all workers in this State, the Opposition needs to stand up and say that this is an appalling piece of legislation and that it will join with its union colleagues in opposing it bitterly and to the bitter end.

Mrs GERAGHTY (Torrens): After reading the Government's Industrial and Employee Relations (Workplace Relations) Amendment Bill and after listening to the debate and the debate in the community, the one thing that comes to mind is that the current legislation, which is already recognised as legislation that is unfair in relation to the well-being of workers, is to be replaced by legislation that is even more unfair, more controversial and more provocative. The proposed reform is draconian and unAustralian and will end up destroying the good industrial relations record achieved in South Australia over many years. In a nutshell, as I understand it, casual employees with less than one year's steady work will be prevented from making unfair dismissal claims, as will workers in a workplace with fewer than 15 permanent workers. I fail to see how this will generate jobs when an employer will be worse off under these unfair dismissal claims if the employer then employs more than 15 people. They are very unlikely to do that.

We see the removal of enterprise agreement powers from the Industrial Relations Commission and the establishment of the Office of the Workplace Agreement Authority, a bureaucracy with an annual budget of some $500 000 set-up costs, plus the unknown dollars that will be needed to keep it afloat. Since the enactment of the Industrial and Employee Relations Act 1994, hundreds of enterprise agreements have been successfully negotiated between employers and workers and with the support of their unions. The current system has delivered increased productivity and flexibility with a minimum of confrontation. I wonder whether the big Australian, BHP, sees these proposed changes as a benefit, given the stated facts that it is pleased with the cooperation it was given by the unions representing its work force under the current legislation during its very difficult time of restructuring.

From time to time complaints have arisen about the need to finetune the current legislation. These have included complaints from unions, employers, workers and professionals in the legal, industry and commerce areas. This Bill also presupposes that workers have the education, skills and understanding of awards and industry standards to negotiate a fair agreement or make a request to the employer to reapprove or rescind such an agreement. In a time of great full-time job instability and a genuine fear of losing one's job, what worker will risk that employment by approaching the employer and asking for a pay rise, a variation, or even to rescind an agreement, if the worker feels that the current agreement is unfair but the employer wishes it to remain because it is of benefit to the company? Under the terms of the Government's amendment Bill the ramifications for workers are far worse. Under division 8, section 80(1) it provides:

> A workplace agreement is to be made for a term (not exceeding five years).

It can then continue indefinitely if the worker and the employer do not seek to reapprove or rescind the agreement. This means that under the amendment Bill workers can be exploited where an agreement seeks to improve the economic benefit of an enterprise and, if it does and the employer wishes the agreement to continue, it can do so, as I said, indefinitely at the financial expense of a worker. In fact, it can place the worker in a position where they may fall well behind the award rate over a period of years. Individual workplace agreements cannot be scrutinised by any outside parties, so how does a worker who has poor language skills or who is fearful of losing their job expect to get a fair go?

The Government's preamble to the Bill states that the changes are there to suit employers and workers 'to share the benefits of a more flexible system which encourages freedom for employers and employees to determine their own relations'. Locking people into inequitable workplace agreements for a period of five or 10 years does not sound flexible and does not in my opinion allow greater freedom or provide a fair go.

I fail to see the need to dismantle the current industrial relations agreement when the proposed Workplace Agreement Authority has no enforceable powers should an employer and worker fail to reach an agreement. This dispute would then have to be referred to the commission. So, why do we need another bureaucracy at huge establishment costs plus the ongoing costs when we have an existing service in the Office of the Employee Ombudsman, which has been recognised by employers, workers, unions and community and industrial relations professionals as providing a useful service to non-union members, particularly in the area of small business? In fact, where the Government has failed to provide protections for children who have been employed in the area of door-to-door sales, the Employee Ombudsman has taken up the challenge. It is a pity that the Government seeks to curtail the role of the Employee Ombudsman without advancing any sound reason.

Another point worth mentioning is that I am unaware of any organisation in the field of industrial relations that has actually called for the scrapping of the current Act. In fact, in a statement to the *Advertiser* on 12 January 1999, the South Australian Employee Chamber's Policy Manager, Mr Adrian Dangerfield, actively criticised the Government's

intention of establishing a new bureaucracy as envisaged under the Workplace Agreement Authority. The newspaper article states:

> While he [Mr Dangerfield] supported the 'flexibility' offered by individual agreements, he doubted the necessity of funding a new bureaucracy to oversee the process . . .

The article further states:

> . . . we need to be convinced there is a need for a separate office where there is already ample infrastructure with the Office of the Employee Ombudsman and the Industrial Relations Commission.

The South Australian Chamber of Commerce is not alone in its criticism of the Government's attack on the Industrial Relations Commission and its intention to establish the Workplace Agreement Authority. Mr Ian Dixon, Chief Executive of the Department of Industry and Trade, has resoundingly criticised the State Government's intended workplace reforms. He has also objected to targeting workers in certain industries, such as meat and maritime workers, although the maritime workers are not mentioned now. Mr Dixon stated that the draft legislation gave no indication where there would be cost savings in establishing a new workplace agreements bureaucracy.

Why would the Government feel it necessary to turn current industrial relations upon its head and pursue this draconian direction, given the criticisms of senior industry leaders? Is it because the industrial relations record in South Australia has been exceptionally bad, with unions and workers undertaking a rash of unreasonable industrial strike action that has adversely hit productivity and profitability in South Australian industry? No, because that is not the case. We know that is not true and we need look no further than a survey carried out by the Australian Bureau of Statistics to confirm the answer to this question. This survey was released and reported in the *Advertiser* on 8 March this year.

The ABS survey found that South Australian workers recorded one of the nation's lowest levels of industrial disputes. It also found that South Australia recorded 11 900 working days lost to disputes in the year to November 1998. In comparison, and during the same period days lost in Queensland totalled 45 700; Western Australia, 57 300; New South Wales, 163 500; and Victoria, 211 700.

In reaction to South Australia's positive figures, the South Australian Employers Chamber said that 'it comes as no surprise'. Obviously the Government cannot use industrial disputation as the reason for bringing in draconian industrial relations reform—if one could call it that.

The State Government's intention is to slant drastically the balance of power in industrial relations and place it firmly in the hands of employers. To follow the Federal Government's and Peter Reith's legislation, which strips any equity and fair play from the current but poor Federal industrial relations legislation and which impacts unfairly on workers is really to treat workers with contempt.

The Bill places workers in a weakened and vulnerable position in negotiating their own individual workplace contracts. It severely limits collective agreements concerning overtime, shift penalties, public holidays and a range of other existing award entitlements that currently exist.

Setting time limits before workers can make unfair dismissal claims is restrictive in the extreme and, according to the Chief Executive of the Department of Industry and Trade, Mr Ian Dixon, 'It appears to penalise employees rather than achieve the objective of providing an incentive to business to employ more people.' Mr Dixon further states:

> The result of such laws has the potential to create industrial relations difficulties which if occurred could seriously harm South Australia's economy.

We must remember that this statement is from Ian Dixon, Chief Executive Officer of the Department of Industry and Trade. So, far from encouraging the current low level of industrial disputation, senior industry personnel believe that the Government's proposed Bill will instead create industrial unrest and disputation.

Very little industry consultation has occurred in constructing this Bill, and that has been verified by industry professionals and organisation representatives. Clearly, the Government is overreacting and being reactionary, and this could well be to the economic detriment of South Australia.

What is required is discussion with all parties involved in industrial relations to identify how the current Act can be improved with some finetuning. I use the word 'finetuning' quite deliberately because I note that Mr Adrian Dangerfield of the Employers Chamber of Commerce also uses that term and in the same context. In commenting on the good industrial relations track record in South Australia, as recorded in the ABS survey and as I have previously mentioned, Mr Dangerfield said:

> If the industrial record is that good all the more reason to finetune to ensure we stay ahead of the game.

Clearly, the Government is out on a limb and looking isolated when it comes to support that it can count on from its traditional employer allies. Of course, there will be those representatives from within the business community who will support the current proposed changes. The Government has put itself in a position of clearly shattering tripartite representation and equity in the workplace on industrial relations in this State.

Whilst I acknowledge that many employers in small and large businesses will not exploit workers, there are, however, companies which do exist and which, when given the slightest encouragement, will breach the rights of workers and place undue pressure and coercion upon a single worker when negotiating a workplace agreement. They can use the threat of job insecurity if the worker does not accept the contract that is placed in front of them. This is the environment that we will have to endure if this proposed Bill is passed.

The current Act (and remember that it is slanted clearly towards the employer) provides more flexibilities, protections and better equity. Whilst it does not guarantee a 100 per cent fail-safe structure in all circumstances, the current Act at least focuses on flexibility, protections and fairness. As I said, this Bill certainly needs a lot of finetuning. So, what can we expect in an industrial relations Act that vastly diminishes these protections, given the behaviour of some employers out there? One would have to be very silly indeed to think that a reduction of powers from the Industrial Relations Commission—and even from the current Act—would not be a green light for a rapid increase in employee exploitation.

The Workplace Agreement Authority will have inspectors as administrative authorities to enforce obligations imposed under the Act, but at what financial cost to the public will this be? How serious are the Government's intentions in wanting to see an inspectorate actively pursuing violation of workers' rights when the very Act under which the Workplace Agreement Authority exists is nothing more than an attempt to reduce workers' protections.

Regulatory bodies under the current Government which have duties within the public and private sectors have had their authorities much reduced through downsizing, retrenchment and through funds being withdrawn, and these include none other than enforcement agencies such as the inspectorate and the Commissioner for Equal Opportunity. If workers are unwilling to pursue their legal rights under the current legislation, does this not simply make a mockery of the reduced powers and impact that any inspectors would have under the proposed Bill? Does this not also show the Government's dishonesty and duplicity? It also shows that the Government's real intentions are to dispossess workers of their rights and protections and create an environment of fear and an intimidation of workers.

This is not the path down which I and many others think this State should travel. We need to strengthen and improve the current legislation and the commission and provide greater resources to assist employees and their unions rather than waste some $500 000 plus on an alternative bureaucracy that will bring no improvements to industry, employers or workers. It will lead to nothing other than worker and community loss of confidence in what should be a fair and just workplace.

Finally (and this has already been mentioned by the member for Price), there is one decent section in the Bill—even if I say so myself—and that relates to the employment of children. I know it pains my colleagues, as it pains me, but given the backward and oppressive components of this Bill we cannot support even this one section. We cannot do that because the Bill is just too offensive to workers.

So, like others in the community, I have reached the conclusion that for the Government to include the interests of children in a Bill which it knows has so little whole of community support shows the value it places on our working children. If I am wrong on that, the Government could show those of us on this side of the House that I am wrong and it could support the Bill that I have before the House at the moment.

Mr LEWIS (Hammond): I recognise that on this matter I am probably in a subset of members of this House, if not this Parliament, of one. There may be others who share my views, but I do not expect that they would share all my views. I think that is probably true of most members, if they were to be frank about the way in which they put their views to the House in debating legislation. I say that because I do not want anybody opposite either to take umbrage at the remarks I make or, for that matter, to quote them as though they were the views of the Minister or the Government—they are not. I accept the odium or, indeed, approbation for them.

In the first instance, I draw attention to the necessity for a legal framework through which people can establish arrangements for employment, that is, when you have nothing else to sell you go into a market place and sell your labour and where the job provider, on the other hand, has a need for such labour he or she goes into the market place to purchase it. It is not appropriate to leave it entirely unregulated in any way, shape or form, because invariably those people or interests—bodies corporate—which have the power to employ also have far greater power than anyone who has nothing else to offer than their services, that is, the work doer's work.

Job providers need to know that they must ensure that the places in which the work doer performs the duties for them are safe. It is not good enough for us to ignore completely the need for human beings to be able to sell their labours, skills and abilities in places which put their very life at risk, because that otherwise interrupts the other contracts of basic living, contracts of marriage and indeed the legal obligations imposed on parents to support their children.

Society in any other form than we enjoy it where most of us take it as 'given' that such will be the case—namely, that parents will accept responsibility to care for their children and that adults or even adolescents will be able, upon choosing, to go into the market place to find work, to secure that work in circumstances which are safe for them not only in terms of preservation of life but also by enabling them to avoid injury—is not reality.

Much of the rhetoric, hyperbole and argument about rates of pay, whether it is a good thing or a bad thing, is pure piffle. Indeed, to simplify it, we need to remember that if an employer, that is, the job provider, is by law obliged to pay for each day's work that is done, and if the time spent at the workplace is measured either in hours or days, hours per day or hours per week, on the bottom line of that transaction is a cost outcome.

Added in to that transaction are the overhead costs, such as provisions for sick leave, long service leave, annual leave and the provision for any extra payment that is made to enable the person taking the annual leave to get income in addition to that which they would otherwise have earned in the course of a normal week's work. That must be factored into the cost of each of the units of output, whether those units are material widgets or, in effect, some service for which a customer is prepared to pay. All those costs have to be factored in. It is not at all fair or relevant, in relation to the way in which Bob Hawke, others before him and Jennie George at the present time would have us believe, to look at these as so-called 'benefits' which don't cost anything.

What you are really doing then is partitioning the reward given to the work doer, so that some of the income is held back for these explicit so-called 'benefits'. There is no magic pudding from which you can make a 'cut' and expect it will 'come again', so that you can make another cut whenever it suits you, neither in the workplace nor anywhere else on earth. The reality is that whatever you take from any enterprise as input cost has been taken, once and for all. It must be brought to account when charging customers for the outcomes of using those inputs. Labour is no different.

This Bill, then, seeks to simplify the arrangements between the job provider and the job doer, so that the job provider and the job doer can, without a third party interfering unduly, make arrangements that are acceptable to both of them. And it provides that there will be sufficient power and balance by ensuring that, at public expense (to which everyone contributes with their taxes), there will be an employee ombudsman. No employee, then, will be coerced into accepting unreasonable terms of payment for their job (if you want to use those terms to describe it)—what they charge for the services they provide using their brawn and their brains in whatever proportion.

If we accept that to be a sound premise, I believe that it is fair for us to then set out to make arrangements that are realistic in measuring the benefits that the economy at large gets from the use of that brawn (and the brain that drives it) to do the things that the job provider wants done according to the complexity of the work to be performed—whether or not the work is performed in a place which is clean and pleasant or otherwise, by degrees, dirty by virtue of the surroundings that one has to touch and with which they come into contact, or dirty by virtue of the air they must breathe,

or dirty just by the extra noise there may be, all within acceptable limits. So, the degree of unpleasantness, then, has to be added onto the degree of effort required. And then we can add on the degree of skill—whether that is simply training in repetitive processes to ensure that those processes are performed reliably, accurately and productively to the extent that there are very few, if any, mistakes made. If those processes are complex in some measure, and if there is a great number of them, the level of intellectual skill required of the worker and the extent to which they have to exercise a memory means that the job provider, naturally, would expect to have to pay more.

Added to those three factors is another factor, and that is the convenience of the place in which the work has to be done—not in so far as its surroundings are concerned but with respect to the amount of time it may take the work doer to get to where the work has to be done each day, or each week, and back again. For instance, working in remote mining settings or other construction sites a long way from home will result in its being more convenient for the job doer to work longer hours between each sleep-rest period than would otherwise be the case if they were able to commute to and from that work from their home each day. In those circumstances, the job provider usually acknowledges that it will have to cost more to get the job doer to accept such work, and that becomes part of the bargain, along with the other factors that I have mentioned.

All those things ought not to be the subject of adversary advocacy such as we have at the present time. I think that the approach in establishing wage rates at the present time, where we require a dispute and the like to be the precursor before arbitration can occur, is silly. In my judgment, the more sensible approach for us all would be to have twice a year a review of the value of a unit of work, if you like—an hour of work done by the work doer for the work provider called 'X'. Whether or not that can be kept the same, increased or decreased ought to be determined by the number of people in the economy—in the labour market—seeking employment in comparison with the number of jobs available. If it is done in that way, the amount of work to be done will be balanced with the amount of work that is available to be done by striking a price at which that will happen. There are existing jobs and people in those jobs doing that work when you come to make this decision tomorrow and again in six months and again six months later than that—and so on. There are those people there who are reasonably happy with their arrangements.

Let me slip that to one side for a moment in my remarks and consider how we determine what the value of a unit of work ought to be—quite simply, by dividing the available demand in the economy by the supply on offer and fixing the rate accordingly, without any other information being necessary than the state of the economy. That will ensure that we do away with all but structural and frictional unemployment and, in our society, that is in the order of about 2.4 per cent to 2.8 per cent of the work force. For nearly two decades we have had rates of unemployment much higher than that quite unnecessarily, because we have had costs of each unit of work greater than the ability of the economy to absorb the available work force. The reason why workers as a class of people—that is, the job doers—will not suffer if we use this approach that I am advocating is that consumption demand will be more secure in the economy, and for those of us who have employment and income, from whatever source, our requirement to maintain our employment and to be able to buy the things we seek to buy will be met by the price on offer of all the widgets and services that the employers put in the marketplace for the things that they are manufacturing and/or providing, whether it is a dentist drilling your teeth or a fruit grower producing dried apricots. They are then set at a price that the available consumers will just use up.

The way in which you then determine relativities is very simple. If any group of workers collectively believes that the value of their work is underrated in the economy, their argument is not with the people who employ them: it is, rather, with the relativity in which they fit with everyone else, and they ought to be able to go as a class of people into the Arbitration Commission—this court, this structure—and argue that their reward ought to be not just X, which is the basic rate—and it may well be, say, 1.6X at the present time. They may wish to argue that they contribute more than that to the economy relative to other workers and that their rate ought to be 1.64X or 1.8X or 2X. If that is so, their argument can be heard. And the respondent to that argument is not their employer: it is, indeed, the rest of us in society, because what they are saying is that what they contribute to our common welfare, our common benefit, is worth more than they are getting. So, we ought to have, then, an advocate—indeed, that should be a Government advocate—who says whether or not that measure of skill and the amount of effort and the other factors to which I have referred warrants an increase in the amount that is paid for that type of work within the framework, allowing adjustment of relativities.

So, we would do away with the whole notion of going on strike to get more pay, if that is what we seek. Indeed, we would then see ourselves properly in the context of being part of a sophisticated, civilised society in which we are happy to accept an arbitrator's decision about the reward we each get and we would know that independent umpire saw as fair. Our employers, whoever they may be, take their chances: if they were not competent or efficient in the way they used labour and the other inputs involved in production, they would be less competitive by degrees with their counterparts providing the same goods or services to the marketplace. They would go broke if they were insufficiently efficient and uncompetitive.

All in all, then, the notion that we must have this very complex law and pathological argument and fight about whether or not the job provider is exploiting the job doer would be done away with. It is entirely dopey to go on with this social disease (that is the only way I can see it) that we have at present.

The industrial relations industry is a huge industry. I know I will be attacked by members of both sides of the argument in the industrial relations club, as well as the judges, because they might feel under threat if such an idea as I am talking about were ever to take root. I have news for them: they are by degrees in the flat earth society. They need to understand that the nature of society and that the sociology of industrial relations is more important than their vested interest in retaining jobs which come from existing practices. There is no question about the fact that it would still mean that there is a need for us to have groups of people who organise themselves into what we currently call unions. But they would elect representatives who are paid to do the very task of determining whether the classification of the whole range of jobs their members do, is appropriate in its current context. But that is a separate argument from how much X is worth. Those relativities can be far less corrosively and destructively set than they are at present.

I wish that were better understood by society at large. Anyone who becomes a student of organisation theory, in particular those upon which we rely in our sophisticated industrial society as we go into the twenty-first century, knows the truth of what I am saying. I commend the Minister for constantly considering this concept in the whole legislative process—the thrust of the approach he has taken—in that framework. I look forward to seeing the Bill's swift passage through both Chambers of Parliament, because it is ground breaking; it is new and great.

Ms BREUER (Giles): I will not speak for very long tonight, because most of what needs to be said is being said by my colleagues, who perhaps have a far greater understanding of this than I have, but I want to talk about an example from Whyalla of the sort of employers who could and will take advantage of what I see as these very draconian laws. There is a long-term employer in the city of Whyalla who is seen as a pillar of the community and who is cited by that employer and other employer organisations as a model employer in the town. I do not dispute the sort of training that the employees who work there get from that organisation. It is well known in the city that people either love or hate that employer. I have worked in the employment field in Whyalla for many years, and I have heard this for years and years. I keep asking myself: if this employer is a model employer, why do I keep hearing these examples? They cannot have employed so many bad people who have a grudge against the employer; there must be another reason for it.

I can give an example of what this employer does. A young apprentice was employed. The person who was supervising that young apprentice quit on not very amicable terms with the employer because of conditions and situations that had developed. The young apprentice was told by the employer not to socialise with the person who had left and that, if they did, they would lose their job. Very often, unfair conditions were put on this young employee. The employee was often asked to work at very short notice and on one particular day the employee was rung and asked to come in. This young person could not make it, and he told the employer to stick the job because the employer got very nasty on the telephone. This employer then rang the young man's mother and upset her by telling her this long story. The young man's mother then rang her son and abused him on the information that was given by the employer. The young man's mother knew he was two weeks behind in rent; the information was given to her by the employer who, incidentally, found out this information from another business—a real estate business. It was confidential information and should never have been given out, but it was passed on to the mother. It was totally irrelevant to the employment situation.

The young lad thought about it and decided, 'I should apologise to the employer.' He is a nice young man and he felt sorry about what he had said to the employer and felt he needed to apologise, so he rang and apologised. He was told that he had to go to the place of employment. When he got down there he was told that he had to make a written apology, which he did, one for the two partners in the business—so he wrote two apologies. He was then told that they did not want him back even if he wanted his job back and that he would never get a job in Whyalla again. They had contacts in Whyalla and they would make sure that that did not happen. The next day they told the young man's girlfriend, who also worked there, that she would have to leave if she continued to socialise with him. She was told, 'I've got my little spies and I'll know if you see him again.' She was also told she would have to be a dobber and report other people if they socialised with him. Incidentally, two days later that young woman was sacked also, probably because she had continued to socialise with her boyfriend.

I raise this matter because it is an example of the appalling way in which this employer treats employees. They do give excellent rewards to employees who bow and scrape and do as they are told and work there, but this is an example of many others who have worked there previously. It is not fair. These new laws will give even greater power to employers such as these, and there are many of them. There are many good employers—and we all know of them—but there are many others who will take advantage of these new laws. I worked in the employment field for many years and over and over again I saw employers abuse their power, making unrealistic demands and exploiting workers, both young and old. These employers, because they are big employers and have contacts with or kowtow to Governments, often get away with it.

Employer organisations often support this, especially in communities where there is little outside support. In one leading employer organisation in Whyalla three out of five of the past presidents have been found guilty in the Industrial Court in connection with the deaths of their workers. This legislation discriminates against country and regional workers, particularly in the area of unfair dismissal. It is not fair. Why are we looking at changing the current system? Thousands of workers are appalled by this legislation and have contacted us and told us how they feel about it. My heart goes out to country workers, who will lose any sort of concept of a fair go.

Unlike many of my colleagues, I do not have a strong union background. I have always been in a union but I do not have the same experience or knowledge of industrial conditions and laws, the role that unions play and such issues with which some of my colleagues are so conversant. However, I do know what is a fair go. I have been a worker all my life and I know what is a fair go in the workplace. I know what is right and fair, and this is not right and fair. This legislation stinks.

Ms WHITE (Taylor): Like my Labor colleagues, I rise to oppose this Bill for many of the reasons that have already been announced: it is unfair, it diminishes the rights of and protections for workers and it seeks to implement a very inefficient system. The most fundamental question that you ask when you design an industrial relations system is, 'What do we want?' The Government in its second reading explanation says that it wants to create employment, and that is a goal that we all want to pursue. However, nothing in this Bill will generate a single job, and I will come back to the reasons for that statement in a moment.

You want a system that involves low cost or minimum cost to employers and workers. Again, the provisions before us fail on that count, and I will explain why a little later. You also want something that will lead to industrial harmony, not increased disputation levels. Clearly, the feedback that the Government has been getting from workers, union organisations and even employers indicates that the measures in this Bill will not satisfy that aim and that we will have increased disputation. In terms of all the criteria that you want to satisfy in setting up an industrial relations system, it seems to me that this Bill fails.

This legislation comes after at least two very recent attempts, in 1997 and 1998, to change our industrial relations system. The Parliament, after extensive debate, determined that some of the provisions that the Government wanted to pursue were not ideal and rejected them. Yet, time and again the Government comes back with its agenda, the real aim of which is simply an ideological one.

At this stage I want to address the matter of removing the 'no disadvantage' test in relation to minimum award standards. The provisions in this Bill for workplace agreements are a big negative to people such as those who live in my constituency, and I will go into that matter a little later. I also want to address the very silly way that this new Workplace Agreements Authority is being set up. It involves quite an expensive exercise, and earlier I mentioned the test of not increasing costs in the system. The setting up of this authority is the wrong way to go.

[Sitting suspended from 6 to 7.30 p.m.]

Ms WHITE: Before the break I was telling the House that I was opposed to this Bill because it will be destructive to the interests of working people and to business in this State, as well as to the industrial relations system as a whole. After attempts in 1997 and 1998, the Government claims that this Bill, which is yet another attempt to change the State's industrial laws, will help employment and business and increase choice for workers, but clearly it is merely an ideological drive in line with the Government's agenda to reduce workers' rights and protections. In the end we will not see an increase in employment as a result of the measures contained in this Bill.

The changes include the introduction of individual contracts. The Minister in his second reading explanation refers to it as 'fundamental to the key plank of the Bill'. Change two comes as an attack on the award safety net, with a restriction on the rights of unions to enter workplaces to fully represent their clients, that is, workers, and changes to workers' rights to fair hearings in unfair dismissal cases. There is the attack on the wages of young people, involving the youth wage provisions, and to top it off the Government is having a go at public holidays as well.

The Government claims in its second reading explanation that all this is to give us a user friendly system. The Government claims that it will not lead to a radically deregulated system. That is clearly not the case, and indications from the union movement, from workers themselves and even from a number of employers are that this will lead to increased disputation in our State. But most of all the Government talks in its second reading explanation about making South Australia a State in which to do business. It has a focus on that, but the point the Liberal Party misses is that, in order to make this a State in which companies would want to set up, you need good, productive and happy workplaces, whereas the measures in this Bill will harm that situation.

As my colleague the shadow Minister correctly pointed out in her second reading speech, this Bill goes further along the track of the Reith agenda for industrial relations in this country. Some of the measures in this Bill are a clear ideological attack on unions. I refer, first, to the deduction of union dues. Those companies in this State that are quite happy with the current system and want to continue their agreed practices of union deductions will incur under this Bill a penalty of $1 250. This Government, which talks about giving business the conditions it needs in order to prosper, is penalising companies that have reached agreement on the way they want to operate in respect of their relations with unions. This is promoting not good business practice but Liberal ideology.

Another attack on the union movement is the restrictions on right of entry for unions. In his second reading explanation the Minister presents no argument as to why the present arrangements, which have certain restrictions in them, must be changed. Again it is a one-sided ideological attack on employees' rights to be represented and places further restrictions on union officials—those who seek to represent them. The restriction goes directly against the Government's so-called principle of freedom of association; in fact, there is some suggestion that it may be a breach of the ILO conventions. The point is that South Australia has a good industrial relations record with low levels of disputes. This Bill puts that record at risk to the detriment of employers. Good employers have good relations with their unions. The Government is interfering in that relationship to achieve its own ideological agenda.

A number of other measures in this Bill go to the heart of attacking conditions of working people in South Australia. For example, there is the attack on young people through the youth wages provisions. The Government says that in changing the objectives of this legislation it will be encouraging and facilitating the employment of young people in this State. What it is really doing is making it easier for young people not to be employed in this State and for older people to be displaced by younger people. It is forcing conditions on youth wages for which rates of pay have been worked out between all parties over a long period. It is interfering in that process. Youth wages have existed for years and still youth unemployment remains very high. Therefore, a youth wages policy in itself is not the solution to our employment problem.

The problem that Labor has with the allowable matter provisions has been adequately dealt with by my colleagues, so I will not repeat what was said. The proposed award stripping back proposals go further than even the Federal system. It means that Parliament is deciding that existing legal rights determining take home pay and conditions of employment will be extinguished after 18 months. For new employees this means that a system will be established that does not provide today's entitlements but offers considerably less to those workers.

What is quite evident in looking at this Bill is the lack of an explanation for what is wrong with the system that the Government wants to fix. One of the things that it is so-called fixing is the Employee Ombudsman. Obviously, the Employee Ombudsman has been raising a few issues with which the Government is not happy. What it will do is 'focus the role' to reduce the Employee Ombudsman's participation to only those workers 'who request' the Employee Ombudsman's participation. The cutting back in the role of the Employee Ombudsman is hidden in the second reading explanation in the phrase 'rationalising the functions of the Employee Ombudsman in this way will see improved utilisation of resources'. What it is really doing is cutting back the role so that, for example, people who are currently unemployed and who are looking for work are not represented. Therefore, a whole category of workers' or potential workers' interests will not be looked after by the Employee Ombudsman as they are currently.

This Bill will not only have a major impact on workers but on workers' families through changes to their take home pay. When the Brown Government was elected to Government it

made a big play on the fact that every piece of legislation would take into consideration the impact on families; that is, there would be family impact statements on every piece of legislation. What family impact statement has been done or considered on this piece of legislation? The answer is, 'Absolutely none.'

One measure that is particularly troubling to me is the set-up of the new Workplace Agreement Authority. First, the Government has not explained why it is necessary. Secondly, it will cost a lot of money, and it is not just Trish White, member for Taylor, saying that. The former Chief Executive of the Department of Industry and Trade, Ian Dixon, whom I might add the Government has got rid of, has said that it is going to be an expensive option. The new industrial relations system that the Liberal Party is trying to implement will be expensive, it will increase disputation in South Australia and it will not create any jobs. One wonders why it is being introduced. It is clearly not being done for a pragmatic reason. It is being implemented for ideological reasons.

This Bill attacks the fundamental rights of workers. It removes award minimum standards, and that is of concern. Currently, there is a no-disadvantage test when bargaining or negotiation between workers and employers is being conducted and agreements must be in the best interest of employees covered by those agreements. They must not provide for remuneration or other conditions of employment inferior to the current standard or inferior to employment considered as a whole prescribed by an award. This Bill removes those minimum standards.

The legislation will not apply to everyone. For example, it will not apply to those cases where a Federal award applies. It is an experiment, and some of the South Australian work force will be vulnerable to lesser conditions as a result of the measures in the Bill. Another thing that concerns me is the provision for five year agreements. In the context of the removal of minimum award standards, this sounds like a very bad thing for workers who accept or become party to agreements where conditions are reduced. Over time, it will lead to an increase in the number of working poor in South Australia. It is difficult enough for many lower wage earners to cope with the current conditions, but that will get worse over time, and a number of academics have come out in support of that view.

One more point that I would make concerns the unfair dismissal exclusion provisions for certain classes of workers. I note that casual workers, in particular, will be precluded from those protections. In terms of casuals and people in small businesses, I believe the criteria for exclusion from unfair dismissal provisions is fewer than 15 employees. I point out that a misnomer exists about how often these provisions are used. Professor Haagland of the University of South Australia provided information that about only 4 per cent of these cases currently go before the IRC and the rest are conciliated. Only four cases were reinstated in 1997 and none in 1998. So, where is the need to do this at all? It is clearly an ideological attack. This measure is kowtowing to those people who like to attack workers rather than work practices and business and management skills in South Australia. Again, the worker gets it in the neck.

Mr WRIGHT (Lee): This is a bad Bill, and a number of my colleagues have highlighted the many reasons for that. I commend the previous speakers and, in particular, the effort and quality of the contribution from our shadow Minister which, of course, she presented before the Parliament adjourned six or seven weeks ago. This Bill is another attempt by a conservative Government—which has an ideological bent—to reduce workers' rights and protections and to belt into the trade union movement. What is the Government doing? How is it going about this? It is doing it with a number of major planks.

The Government wants to introduce individual contracts. It wants to strip back the award safety net. It wants to place severe restrictions on the right of unions to enter the workplace. It wants to extend junior rates. It wants to make claims for unfair dismissal more difficult by making fees more expensive for the worker to lodge an application. It wants to make it harder for workers to go before the commission on unfair dismissal claims. This Government wants to weaken the Industrial Relations Commission. It wants to remove workers' rights, and it wants to weaken the role of the Employee Ombudsman—section 62 seeks to repeal a number of the Employee Ombudsman's powers.

All these factors add up to the same theme: they return us to the typical conservative, ideological bent of Liberal Governments. They seek to reduce the rights and protections of workers and, at the same time, endeavour to make it as difficult as possible for the trade union movement. This Government wants to belt into the trade union movement so that it cannot protect the workers. This Bill really follows the Reith agenda. This measure is un-South Australian and, therefore, it will not be accepted by the South Australian community. We must pay attention to the fact that the State jurisdiction covers employees who require greater protections than quite often is the case in the Federal system, and there is a range of reasons for this.

Small businesses operate under the State jurisdiction. Quite often no bargaining power exists for employees working in various areas. There is a tendency to have more non-union shops. There is a tendency to have more casuals. There are more part-time employees, women, service sector occupations, and the list goes on. These factors only compound the inequity and lack of fairness in this Bill that has been brought before the Parliament. This legislation targets those people who most need protection, and the Bill is condemned for that if not for many other reasons.

These changes will result in greater inequity. They will damage the quality of life of good, honest and decent South Australians as well as their families. The Government wants to establish a Workplace Agreement Authority under section 65A of Division 3 of the Bill. Figures have been mentioned. The member for Taylor talked in general terms about figures. I think that the shadow Minister mentioned a figure of the order of $500 000. Whatever the figure turns out to be, I am astounded as to why the Government would want to establish this Workplace Agreement Authority because, in the process, the Government wants to abolish the Industrial Relations Commission.

Why on earth would you want to do that? We have something which is already working well and which is recognised right around Australia as being successful. Even internationally it is recognised as a successful commission that has largely based part of its operation on mediation. The Government wants to remove that. It wants to set up a new authority. Once again, I go back to the ideological bent, the ideological reasons that the Government wants to go down this path. The commission has played a major role in industrial relations in South Australia over a long time. It has been a key feature of the success of our system, and to dilute and remove some of the responsibilities of the Industrial

Relations Commission in South Australia is just bad public policy.

I return to the role of the unions. I will not go over all the ground because some of my colleagues have covered it, but it needs to be highlighted that this Bill limits the life of payroll deductions to 12 months. There is no good reason for that. There is no astute reason why the Government should do that. It wants to do that to make it difficult for the trade union movement. Once again, it shows its ideological bent. It wants to make it harder for the trade union movement to be able to protect and look after its members. Of course, in the process it is also making it more difficult for the members to just continue on and be part of the trade union movement.

I go back to the right of union officials to enter the premises of employers, a right which will be watered down under section 140. What is the reason behind this? Where is the justification? You just need to go back to the old conservative, traditional, ideological bent that conservative governments have with respect to industrial relations. It comes out time and again in this Bill. It just oozes out.

I note that when the member for Bragg made his contribution, once again some six to seven weeks ago, he said that the unions 'have to organise'. How profound is that? Thank you very much. But, at the same time this Bill deliberately sets out to make it more difficult for the unions to be able to organise. It restricts and takes away some of the rights that have always been in place for the unions to be able to go onto the shop floor and share in the business with its union members. This Bill deliberately sets out to take away those rights. The member for Bragg says that unions have to organise. Well, the two are not consistent. They cannot be consistent.

What about the ILO convention? I remind members of the Government that there is an ILO convention and that the unions have a moral right to go on site—a moral right which this Government wants to take away. There is also an international law giving unions the right to go on site. This Government wants to take it away—not for any good reason, not because it will improve the economy of this State, not because it will create more employment but, rather, because of its ideological bent, because of its union bashing and because of its traditional line. It is the Reith agenda all over again.

Here we have the three card trick being put in place by this Government, by going down the same path. What will happen to transient workers if you have a situation where unions cannot go on site? How will those workers be represented as they move from site to site? They will be left on their own. That is what this Government is all about. That is what this Government wants: it wants to break down the rights of workers and it wants to break down the responsibilities and rights of the trade union movement so that workers are left to negotiate by themselves. That is what this Bill is about: it is all about individual contracts, breaking down the rights of workers and taking away the rights and responsibilities of the trade union movement. That is what individual contracts are about; and that is what this Workplace Agreement Authority is about. It is all there.

It is obvious that this Government has, once again, gone down the path where it wants to take away workers' rights and take away the rights and responsibilities of the trade union movement. It tried to hide from that; it tried to mask it in some sort of camouflage by saying that this Bill will create employment and generate the economy. That is a load of rubbish.

It will do nothing for employment or for the economy. It is quite the opposite: it will divide employer against worker. The more reputable employers will not accept this type of legislation because they know that it is crook, immoral and wrong and that it does not stand up. If this Bill becomes legislated the union official will have to establish suspicion or reasonable grounds that the employer has committed a breach of the applicable award or workplace agreement. It is very deliberate, very carefully worded and set out to make it more difficult for the trade union official to organise and represent the workers on the shop floor. There is no accident about it; it is quite deliberate and set out with this narrow methodology.

I return briefly to a few of the other points that I highlighted in my introduction. I do not need to dwell on these, because members on this side have already covered them very adequately. However, all the major planks in this Bill are anti worker and anti union. That is the ethos of this Bill. That is where it comes from and that is what it is all about. I return to a couple of the points I made earlier. Why on earth would you want to weaken the Industrial Relations Commission, something which has been successful for years on years? The commission has worked on the basis of mediation. I would have thought that it is well known, well established and universally recognised by everyone, even by members on the other side of the House, that the best form of industrial relations is mediation, in getting the parties together around a table and trying to work out some form of consensus.

That is what the Industrial Relations Commission has done so successfully throughout this century. In this Bill the Government is breaking down the role of the Industrial Relations Commission, taking that major plank out of the system of industrial relations and reducing the role of mediation, which is so critical to industrial relations. This is just dumb public policy. It is bad Government, and it should be condemned as such. It has no equity or fairness whatsoever.

With respect to unfair dismissal, why on earth would you want to make the system more difficult? I would have thought it better to free up the system. As a former industrial advocate I can say that very few people took an unfair dismissal that did not have some basis to it. I might say that, on the rare occasions when there was no basis to an unfair dismissal, as an industrial advocate I had to sit down across the table with a member and advise them as such. You will find that most, if not all, unions representing their members properly will do that. You do not need to make it more difficult with this legislation. You need to give the workers a fair go.

By increasing the fees you are making it more difficult for the applicant and/or the unions, because in most cases the union will pick up the bill and carry this for the worker because the poor old worker cannot afford it. The poor old worker is out there on the base salary, in most cases well below average weekly earnings, and to meet the cost of an application is very difficult and cuts into their budget. So, the unions will quite often pick up these costs. These provisions in the Bill in respect of unfair dismissal will just make it more difficult and, once again, less fair. Certainly, it has no merit in regard to equity.

I conclude by saying that this Bill is being universally condemned on this side of the House. Many of us have outlined a whole range of reasons and have put forward our arguments, which are very strong and compelling. They are being very well received in the general community, not just by the trade union movement or by workers who are trade

union members but by people who are not members of a trade union and by people who have some general belief in a fair go. This is not a fair go. There is no fairness in this Bill. As I said in my introduction, the key plank to this Bill is that it reduces workers' rights and protections and it belts into the trade union movement. It typifies the ideological bent that conservative Liberal Governments have when it comes to industrial relations.

Mr HILL (Kaurna): There is a view in some circles in our community that the Labor Party and the Liberal Party are somehow merging, that they are very much the same on many issues. It is often circulated in journals, in the press and in the media that people complain that the Labor Party and the Liberal Party are really very much the same these days. That may be true in some areas of public policy, but certainly in the area of industrial relations I believe it is far from the truth. Nothing separates the Liberal Party from the Labor Party like their response to industrial relations issues.

The Labor Party is unashamedly pro worker—and it has always been pro worker—and it is pro union. It was established as a result of the trade union movement over 100 years ago. The Labor Party is unashamedly in favour of workers getting a fair wage; it is unashamedly in favour of workers working in decent circumstances; it is in favour of workers having proper occupational health and safety; and it is in favour of workers having the right to organise themselves through trade unions. Unfortunately, the Liberal Party does not share these views.

Since the Labor Party was formed, the Liberals and their predecessors have been attacking organised labour, because, as the member for Lee said, they do have an ideological problem with organised labour. They believe not in workers but in economic units. They want to break down the working class into economic units. They are not necessarily pro boss in the way they go about this because modern bosses, of course, have a more sophisticated understanding of industrial relations and appreciate a good working arrangement with unions and with organised labour.

In fact, it seems to me that what the Government seems to be doing in this legislation—and in the previous legislation it introduced into this Parliament a few years ago—is reviving the very worst of the class wars of the 1930s, 1940s and 1950s, when worker and boss were on opposite sides of the fence and there was no way of meeting around a table. The kind of approach it has to industrial relations is one which furthers the class war. What the Government is trying to do is to destroy the trade union movement, to belittle it and to batter it down. It wants to make workers unorganised; it wants to put them into a one-on-one relationship with their bosses so that they can be easily managed, so they will be flexible, as some of the documentation around the place says.

One of the things that the Labor Party has always stood for in connection with its stand on industrial relations is for industrial peace and harmony, because Labor Party members understand that the worker is best served when disputes and issues to do with wages and conditions can be settled peacefully. We want to see an industrial relations system that works; we want to see one where mediation and negotiation takes the place of disputation, strike action and so on. That is what we have had in the past in South Australia. We have a remarkably good industrial relations record. We have remarkably good industrial peace. We have very few strikes in this State. There is no reason to undertake this process of bashing workers and bashing unions to satisfy some sort of strange ideological desire that is left over from the 1940s or the 1950s.

Earlier speakers have talked about some of the negative qualities of this piece of legislation: the destruction of the industrial relations system as we now know it; the difficulty for unions to make deductions from workers' salaries and wages; the unfair dismissal provisions; and the reduction in award provisions such as public holidays. I will not go through those again, but I think it is just evidence of the mean spirited nature of this Government and its attempts to water down and to weaken the protection for workers in our society to make them less well off and to make their lives more difficult. This is an attack not just on workers but also on families. It is an attack on the very institutions that make our society what it is. It is not only an attack on those individuals—those workers—and their families but it is also an attack on productivity, and it is an attack on the economy. As evidence of that, I will briefly refer to an article in yesterday's *Advertiser* under the heading of 'Downside of corporate cost cutting'. This report, by Drake International, reads:

> The national survey of nearly 500 senior executives found most believed their staff lacked 'what it takes' to boost profits and productivity.

As an aside, I must say that that shows a fairly negative attitude toward the workers, anyway. It goes on to say:

> The survey calculated about two-thirds of the work force were either 'marginally or totally uncommitted to organisational values'. Long-term relationship building between employers and staff, which rewarded skill and commitment with promotions and development, 'no longer exists'.

That is the key to this report: the long-term relationship between employer and worker no longer exists. Partly that is done by the outsourcing, privatising and the rest of it, but it is also done by the attack on workers, so that they no longer feel secure in their employment; and they no longer know whether they will have a job tomorrow, next week or next year. In fact, many workers no longer have permanent or full-time jobs. They have been marginalised, their conditions have been cut away and their working hours have been reduced. No wonder they no longer feel a sense of loyalty to their employer. It is interesting that Drake management consultant Ms Helen Ormond said yesterday:

> The mobility of the modern work force also made it difficult for businesses to develop loyal staff. Employers had to urgently reinforce company values from the top down, as well as recognise and reward employee effort.

United Trades and Labor Council Secretary Mr Chris White said the 'pendulum of switching to flexibility has swung too far.' And how right he is. Mr White said:

> . . . firms which maintained job security were rewarded with staff commitment, but others had to practise commitment before they received it.

But SA Employers Chamber policy manager Mr Adrian Dangerfield said that the issue was not about too much flexibility, but not enough balance, which I thought was rather amusing. He said:

> If an organisation focuses too much on its hard side, on structures and budgets, cost cutting and efficiencies, to the exclusion of its soft side, the people side, it is obviously going to get things out of balance.

This legislation before us tonight is on the hard side, and it is an example of where this Government is supporting some employers to put more pressure on workers. The end result will not only be unhappy workers and unhappy families and

poorer workers and poorer families but also less productive manufacturers, firms, etc. That is what this legislation will produce. The legislation is not supported by the Labor Party. I urge the Government to rethink it again, to withdraw it, and go to the negotiating table with the unions and try to come up with some amendments that satisfy both sides of the equation.

Ms STEVENS (Elizabeth): The Bill before us, as so many other members have already said, is so fundamentally flawed as to require a complete rewrite or, failing this (and it seems that the Minister is unwilling to negotiate or work through the numerous areas of major concern), face outright opposition. As the Opposition Leader (and before him the shadow Minister some weeks ago) and so many other speakers have said, dressed up as reform the Bill is no more than a concerted attack on workers and an attack on unions and their role in representing the rights of workers to a fair deal in the workplace, a decent wage, skills training, occupational health, welfare and safety strategies, and fair treatment in disputes, amongst other things.

It is truly ironic that the glossy brochure *Focus on the Workplace* says that the changes coming in this legislation will bring about an increase in employment, help business and provide workers with greater freedom of choice. What an irony, and what a very different assessment from the nine academics from the three universities who have looked very carefully at the legislation and provided a critique. It was interesting that in their introduction to their report they said the following:

> The hoped-for employment effects are unlikely. The changes will result in greater inequity. They will damage the quality of social life in South Australia; they will undermine the hitherto constructive role of the Industrial Relations Commission; they will encourage those employers who wish to engage in exploitative contracts; they will inhibit employees' capacity to join unions; and the elimination of unfair dismissal redress for many employees is discriminatory and unfair.

With that list of major concerns, it is hard to see how the glossy brochure could have stood up in any way at all. Those concerns that were outlined there and then gone into in great detail in their seven pages of critique have been reiterated by workers and their representatives throughout the State. Even employers have voiced concerns over some of the provisions. However, the Minister and his advisers are still clinging to an untenable position.

The detail of the Opposition's position was extensively outlined by the shadow Minister for Industrial Relations (the member for Hanson) earlier this year, but I would like to say a few things in general in the time that I have available to me. Modern management involves understanding that a productive workplace is about working together and having a team approach. It is about respect, being reasonable and recognising that a skilled and committed work force is the most important ingredient of a successful enterprise. How do you get that? You get it by being fair, acting in good faith and having a balanced approach in your management between the reciprocal obligations of both workers and management.

This is the sort of atmosphere and approach about which I have talked before and which I have seen typified at General Motors at Elizabeth. This company is doing extraordinarily well, has come through some very hard times, is very strong in its commitment to a highly skilled and trained work force, believes in involving its workers in decisions about the way things are done, believes in rewarding and encouraging workers to make suggestions about the future, has a strong vision for where it is going and what it wants to achieve and, particularly, has a very strong and enduring relationship with its unions. That seems to me to be a very good example of what we need to achieve success. I am sure that this is the same approach that applies in other successful companies, both in Australia and overseas.

However, instead of building on that approach and incorporating it into industrial relations legislation, we have before us here a mantra of efficiency, productivity and individual choice, supposedly being achieved by draconian provisions that discriminate against, coerce and remove basic protections from, the most vulnerable members of the work force. We are told we need all this, when in fact industrial disputes are at an all-time low. So, in fact it is not that we need it because we have lots of disputes and we cannot manage to get through those disputes successfully: it is about an ideology that this Government has about the way things should operate between bosses and workers. We believe it is unacceptable; we do not believe it has to be that way at all; and we will do our utmost to ensure that it does not succeed. I quote from a pamphlet put out by the UTLC called 'Blowing the Whistle on Unfair Work Laws' as follows:

> There are no practical reforms from [this Minister], but extreme deregulationist Liberal Party ideology that should be exposed and rejected.

We agree with that wholeheartedly. The assumption of this Government that an individual worker is able to negotiate with their boss on a level playing field is breathtaking. It shows an arrogance and a complete lack of understanding and comprehension of the power dynamics that exist. I believe that the Government is well aware of that fact. It knows what it is doing, condones it, believes in it and wants it to be that way. Well, we do not.

I agree with the comments of the Leader of the Opposition earlier tonight when he said, 'You never hear the Liberals mention the challenges for management . . .' Nowhere is this more evident than in the furphy about current unfair dismissal provisions leading to loss of jobs. The refrain started by the Government and other Liberals in the Federal sphere and taken up by the media suggesting current unfair dismissal provisions lead to unemployment is debunked by researcher, visiting Professor George Hagglund, of the University of South Australia. He found that about 4 per cent of unfair dismissal claims were heard by the Industrial Relations Commission. The rest were conciliated; they were worked out. Only four people were reinstated in 1997, and none was reinstated in 1998. This absolutely disproves the alleged burden of fear on employers or that it is destroying employment opportunities. I suggest that the Government would do well to put its efforts into supporting business, and small business in particular, in being able to do the things it needs to do to produce growth and success, and to stop using workers as scapegoats and the fall guys for things such as the unemployment situation, for which they are more likely to be the victims and certainly not the cause.

I know—and I am sure all members of this House would know—that people in general in this day and age, with such high unemployment rates, are fearful and concerned about the future. Many of the people who will be affected by this legislation hold short-term, part-time jobs, with little certainty for their future. We are talking about the blue-collar workers, our young people and people holding jobs who earn a fraction of what we earn as members of Parliament. They are overwhelmingly vulnerable and they need to feel that they have a Government that supports them and understands their vulnerability rather than to be faced with a Government that

does the opposite—a Government so clearly on the other side of the fence.

I will not go through all the points of concern, because that has been done by other speakers. There are just so many of them that it is quite clear that the only recourse now is to go back to the drawing board. I note that the academics to whom I referred when I started my speech concluded their report with the following:

> We consider the overall package of amendments to be potentially damaging to a system that, on balance, is working efficiently and smoothly for the State. The proposed changes appear sweeping and rash. They present serious risks for the equity of our system and pose particular risks for the young, for women, and for the great proportion of South Australians who rely upon State awards for the minimum standards of their wages and conditions. Many of these employees will be potentially disadvantaged by changes that leave them to fend for themselves while allowing effective representation of employer interests, under a regulatory regime that will make both collective bargaining and unionisation more difficult.

The only real way forward, the only way forward with honour, is for the Minister to take back the Bill and sit down with all Parties concerned to try to come up with something that is fairer, more reasonable, can meet the needs of workers and can also put in place a structure that will take us into the twenty-first century and benefit workers, businesses and economic development.

Mr MEIER: Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Mr WILLIAMS (MacKillop): I must admit that, prior to coming into this place and prior to having the opportunity to look at this Bill, my involvement with industrial relations had been limited, although I can tell the House that I have worked both as an employee and an employer over many years. On balance, more of my associates are employers than employees these days and the problems I have seen with the industrial system are probably coloured more from the employer side than the employee side.

However, one thing that we have in South Australia and in Australia in a more general sense is a great deal of unemployment: we have a problem in being able to obtain anything approaching full employment. I think everyone accepts that an unemployment rate of between 2 per cent and 3½ to 4 per cent is akin to full employment. For many years we have been a long way from that sort of employment level. If our industrial relations system can do anything to enhance that position, if there are changes we can make to our industrial relations laws so that employers and employees can get on with each other, it can enhance the employment situation. It can give young people, mature people and everyone who is out of work and who wishes to work the hope of finding employment and I think we should move towards and embrace such changes.

There has been much debate at the State and Federal levels over a period as to whether changes to industrial relations laws will enhance the employment prospects for many of our citizens.

The Labor Opposition, as one would expect, is totally opposed to this legislation. Members opposite have indicated that they are totally opposed to virtually all the provisions in this legislation; even though they have admitted there are a few points in this Bill with which they could agree and which might enhance the industrial relations landscape somewhat, they continue to oppose even those. I will return to that in a little while.

We have to look at what industrial relations legislation is supposed to do and why we have such legislation. If we made the analogy between the employment scene and a football match, basically the industrial relations legislation is a bit like the umpire and the rules that the umpire administers. The purpose of having a Bill of this type is to actually promote industrial harmony, to set the goal posts in place so that both sides know where they are heading and that, whatever happens, whichever way the ball bounces, they know where the goal posts are, they know what the rules are and they know how to continue on with the game.

At the end of the day, that is what economic prosperity for everyone is all about. It is about being able to move forward rather than going around in circles in the middle of the ground, with nobody winning; it is merely a lose-lose scenario. In many situations today, we can have a win-lose scenario or a lose-lose scenario, but if we work really hard and apply a little common sense, more often than not we can have a win-win scenario.

If we can give employers incentives to employ more people, it is for everybody's benefit. It is for the employers' benefit because they can utilise that increased economic activity to create more wealth for the society in which we live. From the employees' point of view, the same happens: all of a sudden, they can have some ownership of the society in which they live and work, and that is what I consider to be a win-win situation.

To create that situation, we must have certainty, and this is one of the problems we have, particularly with small businesses at the moment in South Australia and Australia in general. I am a small business operator, as are many of my contemporaries and peers, but it is not really important whether or not they understand the industrial relations situation. What is important is their perception of the industrial relations situation. I can assure the House that people I talk to have a perception that there is a problem with regard to unfair dismissal laws. Many of the small business operators in my electorate do have a problem with their perception of those laws.

Ms Stevens: A perception.

Mr WILLIAMS: I am saying it is a perception. There is a perception abroad in the community that, if you put somebody on today and find out a little way down the track that they are the wrong person to employ, there is not a lot you can do about it. That may only be a perception, but that is the problem. Instead of putting on those extra employees and giving them ownership of our society when they are making their own way and contributing to the economic viability of our whole society, the small business operator says to himself, 'I'll get myself into trouble here. I won't bother about it. I will work, say, an extra half an hour a day, my wife will work a little longer, my son or daughter will come into the business', and they will be quite prepared to work 10 or 12 hours a day until things get going. This happens time and time again.

Whether or not at the end of the day the unfair dismissal laws would impact badly on small businesses, the perception is there, and I do not think anybody doubts that. It is not too much to expect that small business operators would take on more employees with the changes proposed in this Bill.

One of the problems for small businesses with 15 or fewer employees is that sometimes they take on an employee but do not have the specialist personnel staff to vet prospective employees or the staff to ensure such employees will fit into their business and work cooperatively within a small team.

To put it succinctly, the problem is that they only have so many round holes and if they have too many square pegs there is nowhere to put them. With a larger business there are a few more square holes into which you may be able to put the square pegs. So, small businesses should be treated a little differently from large businesses. Large businesses generally have specialist people who are able to vet the prospective employees. They have a much greater range of positions into which they can put people. If they find they have someone not quite suited to the position in question, they can move them sideways to fill another worthwhile position in their organisation. That option is not available to small business operators and it is not too much to ask small business operators to be able to make these sorts of decision quickly.

I support the move to give small business operators a 12-month period in which to assess how well the people they are taking on are fitting into their business before they have to comply with unfair dismissal laws. Whether or not somebody outside thinks it is fair or unfair is beside the point. Business operators are taking the risk of running the business and putting up their capital and trying to make a go of it for everybody involved. They should be allowed a little leeway. I am happy to support that part of the Bill.

The issue of individual workplace agreements is something which the Opposition is soundly against. I do not have a problem with individual workplace agreements and I know of plenty of industries that would like to take advantage of them. The member for Ross Smith in his contribution to the debate on this Bill talked about the Naracoorte Meatworks in the heart of my electorate. He mentioned my electorate and this particular business and said that it would wind back from 300 to 200 jobs and is trying to install individual agreements within that operation. I can tell the member for Ross Smith and all his colleagues on that side of the House that the Naracoorte Meatworks ceased operating last May. The meatworks has now changed hands and has been taken over by another operator, and it is up and running again. It might not employ 300 people today and might not in the near future. It is employing probably 140 to 150 people today. A couple of months ago it employed nobody. From last May until early this year it employed virtually nobody. Now we have 140 or 150 people working at the Naracoorte Meatworks, and the company is hoping in the very near future to be employing about 200 people and to enlarge that operation and business. I have my fingers crossed. It has been operated and managed efficiently and I hope it will get back to 300 employees or even go above that. If it can operate efficiently and have a work force that is committed to running the business in a team-like fashion, it probably will achieve a much greater level of satisfaction for both the employees and the employers than has occurred in the past. I inform the House that all people currently working at the Naracoorte Meatworks are under a Federal award and are on individual contracts. I believe that this is a big plus. Many business operators are—

The Hon. G.A. Ingerson: And working very well.

Mr WILLIAMS: And working very well. I had a tour through the meatworks last week, and I have been through other meatworks previously. As a meat producer, I was interested in the operation. It seemed to be working very well and the management was very happy with the way in which things were going along. I hope the member for Ross Smith has the opportunity to take my comments on board. I congratulate the lead speaker for the Opposition for her contribution to the debate. I thought it was a very good contribution and I spent some time studying her contribution during the break. I do not necessarily agree with several matters in her contribution, but I did find it very elucidating and I thought it added to the debate.

One of the points the honourable member addressed related to youth wages, about which some concern has arisen. One point raised by the honourable member was that there was no proof that having a youth wage or a separate wage for young people would have any effect on the employment situation of those young people. I draw the honourable member's attention to an article which is in the March 1999 CEDA (Council of Economic Development of Australia) bulletin and which was written by Anne Daly from the Division of Management and Technology from the University of Canberra. It looks specifically at this issue and concludes:

> The empirical results indicate a strong and robust negative relationship between youth employment and youth wages. The results in which we would place most confidence suggest that a 1 per cent increase in youth wages would lead to a decrease in youth employment of between 2 and 5 per cent in industries employing a relatively high proportion of youth.

It is a very interesting article. It is only two or three pages and I commend it to all members on the Opposition benches. They may not wish to agree with the sentiments of that article, but it is the best factual information that we have to hand on this issue. There is some evidence in the community that a youth wage can lead to increasing the employment levels for our young people. We know that they are abysmally low at the moment and it is certainly one of the areas in which we are letting our young people down. That is something that embarrasses me and I would be amazed if it did not embarrass every member of this House.

I noted quite a few issues when reading this Bill during the break. I know that the Opposition is most unhappy with clause 90 of the Bill, which stipulates those matters which are and are not allowed in the awards. I will be very interested to hear its arguments when we get to the Committee stage because, to be quite honest, I think one of the problems with awards is that they get a bit carried away and they cover things which should not necessarily be a matter of concern between employer and employee. I have questioned, over many years, why some things are included in the award system. That is something which I will leave to the Committee stage.

One of the matters about which I will talk briefly concerns the quite severe attacks on unionism in this Bill, and the Opposition rightly has screamed fairly loudly over these attacks. I tend to agree that requiring members of a union to give a written authorisation annually to an employer to have an amount taken out of their wages to pay their union membership is way over the top. I do not accept that that is a necessary function of this Bill at all. The Opposition also raised another good point with which I totally agree.

At this stage I will support the second reading of this Bill and I will possibly support its third reading, and I will tell the House why. The lead speaker for the Opposition, the member for Hanson, indicated that the Opposition agreed with a few things in the Bill and that a few things are worth while, and I assume that she was referring to new sections 173 and 72B. Because of the adversarial nature of the Parliament and the make-up of both Houses, it is my expectation, and I think it is the expectation of those on the Opposition benches and the Minister, that this Bill will end up in a deadlock conference.

Ms Stevens: You're not kidding!

Mr WILLIAMS: I am not kidding and I am not stupid. The Minister might have included a couple of things in the

Bill in what I would call an ambit claim, and he might need room to move at a later stage. Even though I am not very happy with some features in the Bill, at this stage I am prepared to allow the Bill to go forward and get to a deadlock conference so that the Minister, with a bit of slack up his sleeve, can do some trading. I do not support all the Bill but, at this stage, I will support the second reading and I will probably support the third reading on the ground that a lot of it will be watered down in another place.

Ms CICCARELLO (Norwood): My contribution will be brief because, coming at the end of the line, many of the important points have already been covered.

The Hon. G.A. Ingerson: Have a go!

Ms CICCARELLO: I will have a go at you, darling!

The ACTING SPEAKER (Mr Venning): Order! I suggest that the honourable member keep to her speech and that Government members do not provoke her.

Ms CICCARELLO: In my opinion, almost nothing in this Bill has any merit. The only positive item in the Bill is that which permits regulations to be made prohibiting the employment of children under the age of 14 years in certain occupations. The Government's stated concerns at present are with door-to-door selling, an issue which the member for Torrens has raised in this Chamber for more than 12 months and which should have been supported at its inception. It is shameful that it was not.

The Government's reasons for the proposed changes are highly questionable. It asserts that the changes will provide employees with added flexibility and that the changes are necessary to prevent South Australia from lagging behind the other States in the area of industrial relations. The most questionable assertion of all is that the changes will result in higher levels of employment, particularly for young people. By contrast one could be forgiven for thinking that there is altogether another agenda at work, and that is principally to reduce wages and conditions for workers, to concentrate more power in the hands of the bosses and to marginalise the unions and the Industrial Relations Commission.

Why do we need these proposed draconian changes when the present system has operated so effectively for so many years? It already offers flexibility to both employers and employees and it has given us a very stable work environment for many years. I am particularly outraged that some of the people who will be most severely affected are already amongst the most vulnerable in our community, and I refer to women outworkers and migrants—people of non-English speaking background—who would find it almost impossible, if not impossible, to negotiate on their own behalf. In many instances, because they do not speak English very well, there are language problems, and sometimes there are literacy problems in their own language. Many come from very oppressed cultures and they would not contemplate putting themselves in a situation where they might risk losing their job and being able to provide for their family.

The Bill seeks to introduce a new system of workplace agreements to replace the existing system of enterprise agreements which would prevail over awards that would otherwise apply. Under the Bill, agreements may be struck with individual employees—something only possible at present where the worker concerned is the only member of a particular class at a given workplace. Individual workplace agreements would have precedence over collective workplace agreements in that the former will prevail. The only point in providing for individual workplace agreements of this kind, in my opinion, is to reduce the conditions of workers, and what does this mean? It means more flexibility for the employers, not the employees.

It would give unscrupulous employers enormous bargaining powers when dealing with individual employees. Also, those people in our community who are desperate to find jobs would find it very difficult to negotiate. In theory the Bill provides safeguards against workers being forced into agreements whether individual or collective. These include the proposition that an employee must not have been subjected to either coercion or pressure in the negotiating process. Again, can members imagine some of those vulnerable people whom I have mentioned and who already feel that they are in a tenuous position, feeling unable to raise any of these concerns with their employer?

There are many other issues in this Bill which I think are outrageous, and again they have been covered. Issues such as awards, long service leave, mediation, termination of employment and workplace agreements have been covered very well by our shadow Minister. I think that this Bill is indefensible; it really strikes at the hearts of workers in this State. I believe that it should be thrown out completely and that it should receive absolutely no support.

Mr SNELLING (Playford): One of the most basic principles of natural justice is that all people must be dealt with equally before the law. You cannot make a law that applies only to certain people, and likewise you cannot make a law that affords protection to some people but exempts others from that protection, yet that is precisely what the Government is trying to do in this Bill. In its wisdom the Government has decided that, whilst employees in businesses employing more than 15 workers will be afforded the job security of laws to protect them against unfair dismissal, such protection will not be afforded to employees in businesses where there are fewer than 15 employees.

It is a gross affront to the principles of natural justice to exempt people from the protection of the law for no reason other than they happen to be employed in a business that employs fewer than 15 people. If the Government believes that some sort of injustice is being done to businesses through the application of laws protecting employees from unfair dismissal then let it bring legislation to this House that removes or reforms unfair dismissal laws for everyone. But, as it stands, this Bill is an affront to the principle that all people are treated equally before the law.

I suspect that this is really just the start of the elimination of unfair dismissal laws, full stop. I ask: what is it that members opposite find so galling about workers having some degree of job security? I am not suggesting that employers should not be able to dismiss lazy or incompetent workers but, as far as this Government is concerned, employers should be able to sack people arbitrarily. I also note from the Minister's second reading explanation that the Bill seeks 'to enhance the maintenance of youth wages and so protect the competitiveness of young people in the labour market.' It seems rather strange that young people, who are not much younger than I, should have to work at lower levels for doing exactly the same work as their older counterparts.

Of course, what happens is that these younger people certainly find it easy to find employment whilst they are 14, 15, 16 or 17, but as soon as they turn 18 they find that their hours are cut and someone younger is employed in their place. I remember as a union official with the Shop Distributive and Allied Employees Association that this was

a constant problem, particularly in fast food establishments. A fast food place would employ a school age person, but as soon as they turned 18 and went onto a higher wage their hours were cut and someone else was employed in their place. It seemed quite crazy to me; it seemed a false economy.

These establishments had an enormous turnover. They had to retrain people constantly and, I would say, they probably were not getting much productivity out of the 17 year olds who knew they were going to lose their hours within a year. It seems a pity that the Government has not attempted to link youth wages with some sort of real training and some guarantee that there will be a job for a young person when they reach a certain age and therefore a higher wage, rather than just being dismissed or losing their hours.

Of course, the main thrust of the Bill is the introduction of individual contracts, and the presumption the Government makes is that all workers—not just some, but all workers—and employers have equal bargaining power. I know from my experience as a union official that this is often not the case. Individual workplace agreements, as they are called in the Bill, will allow employers to drive down wages and conditions by forcing employees to undercut each other. An employee will be presented with a contract and told to take it or leave it.

However, this will cause a degree of stratification of the labour market because, while there is perhaps a majority of workers who will do very badly with individual contracts, there are also workers who are unionised and in crucial and important sectors of the economy, such as transport, the airport and the ports. They will prosper because they have a high degree of bargaining power. If you are able to stop all the luggage being loaded at Adelaide Airport, you have a high degree of bargaining power. Under a deregulated labour market you do very well, but the losers will be those casual employees in the service sectors, those people with low skills, such as migrants, people from a non-English speaking background and women, particularly women who work part-time. It will do nothing for competitiveness or productivity. All that will happen is that there will be an increasing gap between skilled workers in important crucial sectors of the economy and those workers who are less skilled in the service sectors.

I would also draw the attention of the House to the proposal of the Government to introduce a 12 month renewal process if workers want to have their union subscription deducted from their wage. It seems rather duplicitous on the part of the Liberal Party if we imagine such a thing being introduced for those who have private health insurance. Imagine every 12 months the private health insurance companies having to lobby all their members to renew their private health insurance. They do not do that. I have private health insurance: it does not happen. Perhaps the Government would like to legislate this way, but I know it will not because it is duplicitous. This is done to waste the time and resources of trade unions who every 12 months will have to badger their members in order to get a renewal for deduction of their subscription to the relevant trade union.

So, this is simply about wasting the time and resources of trade unions. The Government does not want unions to look after their members, to advance working conditions or to protect the working conditions and wages of the employees, their members. It wants them to waste time and to tie up resources in doing this. That is all the Government is about. If members opposite were honest to themselves, they would apply this to everything. They would apply it to private health insurance. When my private health insurance is deducted from my wage, if the Government is to be consistent, I should have to sign every 12 months and renew my agreement to have that membership fee deducted from my wages.

South Australia led the way in the introduction of arbitration and conciliation under Premier Kingston. The harvester case established the principle of the living wage. This Bill is a radical departure from those principles. For this reason and for the reasons I have already stated I am compelled to oppose this Bill in its entirety.

The Hon. M.H. ARMITAGE (Minister for Government Enterprises): I thank all members for contributing to a debate about a Bill which is focused totally on increasing employment opportunities in South Australia. I particularly thank the member for Bragg as a previous Minister in this arena who laid a particularly solid foundation for industrial relations and now workplace relations changes. As the member for Bragg quite clearly identified in his contribution prior to the break, this legislation is the next step from the present legislation. I also thank the member for Waite for his considered input, and I do thank my Liberal colleagues for their input over the last six months in developing the draft legislation through to where we are today.

In talking about that process I would like to address immediately the allegation that we have reached this stage without consultation. I am quite interested to hear that, and I believe that members of IRAC would be surprised to hear that, particularly the two members from the UTLC who were part of the working party which took six months or so to give us their ideas. People identified an interest by downloading the information from ERIC, which is a web site to get the information. We had more than 200 downloads of the draft information. The union people to whom I have spoken would be very surprised to hear that there was no consultation. I know that the employers to whom I spoke, both in my office and around South Australia, would be particularly surprised to hear that there had been no consultation.

Bearing in mind my other portfolio, Information Economy, it is important to acknowledge that for the first time in South Australian parliamentary history I think we are actually setting some democratic firsts with this legislation in that today a web site has been launched where there will be a chat group during the course of this legislation between this House and the next where we will get input from the people of South Australia in relation to the changes. There will be a moderator to make sure that those changes do not go too far down burrows which are non productive.

An honourable member interjecting:

The Hon. M.H. ARMITAGE: Chat groups tend to do that on occasions. It is particularly interesting that that is being done at the moment. I thank also the Leader of the Opposition for his contribution earlier today. He made an interesting observation when he said, in his usual enthusiastic way, that we (members of the Liberal Party) say that workers are the problem and we are not working on a team model. I cannot imagine anything that is less likely to promote team behaviour than having two intelligent people coming to an agreement between themselves and then having a third party say, 'No, that is no good.' Where is the team behaviour in that? Where is that encouraging team work—particularly in this circumstance between an employer and an employee? Clearly, what the Labor Party wants is to have a third party impose on what other people might think is best for their

workplace. Again, I can understand where the Leader is coming from: everything is done for the 10 second grab. He says that low wages is the goal of this Bill. That is not right. Indeed, we have clearly identified, for those people who choose to read it, that the award wages would be required in any agreement.

The member for Reynell made an impassioned plea, identifying that small business really likes the award system because they know where they stand and they do not have time to go down the changes and so on which this legislation would impose. I say to the member for Reynell: good on the small business sector; if they choose to stay in the award system, they can. This is not compulsory. What we are saying is that it is the best way to do it, but if people do not choose to take that course they do not have to. That is one thing that not one single Opposition member mentioned; that this is non-compulsory legislation. Of course people will do it, because it will work in business, it will lead to better conditions and, if a business person sees his or her competitor doing better down the road, I know what they will do: they will change to those conditions. But they will do it voluntarily. However, I reiterate that, if people choose to stay in the award system, so be it.

I look forward to the contributions from members of the Labor Party during the Committee stage when they address the crucial question of whether this legislation is compulsory. It is not. That does not suit their political ends. They do not like to go down to South Road and say, 'You can actually get out of this legislation if you want to.' It is good rhetoric, but it is not factual. The member for Napier says that we wish to remove representation for employees. That is not so. That is another shibboleth that has been going around in the non-progressive elements of workplace relations.

The member for Torrens made a very interesting observation. She indicated, with a bit of passion (good luck to her), that the mediator does not have any power to impose the solution on the participants. That is exactly what mediation is all about. If mediated solutions are reached and there are two people who have agreed, there will be no imposition at all. And if the people then choose to go into the IRC and have it registered, so be it. We will not stop them doing that. They can agree themselves—and that is the whole focus of this. Once the people have agreed to a solution in a voluntarily mediated situation, the one thing about which I am absolutely certain is that they do not need a third party coming in and giving them advice, because they have made the decision.

The member for Torrens also indicated that we wished to diminish the role of the Employee Ombudsman. What she fails to acknowledge is that we are giving the Employee Ombudsman the key role in what a number of contributors opposite acknowledged is the major focus of this Bill: individual workplace agreements. The Employee Ombudsman's role is to focus on getting as much advice to people as possible about individual workplace agreements, because we think that he is perfectly positioned to do that.

The member for MacKillop stated that in his view this was an ambit claim. Whilst I thank the honourable member for his contribution and particularly for his acknowledgment of support for the Bill, I think it important to identify to the member for MacKillop that a number of things were considered in the preparation of this Bill which I took out because I did not want this to be seen as an ambit claim Bill. I actually wanted this to be seen (and most people have; I will talk about that in a minute) as a solution to a number of the problems. It is no secret that a number of people in the Liberal Party would rather have no allowance whatsoever for union fees to be deducted at source.

I said, 'No, that will be clearly seen as a bargaining chip in any deadlock conference that might arise. I don't wish to have that.' We said, 'There is a perfectly legitimate system working presently in the Public Service. It works adequately, and we will do that.' I do not think it is too much to ask that people might reregister their desire to have their union fees deducted every 12 months, because if the unions are doing this fantastic job that every member of the Labor Party opposite clearly believes they are doing—since that was the focus of their contributions—they will have absolutely no trouble in getting people to sign up, because they are doing such a good job. However, the fact is that people are not flocking to unions; they are actually flocking away from unions. One wonders why.

Another thing that was clearly identified earlier in some contributions from the member for Bragg, I believe, was that we have increased penalties to employers for a number of things, such as coercion. Again, we did that because I understand that it involves a very small percentage. The member for Price noted—and I agree with him completely—that the vast majority of employers are terrific. I would say that the vast majority of employees are fabulous as well. I think it is our responsibility to legislate for the 99.9 per cent of good employers and good employees and make it easy for them. But, if there are some lousy employers, we will come down on them like a ton of bricks. And we have done that. Equally, we have taken out reference to political donations having to be made with the full consent of associations.

The member for Playford seemed to ask why we do not like workers. We do: we actually want more of them. That is what this Bill is all about. We actually want more people to be employed. That is the focus of the Bill. The member for Kaurna, I think, made an erudite contribution, possibly one of the last that he will make from a position so far away from the Speaker's Chair. I disagreed with many of the things that he said, but I agreed with one of them in particular. He said that nothing separates the Liberal Party and the Labor Party like a workplace relations legislation amendment. That is true, and the reason for that is that the Liberal Party actually believes in the individual. We have a degree of faith in the individual, particularly in Australians.

I am absolutely confident that, with a fine history of tilting at authority and of ensuring that they get the most out of life, they have the opportunity of a voluntary situation, entered only if they wish to, with absolutely no opportunity for coercion from the employers; and, if there is, we will come down on them like a ton of bricks. Given all those features, we have great faith in the individual Australian to work out his or her best workplace arrangements. The ALP, on the other hand, clearly believes in collectivism. That is recognised, and that is no big deal: everyone knows that. But what collectivism does is bring everyone down to the lowest common denominator.

In a contribution earlier today (and I forget whose it was because I was so flabbergasted by the contribution that I forgot to make a note), a member opposite said that we were clearly at odds with everyone and that the South Australian Employers Chamber of Commerce and Industry had deserted us because of some comments that had been made.

Since then I have spoken with Mr Adrian Dangerfield, the Acting Chief Executive Officer of the South Australian Employers Chamber of Commerce and Industry, and I will read into *Hansard* his communication so that we all know

exactly where the Liberal Party stands in relation to support from the Employers Chamber. The letter states:

> Further to your call this afternoon, I can advise that to my knowledge no-one from SAECCI has said that 'the State Act only needs finetuning'. If in fact anyone from our office did make that comment, then they were not reflecting the policy of the organisation, which has consistently been that substantial reform to the State's industrial system is required if we are to keep pace with reform in other jurisdictions across the nation. Are you sure that 'the Bill' is not being confused with 'the Act'? Perhaps a comment was made to the effect that the Bill only needed finetuning, but certainly not the Act. Let me assure you that the Employers Chamber fully supports the legislation before the House.
>
> In regard to the comment about being critical of extra bureaucracies, I know I made a comment in January to the effect that 'the Employers Chamber would need to be convinced of the need for an additional authority to deal with workplace agreements.' But this was before any Bill had been prepared or any discussions had taken place with Government representatives. Our comments at that time were in response to media speculation about the possible contents of a possible Bill.
>
> The bottom line is that the Employers Chamber supports the Bill currently before the House as being a sensible and balanced approach to the continuing challenge of workplace reform.

It is signed 'Adrian Dangerfield, Acting CEO, 25 May 1999.' So, let not any member of the Labor Party send out any information to their constituencies, be they on South Terrace or anywhere else, saying that the Employers Chamber is leaving the Government on a limb. Nothing could be further from the truth.

But why would the ALP worry about the truth in this? I have a flier which was authorised by my close friend and associate from university days, Mr Chris White, and I am not sure from where it was sent out. It asks, 'Did you have a good weekend?' and, frankly, it is just wrong. It talks about the proposed work laws that would have people kissing goodbye to family life, to living standards, your holidays, penalties, and so on, reducing take home pay, making you work longer hours, taking away your choice of who represents you in disputes—and on and on the drivel goes. It is frankly wrong; it is as simple as that. It is not even close to the facts, but I know what will happen: it will get a lot of publicity and there will be great rallies in all those Labor Party seats, lots of people will be down here at Parliament House, all sorts of people will be blowing whistles and all sorts of things, because they will be incensed by this. However, it is simply wrong.

Another comment was made (I am not sure by whom) about some Labor academics who put out the usual sort of stuff. Well, I could quote other people. I have in my hand a letter from someone at the National Institute of Labor Studies which states:

> My general comment on the Bill is that it is a necessary and timely addition to the opportunities available to South Australian businesses which would enable them to develop more flexible and mutually beneficial arrangements.

Members interjecting:

The Hon. M.H. ARMITAGE: No; it is Dr Anne Hawke, a senior research fellow at the National Institute of Labour Studies. It is a bit like, 'You show me your academic and I will show you mine,' but, when tired old ALP academics pump out a story (whether or not they know anything about it) every time something comes from the Liberal Party, let us not be fooled into thinking that they will be a rate limiting factor in this debate.

I would like to talk about a couple of other matters with regard to support from the industries, given that people are saying that we are on our own and, more importantly, on the basis that industry wants this legislation so it can employ more people. I have endless examples of people who have talked a lot about the unfair dismissal legislation. One particular employer has written to another member of Parliament indicating:

> In relation to an unfair dismissal claim, our legal costs up to the pending trial and including settlement were $9 848.

That is excluding costs associated with their own involvement, lost opportunity earnings and so on. That is only half the story. Behind the scenes a number of Labor Party people have told me—and I will not destroy the outside Parliament conversations—about examples of what they have done in their working lives as union representatives in relation to unfair dismissals, and that has made my hair stand on end. Frankly, it is no wonder that people involved in business feel the same way.

I would like to close by quoting a number of statements from a series of letters written to me by employers. They include wineries, consultancy firms, lawyers, manufacturers, miners, consultants, newspapers and so on. They range across the whole—

An honourable member interjecting:

The Hon. M.H. ARMITAGE: It is not necessarily South Australian.

An honourable member interjecting:

The Hon. M.H. ARMITAGE: Only one newspaper? That will be interesting. Lots of newspapers would like to hear your comment about that. The comments range along the following lines:

- I commend the Government for the reforms that are to be included in the legislation.
- In short, we are supportive of the legislation which, if enacted, should have a positive effect on reducing unemployment in this State.
- I support the direction that you and the Government propose to take.
- Such changes can only be to the benefit of the economy of South Australia.
- We feel that these forms of industrial reforms have been overdue.
- The changes you are proposing only enhance the freedom and flexibility for employers and employees and, as such, can only be positive for business in South Australia.
- The employees' and employers' ability to discuss their workplace agreements has been enhanced, and the safety net for the employee adequately maintained.
- In relation to the proposed amendments to the workplace relations legislation, it is vital that the emphasis be placed on flexibility of approach that will allow and encourage freedom for employers and employees to determine their own working arrangements without intervention from uninvited third parties.
- Naturally it is important that there be minimum safeguard standards to ensure that such freedoms are not utilised inequitably.

Members interjecting:

The Hon. M.H. ARMITAGE: Members are saying that this is an article. It is not: this is a compilation. I could go on. However, I shall not, because I know that we want to get into Committee.

An honourable member interjecting:

The Hon. M.H. ARMITAGE: The shadow Minister indicates that I have run out of examples. I will not quote the other 22 companies. At the end of the day, deep in their hearts, people know that this would lead to employment. It will possibly lead to some falling out from unions. We know who really pulls the strings on that side of the Chamber. It is not actually the Leader *pro tem*, it is not the Deputy Leader *pro tem*, it is not even the member for Ross Smith: the people

who pull the strings are the nameless faces in the UTLC on South Terrace.

Members interjecting:

The Hon. M.H. ARMITAGE: The member for Napier is the perfect person to be complaining about this, because I well remember the person whom she defeated in the Labor Party preselection for her seat and who was most open about how South Terrace controls North Terrace.

Members interjecting:

The Hon. M.H. ARMITAGE: The member for Napier laughs. Factually, it is true.

Members interjecting:

The Hon. M.H. ARMITAGE: Yes, one of the reasons he lost is that he actually told the truth and got dumped. Why did he get dumped? It was because the unions do not like the truth being told. Enough of that. In one of the meetings I had with Mr Chris White from the UTLC—and the theme has been picked up tonight by a number of members opposite—he made a claim that I do not care what happens to employees. There have been a number of examples from members of the Labor Party opposite who have indicated that I personally do not care and that certainly the Government does not care. It is important that, despite the fact that the member for Elder delights in political rhetoric against me (I have said before that it is very personal, but that does not matter and I am used to it), everyone knows the position from my perspective, because we do care about the workers.

I want everyone in this House to know that my father was one of a large family who had no advantages. He left school on the first day he possibly could and he worked dedicatedly all his life as an employee. That is the grounding that I had—

Ms Hurley interjecting:

The Hon. M.H. ARMITAGE: The member for Napier chooses to laugh about my personal circumstances but I do not because, at the end of the day—

Ms Hurley interjecting:

The Hon. M.H. ARMITAGE: Good luck to them. I can say that they are exactly the same sort of people as my father. Routinely, my father used to say that he got absolutely everything out of his job and his life by being an individual and standing up for himself. That is what the Australian worker can do. We have a great faith in their doing that and this Bill opens up that opportunity. It is a clear definition of the distinction between the Labor Party, which believes in collectivism and the lowest common denominator, and the Liberal Party, which believes in the optimistic future when one unleashes the power of the individual.

The House divided on the second reading:

AYES (24)

Armitage, M. H. (teller)	Brindal, M. K.
Brokenshire, R. L.	Brown, D. C.
Buckby, M. R.	Condous, S. G.
Evans, I. F.	Gunn, G. M.
Hall, J. L.	Hamilton-Smith, M. L.
Ingerson, G. A.	Kerin, R. G.
Kotz, D. C.	Lewis, I. P.
Matthew, W. A.	Maywald, K. A.
McEwen, R. J.	Meier, E. J.
Olsen, J. W.	Penfold, E. M.
Scalzi, G.	Venning, I. H.
Williams, M. R.	Wotton, D. C.

NOES (20)

Atkinson, M. J.	Bedford, F. E.
Breuer, L. R.	Ciccarello, V.
Clarke, R. D.	Conlon, P. F.
De Laine, M. R.	Foley, K. O.
Geraghty, R. K.	Hanna, K.
Hill, J. D.	Hurley, A. K.
Key, S. W. (teller)	Koutsantonis, T.
Rankine, J. M.	Snelling, J. J.
Stevens, L.	Thompson, M. G.
White, P. L.	Wright, M. J.

PAIR(S)

Such, R. B.	Rann, M. D.

Majority of 4 for the Ayes.

Second reading thus carried.

In Committee.

Clause 1.

The Committee divided on the clause:

AYES (23)

Armitage, M. H. (teller)	Brindal, M. K.
Brokenshire, R. L.	Brown, D. C.
Buckby, M. R.	Condous, S. G.
Evans, I. F.	Gunn, G. M.
Hall, J. L.	Hamilton-Smith, M. L.
Ingerson, G. A.	Kerin, R. G.
Kotz, D. C.	Lewis, I. P.
Matthew, W. A.	Maywald, K. A.
McEwen, R. J.	Meier, E. J.
Oswald, J. K. G.	Penfold, E. M.
Scalzi, G.	Venning, I. H.
Williams, M. R.	

NOES (19)

Atkinson, M. J.	Bedford, F. E.
Breuer, L. R.	Ciccarello, V.
Clarke, R. D.	Conlon, P. F.
De Laine, M. R.	Foley, K. O.
Geraghty, R. K.	Hanna, K.
Hill, J. D.	Hurley, A. K.
Key, S. W. (teller)	Koutsantonis, T.
Snelling, J. J.	Stevens, L.
Thompson, M. G.	White, P. L.
Wright, M. J.	

PAIR(S)

Olsen, J. W.	Rankine, J. M.
Such, R. B.	Rann, M. D.

Majority of 4 for the Ayes.

Clause thus passed.

Clause 2 passed.

Clause 3.

The Committee divided on the clause:

AYES (23)

Armitage, M. H. (teller)	Brindal, M. K.
Brokenshire, R. L.	Brown, D. C.
Buckby, M. R.	Condous, S. G.
Evans, I. F.	Gunn, G. M.
Hall, J. L.	Hamilton-Smith, M. L.
Ingerson, G. A.	Kerin, R. G.
Kotz, D. C.	Lewis, I. P.
Matthew, W. A.	Maywald, K. A.
McEwen, R. J.	Meier, E. J.
Oswald, J. K. G.	Penfold, E. M.
Scalzi, G.	Venning, I. H.
Williams, M. R.	

NOES (19)

Atkinson, M. J.	Bedford, F. E.
Breuer, L. R.	Ciccarello, V.
Clarke, R. D.	Conlon, P. F.

NOES (cont.)

De Laine, M. R.	Foley, K. O.
Geraghty, R. K.	Hanna, K.
Hill, J. D.	Hurley, A. K.
Key, S. W. (teller)	Koutsantonis, T.
Snelling, J. J.	Stevens, L.
Thompson, M. G.	White, P. L.
Wright, M. J.	

PAIR(S)

Olsen, J. W.	Rankine, J. M.
Such, R. B.	Rann, M. D.

Majority of 4 for the Ayes.

Clause thus passed.

Clause 4.

Mr CLARKE: The objects of the legislation are quite important because they set out the framework that members of the commission use when they are required to arbitrate on various issues. The objects are particularly important, although by themselves they do not appear to have any particular work to do. New paragraph (d) provides:

> to encourage and facilitate the employment of young people and protect their competitive positions in the labour market.

This Government has made the assumption that junior wage rates and their maintenance are essential to the employment of young people. I am very familiar with one industry, having worked with it for 20-odd years, and having been secretary of the union that covered clerical workers for 10 years. There have been junior wage rates in the Clerks SA award, which is the major common rule award in South Australia, since it came into existence in 1942.

I was involved in a joint exercise with the Employers Federation in 1992-93 to reshape the grading structure of that award. An industrial officer from the Employers Federation, Trevor Evans, who I understand is still with that organisation, and I did a review of that award and we interviewed about 60 employers in the manufacturing, commercial and retail sectors. We interviewed large employers, that is, those employing over 100 clerks, and employers of fewer than three or four clerks. One question, among many, that I asked every time of the employer related to wage rates for juniors. Would the introduction of adult rates of pay, that is, for persons 18 years of age and older, influence their employment patterns of young people if the payment of those adult wages was tied to the competence of that young person to do the job?

I can say that, without exception, every one of those employers answered that it would make no difference whatsoever to the hiring of young people if they had to pay adult rates provided that the award was based on that person's having the competence and range of skills to be able to do that job. A number of employers pointed out to me that in their office their 19 year old employees, and the like, were carrying out the same range of responsibilities and skills as was expected only a few years previously of persons who were over the age of 21. In effect those employers were paying adult rates of pay to these 18 and 19 year olds who were exercising those skills and responsibilities.

That finding was included in a report that I wrote with a person from the Employers Federation. The biggest difficulty we had in writing this report—and it involved thorough research into that particular award, including new grading structures and new criteria—was that the hierarchy of the Employers Chamber objected to the inclusion in the report the factual statement that these employers, when asked about this issue of junior wage rates, had unanimously said that it would not influence their hiring behaviour; that they would still hire young people provided the award was based not on age but on a person's range of skills and competencies. Not one employer deviated from it.

The only people with whom I had difficulty was the hierarchy of the Employers Chamber who did not want those facts recorded in that report and, I might say, sought to lean on the employer representative on that working party. To his everlasting credit the employer representative resisted that pressure because he knew the truth. He knew that the questions asked by me were answered honestly by the employers concerned. He had the guts and fortitude to insist on my right to have those facts recorded in that joint report despite being lent on by his superiors at that time from the Employers' Federation and the Employers Chamber. That is absolutely factual.

The view of this Government that you can increase youth employment by cheap wages is a myth, and employers know it. For this Government to perpetuate that myth, knowing that that is rubbish, is perpetuating a lie on the young people of this State. Employers do not mind paying adult rates of pay provided that the junior—that is, those employees less than 21 years of age—is able to demonstrate the range of skills required to carry out the work and that they can do that work competently. The Clerks Award, as I said, has included junior rates of pay since 1942 when the common rule award first came about. It is still included in that award to this day.

Youth unemployment is still far too high in this State, not because of the award wage rates that are being paid—and many employers pay above the award rate for their juniors because they realise that they have completed year 12 and are attending TAFE to acquire skills and the like that warrant higher rates of pay—but because many of the opening avenues for young people to get a job have been closed off to them. The public sector, both State and Commonwealth, which was a traditional entry point for young people, has largely disappeared because of the structural changes that have taken place in those industries. It is the same situation with respect to banking, insurance and elsewhere. In the retail industry, they, too, have had junior rates of pay since those minimum common rule awards were first introduced. However, high levels of youth unemployment still exist in this State, despite the fact that these areas have junior rates of pay.

So, it is a demonstrable lie to claim that youth unemployment flows from the fact that adult rates of pay should apply. We are not compelling it on employers, but this Government wants to make it impossible for employers to grant adult rates of pay to their junior employees even if they want to because the Government wants to go ahead with the ideology.

What I would like the Minister to answer is this: what empirical evidence does this Government have to justify its position that the outlawing of junior rates of pay will, in fact, increase the overall employment opportunities of young people? I do not want the rhetoric, Minister: I want some facts such as I got in a survey of the Clerks SA Award back in 1992-93. As part of that survey I asked that question of 60 employers, and all of them answered that it would have no influence whatsoever on their employment hiring patterns provided the wage rates were tied to competencies and skills and not to the age of the person concerned.

The Hon. M.H. ARMITAGE: I will address the issues that the member for Ross Smith raised. At no stage have I ever doubted the member for Ross Smith's sincerity in this

issue. He believes his arguments very strongly, and I acknowledge that. However, I do not agree when he indicates that the Government is perpetuating a lie because I do not believe that to be true.

I clearly take the member for Ross Smith's point that he was a party to a report written in the past. I do not dispute that. Equally, I do not dispute what the employers told him. That is his evidence. He is basing his argument on the fact that the employers told him that junior rates of pay do not preclude youth employment. What I can say with exactly the same sincerity is that employers today are telling us, quite clearly, that junior rates of pay do in fact influence their decision not only to employ people but, even worse, they are saying to us in the present climate that junior rates of pay may mitigate towards them retaining the juniors they presently have. In other words, if there were not junior rates of pay, they may say, 'We can get better productivity from an older person with greater skills.' I think that was inherent in what the member for Ross Smith indicated when he said that people agreed with his proposition provided that—and I forget his exact words—'the young people exhibited the same levels of skills and competency'.

The dilemma is that employers today are telling us that that is not the case. In fact, when this legislation was distributed to certain people, a country bakery wrote to me in the following terms:

> Junior pay rates have nothing to do with exploitation. Teenagers do not have the maturity of adults. They have to be supervised constantly, so they should be paid less. My adult rates on Sundays are around $27 an hour. Our business simply could not afford it.

That is the sort of reaction that we are receiving. Can I pick up on another matter which I think the member for Ross Smith may have left himself a little bit open on. The honourable member indicated that our legislation would make it impossible for an employer to pay adult rates even if the employer wanted to. Of course, the employer could have an individual workplace agreement with his employee, and then they can come to an agreed position on what the rates might be. The fact is that the member for Ross Smith, legitimately—because that is his experience, and I do not dispute that—is only looking at it from an award position. We would be more than comfortable if an employer thought that a particular younger employee was doing fantastic work and actually set up an individual workplace agreement where he or she was paying his or her young employee a lot of money; that would be great.

Progress reported; Committee to sit again.

ADJOURNMENT DEBATE

The Hon. M.H. ARMITAGE (Minister for Government Enterprises): I move:

That the House do now adjourn.

Ms STEVENS (Elizabeth): On Sunday 16 May I attended a meeting arranged by Parent Advocacy to address the issue of unmet accommodation needs for people with an intellectual disability. The meeting was held at Way Hall in the city and was attended by a couple of hundred people, most with a member of their family having an intellectual disability. I might add that the member for Wright and the Hon. Carmel Zollo were also at the meeting, and I know that a number of other colleagues on this side of the House sent their apologies because they were unable to attend. The crowd was exceptional considering that this was the Sunday of the long weekend. Some of the people had travelled long distances, one person travelled from Port Lincoln, another from the Riverland, and others had come from other country areas to attend.

The people told their stories, stories which were incredibly moving and very disturbing. They told their stories of the struggle and despair that they had felt over many years in caring for their relative who had an intellectual disability. So, we heard of hardship, of a constant search for support. One person said that they had spent 50 years of their life fighting for a fair go for their child and for themselves. We had elderly parents still coping with middle aged children with an intellectual disability. We had stories of desperation, of poverty and of people being on call 24 hours a day, seven days a week with no hope that this would change in the future. We heard of marriage breakdowns, debilitating health and, overall, a fear of what was going to happen in the future when parents were no longer around and able to care for their disabled. The stories were incredibly moving. In fact, many people were in tears listening to those stories. It is just incredible. One cannot help but be terribly moved and terribly upset by the pain and suffering of a large number of people in our community. Well, just how severe is this situation in South Australia?

I received (and I am sure that other people did too) a letter from the National Council on Intellectual Disability-South Australia in which they outlined the following. They said that, in South Australia, of the 6 033 known people with intellectual disability, many live in substandard private community accommodation and are at risk of abuse and exploitation. More than 3 600 live at home, with their family or guardian providing ongoing care and support. Only 47 per cent of these families—under half—receive support services, with the average amount of support per family being four hours per week. The number of sole parents who are carers of people with intellectual disability is more than twice as high as in the general population. Carers of people with intellectual disability experience significantly higher levels of health problems. Many families are living in poverty: their caring responsibilities preclude them from seeking paid employment and they are dependent on the carer payment as their sole source of income.

There is a desperate need for additional services in the areas of respite, practical assistance in the home, early childhood intervention and challenging behaviours. There are extensive waiting lists for personal aids and equipment—for example, wheelchairs. Accommodation is required urgently for 710 people, and 140 families are assessed as being in critical need—and 'critical' means critical. A further 400 people will require accommodation within the next five years. New funding will be required to provide opportunities for continued education and employment for at least 75 young people leaving school at the end of 1999, and 70 in 2000. In addition, many adults are in critical need of day activities and employment options.

Over two years ago, a report was conducted by the Australian Institute of Health and Welfare and it identified a crisis of unmet need across Australia. The estimated cost of dealing with this crisis was $300 million across Australia. On 9 April this year, at a meeting of Ministers of the States, Territories and the Commonwealth, all Ministers endorsed that report 'as a reasonable representation of unmet need for accommodation and support services for people with disabilities, their families and carers'. All Ministers endorsed the report as a reasonable representation. The problem was,

though, that, while they endorsed the report, they did not make any commitments in terms of money or resources to deal with the situation. Instead, they agreed to publicly release the report, and the joint communique issued by the Ministers states:

> Ministers agreed that despite the increase in funds provided by Governments under the Commonwealth/State Disability Agreement, additional funding will be required from all Governments to address the backlog of unmet need.
>
> Ministers agreed that the Commonwealth would return at the earliest opportunity with a funding proposal which recognises its shared role in addressing unmet need.
>
> State and Territory Ministers acknowledged their shared role and agree to respond to this funding proposal as a matter of priority.

That communique was released on 9 April. The Commonwealth, of course, had the first opportunity to provide and come up with a funding proposal, and it could have done that when the budget was brought down a couple of weeks ago. But what did the Commonwealth do?

The Commonwealth offered $20 million over four years as its contribution towards the nearly $300 million of unmet need. Whilst the measures that it announced will be welcomed by the 900 families who are desperate for assistance, a further 12 500 families who also desperately need respite care and other services received nothing. The Commonwealth offered $20 million over four years on the one hand and talked about a $5 billion surplus on the other—an obscene situation. The State Government will have an opportunity in two days time to do its bit in recognising unmet need for people with a disability, for the people who attended that meeting and all the others and their families.

It is estimated that, of the $300 million of unmet need across Australia, South Australia's share is about $30 million. If we look at the 70:30 ratio of funding between State and Commonwealth, we see that that leaves about $21 million for which the State will need to look. I hope that on Thursday we will see a plan outlined by the Minister for Disability Services as to how he intends to address the unmet need in this State. I will be looking forward to seeing a plan that will enable this State to address its responsibilities. We need to remember that the measure of a society lies in its treatment of its most vulnerable citizens. At this time, none of us does too well. We will have an opportunity on Thursday to do something about that, and I will be looking very carefully through the budget documents to see how this Government responds.

The Hon. M.H. Armitage interjecting:

The ACTING SPEAKER (Mr Venning): Order! The Minister is out of order.

Mr MEIER (Goyder): Earlier today I referred to my concerns about the voting system we have that supposedly elects Governments to govern in Australia and in South Australia, and I highlighted the fact that the Federal Government last year was supposedly returned to government on a very clear mandate to bring in a goods and services tax. Anyone who was unaware when they voted for the Liberal-National Coalition that they were voting for a goods and services tax must not have been terribly intelligent. It was as clear as day, yet within a matter of hours of the return of the Government the Opposition said, 'We won't support the mandate to bring in a goods and services tax.'

At that stage the Australian Democrats indicated likewise. So, as they had the balance of power in the Upper House, it was a question of whether the Government could seek to bring in the legislation with which it had gone to the people during the Federal election campaign. We have seen what has transpired. The Federal Government in the first instance sought to lobby the Independent from Tasmania, Senator Brian Harradine, and last week we noted the headline in the *Advertiser* that read, 'I cannot.' That 'I cannot' referred to the fact that Senator Harradine could not bring himself to support the goods and services tax.

If Senator Harradine had been won over, there was still the question of whether Senator Colston, the former Labor Senator, would have been able to be convinced to support the goods and services tax. That is simply an academic exercise now, because without Senator Harradine's vote that is not possible. So, meetings are now taking place between the Coalition and the Australian Democrats. It means that the package will be watered down at the very best and, at the very worst, the package will not even proceed. It is a great shame, because the people of Australia have had the chance to have their say, and they expressed very clearly with their vote that they were prepared to give the goods and services tax a try.

Most of us here in South Australia fully appreciate that without a goods and services tax this State will continue to drag behind other States, because we are so reliant on exporting from this State.

We can think of our grain, wool and meat industries and particularly of our manufacturing industry. I take as an example the manufacture of Commodores and Vectras by General Motors, as well as Magnas by Mitsubishi. It is absolutely essential that those cars do not have unnecessary taxes on them, but at present they have wholesale sales tax built into them, and that makes us uncompetitive when we seek to export them overseas. If we had a goods and services tax, we would find that it would not be passed on to the overseas customer: it would be reimbursed to General Motors and Mitsubishi and, as a result, we would be able to sell more cars, and therefore more South Australians would be able to gain employment and therefore we would be better off.

I know that you, Mr Deputy Speaker, are very keen about and interested in this area, because in recent times you organised visits to Mitsubishi and General Motors-Holden's. I thank you publicly in this House for the work you did in organising that, and it was a great privilege and pleasure to accompany you on those visits. I am sure you will agree with me that it was a real eye-opener to see how efficient and productive both those companies are, and it is wonderful to hear of and see the number of cars that are being exported. Tens of thousands of cars are being exported overseas from this State; and how many more tens of thousands could be exported if the full GST passage went through? Hopefully, in the near future we will find out whether that will occur.

The disappointing thing is that even the Labor Opposition agrees that the tax base must be broadened. Anyone with an ounce of commonsense would appreciate that the only way to broaden the tax base is to bring in a goods and services type of tax. Certainly, some of our wholesale sales taxes have reached astronomic proportions. I think the highest are now in excess of 30 per cent, and certainly many of them are well in excess of 20 per cent. People do not seem to complain about that, but they complain about a tax of 10 per cent, which would be less than half what we currently impose on so many of our goods. It is disappointing.

I return to the fact that the Senate is the obstructionist House. Why is it obstructionist? In simple terms, it is obstructionist because it has been taken over by the political Parties. The old idea of its being a States' House is no longer

current, because listens not to what the States want to say but to what their Party indicates it wants the Senate to do. While we have that situation, we will get a mediocre Government; it will be a Government of compromise, and it will not be the best that can occur.

As I said earlier today, I admire and envy Queensland. Many members may recall when Queensland had a lower population than South Australia—when South Australia was ahead of Queensland. I remember as a young lad thinking, 'By golly, I hope we are out there and make sure that we never let Queensland get ahead of us.' I had the opportunity to spend a few days in Queensland during the parliamentary non-sitting period, and I was staggered at how that State has gone ahead, from strength to strength. It is interesting to think that the distance from Brisbane to Cairns is significantly greater than that from Adelaide to Sydney. That distance is a lot further from Adelaide to Sydney, yet Queensland has managed to develop the whole of that area, and its population has simply continued to increase. One might ask why.

Certainly, its climate has something to do with it, but a lot of people would not want to live in the Far North because of the extreme heat and humidity, so there must be another cause behind it. One of the key factors is that Queensland has only one House, and legislation is able to get through with a minimum of fuss and hassle. Much of the development in Queensland occurred during the period of the Joh Bjelke-Petersen Government. Those developers made it quite clear that they were able to get things through. They would say, 'Look; we would like to develop in a certain area: how about it?' That Government said, 'If you are prepared to invest your money, we will go out of our way to make sure you can do it.' We should just have a look at the benefits they are reaping now. Without any question, it is the go-ahead State.

I know that there is the negative side to this. Members opposite may say, 'Things go too far in the conservative direction.' That is acknowledged. When I was there, I spoke to the Government Whip. When that Parliament was debating a Bill relating to industrial and employee relations—which just happens to be the Bill we are debating—the Government Whip thought, 'The Labor Party will bring in the Bill and it will turn back the clock. We will find that many employers will not be interested in keeping their businesses in Queensland and are extremely worried about the consequences. Certainly, they will wind back the number of employees.' I sympathised with him, but I say this: if things backfire, what will happen in three years? We must remember that they still have three year elections. What will happen is that the Labor Party will be thrown out or, if it does not show through in three years, it will certainly show through in six years. They will be thrown out and, again, the Conservative Government can come in and get things going from an economic point of view. It works well, no matter what the situation.

We seem to be confronted by continual obstacles in this State that are similar to the obstacles at a Federal level, through the Senate. Things will have to change if this country wants to proceed as it should proceed, and if this country wants to the show its economic progress in a much more positive way than it has.

The ACTING SPEAKER (Mr Venning): Order! The honourable member's time has expired.

Motion carried.

At 10.17 p.m. the House adjourned until Wednesday 26 May at 2 p.m.