HOUSE OF ASSEMBLY

Tuesday 3 August 1999

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

GAWLER RACECOURSE

A petition signed by 3 601 residents of South Australia requesting that the House urge the Government not to allow the rationalisation of race meetings at the Gawler Racecourse as proposed by the Racing Industry Development Authority, Venue Rationalisation Study Report was presented by the Hon. M.R. Buckby.

Petition received.

THE GROVE WAY

A petition signed by 70 residents of South Australia requesting that the House urge the Government to install traffic signals at the intersection of The Grove Way and Bridge Road at Salisbury East was presented by Ms Rankine.

Petition received.

POLICE COMPLAINTS AUTHORITY

The SPEAKER: I lay on the table the Police Complaints Authority report for 1997-98.

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*: Nos 102, 123 and 170.

PAPERS TABLED

The following papers were laid on the table:

By the Premier (Hon. J.W. Olsen)—

Emergency Services Funding Act—Levy Notice

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

Animal and Plant Control Commission—Report, 1998
Animal and Plant Control (Agricultural Protection and other Purposes) Act—Regulations—Variation

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

Chiropody of South Australia—Report, 1998-99
Transport South Australia, Lease of Properties—Approvals 1998-99

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

Regulations under the following Acts—
Freedom of Information—Exempt Agencies
Industrial and Employee Relations—Declared/Employer

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

University of South Australia—Report, 1998
Regulations under the following Acts—
Electricity Corporation (Restructuring and Disposal)—Leigh Creek Mining
Public Corporations-
Distribution Lessor Corporations
Generator Lessor Corporation
Technical and Further Education—Miscellaneous

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

Rules of Court—District Court—District Court Act—Criminal Assets

By the Minister for Recreation, Sport and Racing (Hon. I.F. Evans)—

Rules of Racing—Racing Act—Bookmakers Licensing Fees.

RACING, PROPRIETARY

The Hon. I.F. EVANS (Minister for Recreation, Sport and Racing): I seek leave to make a ministerial statement.

Leave granted.

The Hon. I.F. EVANS: I wish to update the House on progress regarding proprietary racing in this State. Members are aware that the Government has had approaches since 1996 from a group known as TeleTrak about establishing proprietary racing in South Australia. There have been numerous discussions between Government and the proponents since that time.

Advice to the Government is that proprietary racing is not banned from operating in South Australia—the statutes are essentially silent on the issue. Current legislation only allows for registration of clubs.

There is nothing stopping proprietary racing commencing in South Australia today. However, if it did so, it would be unlicensed and not subject to appropriate probity requirements of either the company principals or the day-to-day conduct of racing events.

I advise the House that the Government has adopted a broad policy framework for proprietary racing in South Australia. The Government will not legislate to ban proprietary racing. Proponents of proprietary racing will need to be licensed, pay a suitable licence fee and racing proprietary requirements will be the same as those required for what is known as the 'traditional' racing industry. Probity requirements for the company principals will be the same, in principle, as for those intending to operate a casino.

For this policy to be implemented, it will require legislative change. The Government believes that, if proprietary racing were to proceed in South Australia, this broad policy framework offers the appropriate checks and balances.

Proprietary racing is a vexed question for the racing industry. The job opportunities for more jockeys, trainers, breeders and stewards, and so on, must be balanced against the interests of the existing clubs. For example, the employment opportunities for Waikerie, Millicent and Port Augusta under the TeleTrak proposal, if it were to proceed, are potentially very significant in regional economic terms. However, these benefits need to be measured relative to any impact on the current industry. For these reasons, I intend immediately to seek meetings with key stakeholders in the racing industry to discuss today's announcement.

SITTINGS AND BUSINESS

The SPEAKER: I advise that the Deputy Premier will take questions which would otherwise have been directed to the Minister for Human Services.

QUESTION TIME

FLINDERS MEDICAL CENTRE

The Hon. M.D. RANN (Leader of the Opposition): Does the Premier agree with the statement by the Minister for Human Services that his Government is not responsible for bed closures at Flinders Medical Centre; and will the Premier now agree to a request to meet nurses at the Flinders Medical Centre to hear their concerns about patients and ensure that no further beds are closed? In a letter to the Premier dated 3 August, the Secretary of the Nursing Federation says that the nurses have agreed to ban any further closure of beds at Flinders and impose a maximum wait of four hours in the emergency department. The letter says that the Minister for Human Services has said that Cabinet will not provide sufficient resources to enable provision of this most vital service to the community and requests the Premier to visit Flinders to enable nurses to describe the detrimental effects of the Government's decisions.

The Hon. J.W. OLSEN: I have high regard for the nursing profession in South Australia and the service that nurses provide to the broader community within this State. I do, however, want to draw a distinction in relation to Ms Gago. I noted on some television news reports last night Ms Gago making a number of claims, one of which was that the Government was not contributing to health services because we were finding money to give ourselves a pay increase. Ms Gago was 100 per cent inaccurate with that claim. I note that she, as an interjection mentioned a moment ago, is a twice failed Labor candidate. If Ms Gago wants to champion—

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The Leader will come to order.

The Hon. M.D. Rann interjecting:

The SPEAKER: Order!

The Hon. J.W. OLSEN: Well, the Leader indicated that he has a copy of a letter that Ms Gago has written to me. As I have not actually received the letter yet, does that not tend to indicate Ms Gago's activities and motives? It is politically based and politically motivated, that Ms Gago would play political games on an issue that is important and on an issue that is important enough that all State and Territory leaders in this country have met once and have unanimously sought to get from the Federal Government agreement to be part of a Productivity Commission review into the provision of health services in this country.

We will continue to pursue the Commonwealth Government in relation to that Productivity Commission review because we want both the Federal Government and the State Governments, and various interested parties—whether it be the nurses or other health professionals—to be able to put to that Productivity Commission directions, a strategy and a solution to the cause of the difficulty being faced by all Governments in the provision of health services in this country. We can play a game and box off in corners, if Ms Gago wants, but that will not do what I think every member of this House would want to do, and that is ensure the provision of adequate and appropriate health services to all South Australians. That is what I am interested in, what this Government is interested in, and what the leaders of the States and Territories are also interested in. Let us ensure that—

Mr Foley interjecting:

The SPEAKER: Order! The member for Hart will remain silent.

The Hon. J.W. OLSEN: The member for Hart had better go back and look at the first Keating Medicare agreement, because the core of the problem is there were no inflation and escalation clauses related to that first agreement. If you want to work out where the benchmark was established, it was the Keating Medicare agreement. But I am not interested in going back in that time warp, as the member for Hart is. I am only interested in moving forward and finding a solution to the cause of the problem. That is something that Labor and Liberal leaders from every State in this country are interested in.

I would simply invite the Opposition, if it is fair dinkum about correcting the cause of the problem, to work constructively to find it and not engage its political mates in a political bun fight that does not serve the interests of the provision of health services for South Australians.

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The Leader will come to order.

BIKIE GANGS

Mr VENNING (Schubert): Can the Minister for Police, Correctional Services and Emergency Services advise the House of recent reports of increased rivalry between bikie gangs?

The Hon. R.L. BROKENSHIRE: I thank the honourable member for his question and acknowledge his concern over this serious issue. As Minister for Police my short answer is that, yes, I have been monitoring this issue very closely, in conjunction with SAPOL from an operational point of view. In fact, I understand that very soon—this afternoon—

Mr Hanna interjecting:

The Hon. R.L. BROKENSHIRE: I am surprised that the member for Mitchell is not sitting there quietly listening to this, because this is a very serious issue, and I would have thought that as someone who claims to be interested in good law and order the member for Mitchell should be interested in the answer. I understand that senior police will be making a statement in a short while with respect to the operational issues involving these unfortunate incidents. I do not intend to comment further on the operational issues, but from a ministerial point of view I do want to answer the member for Schubert's question in a little more detail. South Australia is not used to the sort of actions that have occurred in the past few days in connection with the bikie feud. In fact, those actions are strongly condemned. The South Australian community enjoys living in a State with low levels of crime. It is important that we do not tolerate this in any way whatsoever and that we do everything we can to condemn and put appropriate actions in place to stop this feud from escalating.

We have seen that this issue affects not just South Australia; in fact, it has been an issue right around Australia for some time. It is a national issue. Western Australia is one State that has borne the full brunt of bikie feuds for many years. I intend to take up this matter with Police Ministers in other States, because it is a national, cross border issue which all Ministers need to address to ensure that right across Australia this is nipped in the bud, not tolerated, and totally condemned. I wish to report to the House that the operational advice given to me which the police are about to announce is very good. As far as its format goes, I have full confidence that as they go about their duties the police will make sure

that they nip this problem in the bud and bring it under control. The message for the bikie gangs is that South Australians do not live this way; they will not tolerate it, and full forces will be put in place to ensure that these actions cease as soon as possible.

FLINDERS MEDICAL CENTRE

Ms STEVENS (Elizabeth): Will the Premier request the Coroner to give priority to his investigation into the death of a 28 year old man at 5 a.m. on Friday 30 July 1999 at the Flinders Medical Centre? Following warnings by the Nursing Federation of the dangers to patients, will the Premier instruct the hospital not to proceed with plans to close a further 30 beds? The Opposition has been informed that the death on Friday 30 July 1999 was the first time in 17 years that a patient had died in the Accident and Emergency Department of Flinders Medical Centre without being seen by a doctor. The patient arrived at the hospital at 3 a.m. and was classified as a level 3 priority requiring urgent attention by a doctor within 30 minutes. Although the A&E Department was staffed by four emergency doctors, two ward doctors and a paediatrician, there were 41 cases in the department at that time and the patient died 2½ hours later without having been seen by a doctor.

The Hon. J.W. OLSEN: I will certainly not interfere in any way or give directions to the Coroner. The Coroner will take a course of action as per statute and as is responsible. The honourable member should have well understood that that would be the case. The Minister for Human Services has responded to her press release of yesterday in relation to that matter and matters related to the Flinders Medical Centre.

An honourable member interjecting:

The Hon. J.W. OLSEN: Read today's *Advertiser* and you will get the response. In relation to the provision of beds in the southern areas, I understand that the Noarlunga facility has offered about 30 beds to work cooperatively with Flinders Medical Centre in servicing the needs of those in the southern suburbs.

BATTERY HENS

Mr LEWIS (Hammond): Will the Deputy Premier and Minister for Primary Industries advise what likelihood there is that the coming meeting this Friday of State Ministers of Primary Industries will resolve to phase out egg production from caged hens, and in the light of what factors and matters will he be making his position on the proposition?

The Hon. R.G. KERIN: I thank the honourable member for what is an important question and one that is quite topical at the moment. Animal Liberation in the early hours of yesterday morning performed what was a quite irresponsible act of raiding a farm and came out with some graphic footage. However, it was unfortunate because the RSPCA and the industry in South Australia are working hard towards updating the code of practice and an animal care statement, and certainly the disappointment and anger of the RSPCA, with the actions of Animal Liberation, did not go unnoticed.

The best result for animal welfare with hens is not necessarily a ban on battery cages—indeed, far from it. A ban on battery cages would see one set of animal welfare issues replace another set. It has been widely recognised that the answer to this question is to improve the standard of their cages. Despite current myths and some of the statements made, and what is included in the agenda papers for Friday's meeting, where it says that the EU recently moved to dismantle battery cages within its member countries and that Ministers agreed to a directive to ban battery cages from 20 December, that is simply not correct. The EU, like other countries that have looked at it, has realised that a ban on battery cages does not achieve the desired result. So, what has been painted on the EU decision is incorrect.

The EU decision is to work on a better standard of cages, more space in the cages and to make sure the hens' feet are well accommodated and the way in which the hens' heads are situated in the cages is changed to a way that better looks after their welfare. That very much reflects the work that has been done between the RSPCA and the industry here. It is unfortunate that what has happened in the EU has been misrepresented. It is not the first time. When this issue has been visited by other countries, they have also found that, in one case where an attempt was made to try to ban them, through other welfare issues and some occupational health and safety issues they went back to cages as the best solution.

Mr Atkinson: What would happen if we banned them unilaterally?

The Hon. R.G. KERIN: What—ban eggs? One of the major issues is that the consumer needs to be well informed to make the choice. That is one of the problems we face: if the consumer is to be the one to make the choice, the label on the eggs has to be correct, and that is one of the areas that should be picked up on a bit more. Again, Animal Liberation's action was irresponsible and undermined the position of the RSPCA, which has been working with industry on this issue.

It is unfortunate that for the sake of a bit of publicity more and more misinformation has been put out there. In relation to Friday's meeting, some of the information that has been put forward is incorrect. Anyone who expects a ban to come out of Friday's meeting will be very disappointed because Ministers around Australia are more interested in helping to get a better outcome as far as animal welfare goes and not just coming up with a solution that will merely move the problem.

MOUNT BARKER FOUNDRY

Mr HILL (Kaurna): Will the Minister for Environment and Heritage advise the results of tests conducted by the EPA on 14 and 15 July 1999 on chimney stack emissions at the Mount Barker Products foundry? What information has the EPA passed on to the Health Commission, and will the Minister confirm that the foundry is licensed by the EPA and making water meter bodies for SA Water?

It has been reported today that the EPA has provided the Health Commission with results of tests on the Mount Barker foundry. Mount Barker residents claim that acrid emissions from the foundry are a serious health threat to nearby residents and up to 70 students a day are being withdrawn from the Waldorf School as a result of headaches, sore throats, breathing difficulties, nausea and skin rashes. The residents claim that the foundry, which is licensed by the EPA, does not comply with the zoning for the area and is threatening the future of other businesses located in the enterprise zone.

The Hon. D.C. KOTZ: I thank the honourable member for his question which has been of great concern to me, all residents within the Mount Barker area and the EPA. Since this was first brought to the attention of the EPA, extensive testing has been undertaken to determine whether any emissions coming from the foundry pose a health risk in any

degree. The results of the first testings of the fumes emitted from the foundry, in terms of odour, indicated that there was no health risk at all. However, what has concerned me and members of the EPA has been the extreme concern that has come from the residents of the area. It is highly unusual, in terms of other related foundries that we have in other areas of the State, to have this highly generated concern that has continued to come from the residents.

Mr Foley interjecting:

The Hon. D.C. KOTZ: That is exactly what we have done and that is what I am explaining. Because of the continued concerns of the residents, the EPA was determined to take further testings on very definitive emissions to determine whether there were any trace elements within the foundry that could have produced any of the concerns that have been related by the Mount Barker residents. Some results of the testings were received late last week by the EPA. Those results are in a scientific format which has to be assessed and interpreted. That is being done at the moment. The Health Commission has also been asked to take part in investigations in the area. It has a copy of the scientific results and it also is assessing the outcomes of the testing. Further results of tests will be received within the next two or three weeks, but we should be able to get some results either today or tomorrow from the tests already undertaken.

An honourable member interjecting:

The Hon. D.C. KOTZ: Yes, of course they will be. At that stage the results of the tests, which are in scientific form, have been sent to the council so that the constituents in that area can also have an understanding of what the assessments are about at the present time. I will be speaking with the EPA and the Health Commission later this evening, and I hope that at that time I will have a better idea of what the results of the first lot of testings will tell us. I assure all members in this House, and particularly the constituency of Mount Barker (and I think they already know this), that we will not leave any stone unturned to ensure that we have the best scientific information possible to make a determination whether there is a relativity to a health risk coming from the foundry.

KOSOVO REFUGEES

Mr SCALZI (Hartley): I understand that the Premier recently met with representatives of the Kosovar refugees. Will the Premier inform the House of the outcomes of that meeting?

The Hon. J.W. OLSEN: Last Friday I was able to meet with the President of the Albanian community in South Australia and two residents of the Hampstead safe haven. Through Mr Agim Hushi acting as an interpreter the two men told me their feelings about being welcomed into South Australia: they love the people, the weather, the lifestyle, what South Australia had to offer and the way in which South Australians had welcomed them to the State. Both were professional men; I think one was a geologist in Kosovo. They told me of their desire to stay in South Australia. Both men and their families now have nothing left in Kosovo. All they have is what they stand up in here in South Australia. Here there is a promise of a new future. In Kosovo there is nothing but the daunting task of attempting to rebuild and the dreadful memories of what happened there. The point they raise, particularly those with young children, is that they simply do not want to take the young children back, many of whom have personally witnessed quite horrific circumstances.

As any parent would want to do, they want to protect their children from revisiting those nightmares. Therefore, they fear returning in that respect. They are truly grateful for the welcome that South Australians have shown them and they are absolutely sincere in their desire to become part of the South Australian community.

Two families will be leaving Hampstead barracks tomorrow on their journey home to Kosovo. I understand that those two families, representing approximately 10 people, will catch a bus to the Portsea safe haven tomorrow and will leave Melbourne on Thursday for the flight back to Kosovo. Those families expressed a desire to return. I understand that their homes are still standing in Pristina and therefore they want to return and rebuild their lives. Mr Hushi has informed me that almost all the remaining refugees want to be given the opportunity to stay here, and that is something that I wholeheartedly endorse.

Following those meetings, I have again written to the Federal Minister (Mr Ruddock) about this issue. From my meeting with Mr Hushi and representatives at the safe haven it is clear to me that these people are sincere in their desire to make a real contribution and want to re-establish themselves. I am informed that almost every afternoon they all take English lessons and that they are pursuing those enthusiastically. In addition, they are able to undertake up to 20 hours work a week under their visa arrangements. A married couple, for example, who were studying medicine in Kosovo, have been attending medical lectures as guests of the Flinders University to ensure that their knowledge remains up to date. That is an indication of their desire to get on and rebuild their lives.

It is for those reasons that I have again taken up the issue with the Federal Minister and until it is simply too late, that is, they have had to return and it becomes futile, we will maintain contact with the Federal Government and various Cabinet Ministers to see whether we cannot get a change of the policy from the Federal Government. In particular, we will be looking to have amended the legislation that went through the Federal Parliament that states that they are entitled to seek residency but that they have to return to Kosovo to fill out the form and post it back to Australia. That is arrant nonsense and I trust and hope that common sense will prevail in the not too distant future.

LYPRINOL

Ms STEVENS (Elizabeth): My question is directed to the Minister representing the Minister for Human Services. Is the Minister aware that New Zealanders rushed purchases of Lyprinol following the announcement by the principal research scientist at the Queen Elizabeth Hospital that it was 'a potential treatment for a whole variety of cancers'? Can the Minister assure the House that there was no financial or other connection between the New Zealand manufacturers and the announcement? Following the announcement that Lyprinol, an extract from New Zealand mussels, has the potential to cure cancer, New Zealanders rushed pharmacies and spent a reported $2 million in one day at $49.95 for a packet of 50 capsules. The New Zealand Prime Minister (Jenny Shipley) expressed concern that a breaking story was suddenly available in New Zealand pharmacies. Dr Stewart Jessamine, a spokesperson for the New Zealand Ministry of Health, has said that the extract may be banned from sale in New Zealand because promotional material outstripped research material in breach of the New Zealand Medicines

Act. Dr Jessamine said that cancer victims and their families should not buy into 'such cynical marketing ploys'.

The Hon. R.G. KERIN: I am informed that the person at the Queen Elizabeth Hospital who supposedly made that statement has denied that the statement was made, so this matter needs to be followed up by more detail. That is what I have been informed, and apparently that has been announced on radio.

EDUCATION SYSTEM

Mr HAMILTON-SMITH (Waite): Will the Minister for Education, Children's Services and Training advise the House whether he is aware of any recent comments on the effectiveness of South Australia's education system?

The Hon. M.R. BUCKBY: The honourable member is obviously referring to a centrefold in the weekend *Advertiser* feature showing a satisfied Janet Giles below the heading 'Education turmoil'. I am not quite sure how much of teachers' hard earned wages was spent on this advertisement, but I am fairly sure that the headline will get teachers' backs up, because the advertisement allegedly set out to promote South Australia. How does the union sell this State? It does so by selling it short, by selling teachers short and by selling South Australians' education short. It also does it by education bashing, that is, by pouring scorn on its own membership.

The Teachers Union President claims that we need to aspire to something more than educational mediocrity. I am sure that that 'educational mediocrity' will go down well with the hard working teachers within our classrooms. Classroom teachers put in extremely hard yards: longer than normal hours, and more than they would be expected to do. I am sure that they would not appreciate those sorts of comments. Can one believe it? The Education Union actually paid to make these comments. The only thing that is mediocre is the performance of the union.

Even the Evatt Foundation, the economic think tank of the Labor Party, recognises that South Australia is leading Australia in terms of resources being put into education, and classroom teachers must be asking themselves how well they are being served by this union leadership. What exactly is the union leadership doing for them? I ask that question, and I am sure that teachers must be asking it also.

All we get from the union is harping and carping in typical Labor style. Let me tell you, Sir, that the light on the hill is definitely off; there is no doubt about that. It is all doom and gloom, and it is certainly turmoil. But there is some sad truth for teachers, and that is that the union has nothing to offer. 'No' is the best thing that it can say, and its best kept secret is that it is totally irrelevant. But it is hardly likely to take out an advertisement to tell us something that we already know.

Members interjecting:

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

PARTNERSHIPS 21

Ms WHITE (Taylor): Will the Minister for Education, Children's Services and Training name the schools taking part in the Partnerships 21 trial being conducted during term 3? On 23 June 1999 the Minister told the Estimates Committee that a list of 12 schools had been drawn up to take part in a local management trial during the current term to identify any problems in the system and to ascertain whether any of the guidelines for local school management needed to be changed. Which schools are in the trial?

The Hon. M.R. BUCKBY: At the moment a lot of information about Partnerships 21 is being sent out to schools right across South Australia for them to assess, and that information is being looked at by school council meetings.

Mr Foley interjecting:

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

The Hon. M.R. BUCKBY: One of the issues of concern is that the union representation at these meetings is misleading. One only has to look—

Mr Koutsantonis interjecting:

The SPEAKER: Order! I warn the member for Peake for disrupting the House.

The Hon. M.K. Brindal: Hear, hear!

The SPEAKER: Order! I do not need help from the Minister for Local Government, either.

The Hon. M.R. BUCKBY: One only has to look at the comments by the South Australian Association of School Parents' Clubs (SAASPC) in today's *Advertiser* which indicate that union comments made at these meetings are totally misleading.

Mr Koutsantonis interjecting:

The Hon. M.R. BUCKBY: It is the comment of the parents. The member for Peake makes light of this, but it is a very serious matter. We are dealing with a major change in the way in which schools conduct their business and the responsibilities of school councils. The union is putting out misleading information to parents who are very well able to run the affairs of a school council. They do not need to be told by a union how to make up their mind and it is scurrilous that this is occurring at the moment. The point is that I am sure that school council chairpersons, members of school councils and principals of schools are very well aware of what decisions to make in terms of what is best for their school.

Ms WHITE: Mr Speaker, I rise on a point of order. My question was about which schools are in the trial, and that is not being addressed by the Minister.

The SPEAKER: Order! There is no point of order. I cannot put words into the Minister's mouth and tell him how to reply.

The Hon. M.R. BUCKBY: I am sure that these school councils will make the right decision. As we have said consistently, this is a voluntary package. No school need come into this if it does not wish to and it is a matter at which school councils will continue to look over time. The member for Taylor has asked what schools are coming into the trial. I remember that I referred to 12 schools that were going to be taking part in the trial. I cannot recall them now immediately, but I will ascertain that information for the honourable member.

YEAR 2000 COMPLIANCE

Mr WILLIAMS (MacKillop): Will the Minister for Year 2000 Compliance advise the House how the State Government is working with the local government sector to assist that sector with its year 2000 compliance problems and with the process of public disclosure of its year 2000 readiness?

Members interjecting:

The Hon. W.A. MATTHEW: I welcome the question, a probing question on this issue in this Parliament. Members would think that the mindless rabble opposite, who are

indicating five months to go, would do their duty for the tax paying public of South Australia and ask probing questions about this issue. They are not intending to do that and the reason is that, in true Labor Party Opposition style, the member for Hart intends to be on duty on 31 December and 1 January only to ask questions if something goes wrong. I hope the member for Hart will not have much of a party if that is what he is waiting around for.

The reason I do not expect him to have much of a party—a very quiet media night for him—is the state of preparedness that we are working through in South Australia. That state of preparedness, as the member for MacKillop would expect, also includes local government. Local government provides a whole range of services, many of them very essential services. For example, the District Council of Coober Pedy has responsibility for water, sewerage and electricity in its jurisdiction. Regional councils such as Mount Gambier and the western Eyre Peninsula have responsibility for airports. In the case of the council in the honourable member's electorate, it indeed has responsibility for the sensible provision of the sewerage infrastructure.

It is important that those councils be able, as is State Government, to indicate to their community that they have a state of preparedness for those essential services to continue to be delivered. As far as the State Government is concerned, our preparedness has been open. It is there for the community to see both in written format and also in electronic format. I know the member for Hart occasionally likes switching on his computer and I know he likes going to our web site to check on our state of preparedness.

As I have told members before, the web site does have details of Government state of preparedness. Our preparedness is fully detailed at www.y2k.sa.gov.au—agency by agency, reporting unit by reporting unit, down to the detail of how agencies are progressing through this issue. Until now, local government has not been able to provide its information in the same way.

To assist local government with their preparation and disclosure, we have worked with the Local Government Association and individual councils for some time. Together, the State Government and the local government bodies have successfully produced a year 2000 guide for local government and have conducted a number of year 2000 workshops with local councils. My staff are in regular contact with those in the Local Government Association and local councils to ensure they have the necessary information to address the year 2000 issues.

In order to assist councils in public disclosure, we have prepared with them through the Local Government Association an agreed reporting format, and I have been pleased as part of that process to meet with the President of the LGA, Rosemary Craddock, and also its Executive Director, John Comrie, to come up with a mutually acceptable reporting format so that councils could disclose their state of preparedness.

I am pleased to report that the District Council of Robe, in the member for MacKillop's electorate, was the first council to publicly disclose its state of preparedness. It has been followed closely by the Berri-Barmera and Grant Councils. The first metropolitan council, the West Torrens Council, has now also disclosed its preparedness. For those members interested, they can go to that web site that I have detailed and check on the preparedness of those councils. As other councils divulge their preparedness, that will also become publicly available in the same way.

The District Council of Robe stands head and shoulders above many councils as an example of more than just being the first to publicly release its preparedness. It has gone to extraordinary lengths to ensure that its community is aware of the issue and of the need to ensure that they are business ready, and also to ensure that its community does not panic about the year 2000 date problem issue.

In June this year, the Robe District Council organised a meeting of business people in the district and undertook every action possible to ensure that that was a successful meeting. The council sent individual letters to every business and every household in its district ensuring that those interested in attending or who needed to attend did indeed attend. Council typed up information for participants, prepared an information kit and also provided participants with free computer software disks to help businesses and individuals solve their year 2000 date problem. That is an encouraging level of commitment and preparedness that I would certainly urge all local councils to follow. I am very impressed with what has occurred in that council, and it is for that reason that I was pleased to receive the question from the member for MacKillop, so that I could highlight in this Chamber the work undertaken by the district council in his area.

TABCORP

Mr WRIGHT: My question is directed to the Minister for Government Enterprises. How much money is the South Australian TAB paying in negative settlement fee to TABCorp for being a part of the super TAB pool? The South Australian TAB pays a 25 per cent negative settlement fee that is a tax to TABCorp because South Australian punters are more successful than Victorian punters in the super TAB pool. It has been reported in the media that the South Australian TAB is paying a tax of between $3 million and $5 million to Victoria.

The Hon. M.H. ARMITAGE: When the final audited figures are in I will be happy to identify that amount. The member for Hart might like to take note of the question, because he clearly believes that he is economically literate. The simple fact is that the member for Lee has raised this matter before in the Estimates. He either does not understand or chooses to ignore the fact—it is one of the two, because clearly the issue is very simple—that it is a sheer commercial decision for the TAB to pay the negative settlements to be involved—

Members interjecting:

The Hon. M.H. ARMITAGE: I have told you that I will get back with the figures when the final audited figures come in; they have not been done for 1998-99. The figure in which the member for Lee ought to be much more interested is how much is being generated by our involvement with Victoria; that is the crucial question. If the member for Lee would like us to stop paying the tax, we can do that easily. The TAB can stop doing that today. The effect of that decision is that we will be removed from the pool, which will mean that we lose much more than we gain. So, it is absolutely—

Members interjecting:

The Hon. M.H. ARMITAGE: I am not surprised that the member for Lee might ask the question: I am surprised, however, that the shadow Treasurer would ask the question, because it is voodoo economics.

Mr Foley: I didn't ask the question!

The Hon. M.H. ARMITAGE: I am not sure that the member for Hart was not interjecting when the question was asked. At the end of the day it is absolute voodoo economics.

Mr Foley: It is not.

The Hon. M.H. ARMITAGE: It is voodoo economics.

The SPEAKER: Order! I warn the member for Hart for the second time.

The Hon. M.H. ARMITAGE: I take it from the member for Hart's rigorous protestations that he would like us not to pay the negative settlements. I ask the members for Lee and Hart whether the import of the question is that they wanted us to stop paying the negative settlements. If that is what they want, at the end of the day, they would sacrifice more than we would gain. That is a simple fact, which has been well publicised. I am absolutely sure that, when the audited accounts come out, that will be quite clear.

ADELAIDE SHORES BOAT HARBOUR

Mr CONDOUS (Colton): Will the Minister for Government Enterprises advise the House of the extent to which the Adelaide Shores boat harbour is being used by the recreational boating community and the benefits that flow from this infrastructure?

The Hon. M.H. ARMITAGE: I am delighted that the member for Colton has asked me this question, and I know that all members in the Chamber will be thrilled with the answer. Those on the opposite side are such keen supporters of the West Beach boat harbour, because it was passed through Parliament about 12 months ago. The fact that the Labor Party then spent a number of months protesting about the decision it had just agreed to was something which we on this side could not quite understand. Nevertheless, its decision to support the boat harbour has been vindicated, and I will indicate why that is the case. It has been an overwhelming success. To parody an old saying, it might be said that the South Australian boat owners have voted with their boats, with more than 5 000 launches in the first three months of operation. That is an increase of about 45 per cent over the number of launches previously at the old Glenelg boat ramp. So, the Labor Party's decision to support the Government so rigorously on the floor of the Chamber has certainly been vindicated. The facility was long overdue. As some members of this Parliament and certainly on this side of the Chamber know, I am a very keen whiting fisherman—

Members interjecting:

The Hon. M.H. ARMITAGE: I am indeed, and I am very pleased that South Australian families can now enjoy this facility. One of the members of my staff regularly used the Glenelg launching facility and fished there for about 10 years, and he caught some only recently. Unfortunately, he did not bag out last time; the secret is jealously guarded. I am advised that at least 17 000 launches are expected at West Beach this financial year and again we congratulate the Labor Party on its foresight in agreeing with us because in 1997-98, in other words, a year before we were expecting 17 000 boat launches, from the old former Glenelg boat ramp there were 11 800 launches and the year before that there were 8 400 launches. So, in two years the number of launches down at West Beach has more than doubled. Again we agree with the Labor Party that it was very prescient in agreeing with our efforts to build the boat launching facility. The success has been so stark that we are to expand the facilities. The boat wash-down area—

The Hon. J.W. Olsen interjecting:

The Hon. M.H. ARMITAGE: As the Premier said, we are expanding to facilitate the success of the facility. The boat wash-down area is to be expanded with additional freshwater taps and facilities to wash down eight boats at a time. That has been done only because of the stunning success of the boat launching facility. The wash-down bays are being particularly focused on an environmental design so that the run-off does not reach the ocean and the extra facilities will be installed soon so they will be ready before summer in order to cope with a further anticipated surge of interest.

It is also important to note that success breeds success. The Adelaide Sailing Club, which incorporates the former Holdfast Bay Yacht Club and the Glenelg Sailing Club, now has about 734 members. The previous two yacht clubs and sailing clubs had about 411 members. There are nearly twice as many members of the Adelaide Sailing Club, because the Government decided that it was a good idea to put in a brand new Adelaide Sailing Club facility next to the boat launching facility so that it could have fantastic facilities. The sailing club will host several national events over Christmas and I am told that there is to be an interdominion event over Easter 2000.

As I have told the Parliament before, the Sea Rescue Squadron is using the facility, and the new facilities, the Sea Rescue Squadron tells us, are providing vastly improved and faster responses for rescue craft. The Surf Lifesaving Association will relocate its jet rescue craft from Lonsdale to the boat launching facility, which will further enhance the emergency rescue capacity along the central metropolitan coast. So, the Adelaide Shores boat harbour, which was the subject of begrudging agreement from the Opposition, but nevertheless agreement, has been a stunning success.

NOARLUNGA HOSPITAL

Ms STEVENS (Elizabeth): Will the Premier explain his statement to the House this afternoon that the Noarlunga Hospital has offered the Flinders Medical Centre access to 30 beds to overcome the crisis at the A&E Department at Flinders? The Noarlunga Hospital has 62 beds, excluding 20 mental health beds. The Opposition has been informed by the Noarlunga Hospital that, while the hospital has offered to assist wherever possible, the hospital operates at 82 per cent occupancy during the week and does not normally have 30 empty beds.

The Hon. J.W. OLSEN: The explanation by the honourable member in effect confirmed what I said, namely, that the Noarlunga Hospital had said that spare capacity at that hospital would be made available.

Ms Stevens: You said 30.

The Hon. J.W. OLSEN: I said 'up to'—approximately 30, up to 30, thereabouts 30. The principle, however, is established and that is that Noarlunga is prepared to work cooperatively with Flinders Medical Centre—and it underscores the importance of my statement to the House—for the provision of beds in the southern suburbs. The member for Elizabeth's question and the explanation to the question underscores exactly the point that I was making.

NATIVE ANIMALS

The Hon. R.B. SUCH (Fisher): As we approach Threatened Species Day, can the Minister for Environment

and Heritage outline what steps the Government is taking to protect our native animals?

The Hon. D.C. KOTZ: As this House would know, the State Government has a very successful threatened species recovery program which has already led to the greater protection and recovery of many of our most threatened and unique species. The South Australian bilby recovery program was established in 1994 to coordinate activity for reintroducing the bilby to areas of our State which had at one time been the animal's natural habitat. The bilby was quite common in South Australia in the early days of settlement, but it certainly declined very rapidly in numbers and was believed to be extinct in this State by the 1930s.

In order to facilitate the reintroduction of bilbys in South Australia, some six bilbies (three males and three females) were transported to Thistle Island and released into holding pens on 29 August 1998. This program is certainly proving to be successful and the bilby population of Thistle Island has grown to at least 17. A future release from the captive population at Monarto Zoo may occur in early spring, as I am told that conditions on the island are particularly suitable at that time of the year. With the strong support of the community, the Ark on Eyre program on Eyre Peninsula is also making significant progress in developing a program for the protection and restoration of native species.

Venus Bay Conservation Park, which is a 4 780 hectare parcel of land, is being utilised for ecological restoration and as a field laboratory for endangered species conservation. Revegetation of this recently acquired land between Venus Bay Conservation Park and the conservation reserve will also assist in linking corridors of vegetation and in the movement of endangered species, such as the brush tailed bettongs and mallee fowl, following their planned reintroduction into this area of the State.

In the Flinders Ranges, Operation Bounce Back is continuing to develop into one of the most extensive integrated systems of management for the protection of ecology systems and native animals anywhere in the world. Since feral animal controls were implemented in 1993, the yellow-footed rock wallaby numbers have significantly increased, and the program has now been extended to the Gammon Ranges National Park. Control of vermin and other introduced species has been actively pursued by this Government—

Mr Wright interjecting:

The Hon. D.C. KOTZ: Yes, I acknowledge the member for Lee's interjection. The control of vermin and other introduced species has assisted in recovery of many of our native species. South Australia is indeed leading the way in many areas of threatened species conservation. The programs being implemented by Government are a major part of this State's effort on behalf of threatened species and it is certainly complemented by the work done by private individuals and wildlife sanctuaries. With the combined support and the involvement of Government, the community and private operators, the chances of further recovery of our threatened species in South Australia are exceptionally high.

TURLEY, Mr P.

Ms KEY (Hanson): Did the Minister for Youth telephone the President of the Youth Affairs Council of South Australia (YACSA), Mr Paul Turley, on Saturday 31 July and say:

I am going to take this media release to my lawyers and if they tell me it is actionable I am not going to attack the council: I am going to attack you personally.

And why did the Minister go on radio last night and deny that he was not annoyed with YACSA's media release? Paul Turley has been President of the Youth Affairs Council of South Australia since 1997 and was previously Chair of the National Youth Council (AYPAC). He is currently a theology student and a well respected worker in his church and in the community.

The Hon. M.K. BRINDAL: First, I was under the impression that telephone calls in this country are private. Secondly, I am a Minister of the Crown—

Members interjecting:

The SPEAKER: Order!

The Hon. M.K. BRINDAL: Secondly, I am a Minister of the Crown—

Mr Atkinson interjecting:

The SPEAKER: Order! I warn the member for Spence.

The Hon. M.K. BRINDAL: I am a Minister of the Crown, and at all times I will attempt to behave with probity as such. However, that does not mean that anyone on this side of the House or on that—

Mr Koutsantonis: You're a bully.

The Hon. M.K. BRINDAL: The member opposite—

Mr Koutsantonis interjecting:

The SPEAKER: Order! I warn the member for Peake for the second time for disrupting the House.

The Hon. M.K. BRINDAL: The member opposite is a brilliant example of the sense of humour of his creator: he was given a tongue of silver and a brain of lead. No member of this House is above or outside the law. Neither is anyone else. I took great offence at the words within the press release of the gentleman concerned, which were his words, because they were a distortion of the truth. If it was not unparliamentary, I would use the word that usually applies to the English language. That being the case, I believe that a person deliberately attempted to libel and defame me as a person and, if I can then take an action, I will take an action.

Mr Atkinson: Using whose money?

The Hon. M.K. BRINDAL: Using my money. I congratulate the member for Spence on his cameo performance last week. It reminded me of one of those wooden ducks that dips its head into a—

Mr Koutsantonis interjecting:

The Hon. M.K. BRINDAL: No. In frank answer to the question, what I seek to do as a private individual against another private individual, if I attempt to go to the courts to get the courts to sort something out, using my own money and my own time, is my business, and I would say that it is not the business of this House.

VOLUNTEERS

Mrs PENFOLD (Flinders): Will the Premier inform the House of the outcomes resulting from the Government's volunteers summit at St Peter's Cathedral last Sunday?

The Hon. J.W. OLSEN: I am pleased to inform the House of the summit that was held last Sunday at St Peter's Cathedral. The issues facing volunteers in our community are genuine. They need to be addressed appropriately if we are to ensure that volunteers within our community survive and flourish into the next millennium.

Last Sunday we brought together in excess of 300 volunteers from across the State. They came from regional

and rural areas, as well as the city, to address issues that are of concern to them as organisations and individuals. We wanted to hear first-hand the issues facing volunteers and what the Government can do to further facilitate their work because, without a doubt, it is tireless, community based work. It ought not be taken for granted, but too often it has been, and it has not been rewarded or recognised. South Australia has one of the highest volunteer participation rates in the world and, as we have said previously, volunteers invariably provide a service to the community that Governments cannot.

I am pleased to inform the House that last Sunday's summit was outstandingly successful. I acknowledge in particular the panellists, namely, the Archbishop (Dr Ian George); Melvin Mansell from the *Advertiser*; John Phillips from KESAB; Dr Michael Sullivan of Friends of the Parks; and Derryn Hinch of 5AA. We asked several prominent female members of the community to participate in that panel on Sunday but, in two separate instances, they were unable to do so.

All made thought-provoking contributions in their speeches and were encouraged by the willingness of volunteers in the audience to contribute to discussions. The issues that they raised were valuable and important, and this is only the first step in the process. As a result of Sunday's summit a discussion paper will be produced and circulated to participants, who will be encouraged to comment on this discussion paper at a volunteers forum, which will be held on 12 September. Following that forum and with the input of volunteers across the State, we will be in a position to deliver a final paper prior to the end of this year.

That paper will look at issues such as the relationships required of Government, community organisations, volunteer organisations and the corporate sector, and how we get them working together to provide this outstanding and valuable service. One of the proposals put forward on Sunday was to call upon South Australian corporations and Government agencies to donate 100 hours of professional expertise to volunteer organisations, a scheme similar to a successful program in Victoria. The assistance can be wide and varied. Essentially, it takes the form of lawyers doing the work on grants submissions, for example, for volunteer organisations; of architects working on plans for volunteer organisations; and of accountants managing taxation work for support organisations, all of which are designed to bring down the cost of providing their service, which means that those funds can then be reinjected into actual service delivery to individuals.

We will be taking that up with the professional service firms in South Australia, acknowledging that many firms already provide invaluable support to volunteer and charitable organisations in South Australia. This is taking that work and that commitment a quantum step forward. The response from the organisations I spoke to last Friday has been most encouraging. The Government seeks to ensure that that attribute of South Australia that is distinct from other States—that is, the ethic of making a contribution to your community; almost a duty, if you like, to contribute spare time back into the community—with the approximately 259 000 volunteers we have in the community providing a whole range of support—

Ms Key interjecting:

The Hon. J.W. OLSEN: I know that the member for Hanson does not like volunteers of any kind: it all has to be professionally paid for. That is the thrust of some members opposite.

Members interjecting:

The Hon. J.W. OLSEN: Is this not interesting, Mr Speaker? At least this Government is prepared to step outside the square and talk to organisations and get feedback. We did not close the doors of St Peter's Cathedral half an hour before the conference was due to start, as happened during the 'Labor listens' campaign. The Opposition can put it down if it wants, but this is a constructive effort to recognise the work of volunteers, to attempt to facilitate their work and to ensure that we get regeneration of volunteers within the community and the work that they undertake in the broader South Australian community, because it is invaluable. It is an important way of life in South Australia, and we want to enhance that, not detract from it.

GRIEVANCE DEBATE

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

Mr HILL (Kaurna): I rise this afternoon to talk about a very fine institution that services the southern suburbs, and I refer to the Flinders Medical Centre. A week or so ago, along with my colleagues the members for Reynell, Mitchell, Elizabeth and Kingston, I attended a breakfast meeting with the senior staff of the hospital, in particular meeting the new CEO. At that briefing I was informed of the difficult circumstances the hospital is currently facing. We were told that every year 50 000 or so patients attend the Emergency and Accident Unit of the hospital, which places the hospital among the top three in Australia in terms of servicing people in that area, so it is very busy.

Before the end of the last financial year, in recognition of the increase in activity, the Government provided an extra $5 million to the hospital to allow it to cope with this increase. This year, even though there have been some minor adjustments to its budget to allow for inflation and to cover pay awards, there has been no increase in resources available, so the hospital is having to get by on the amount that it had last year prior to the $5 million injection, that is, about $140 million. Members can see that a $5 million cut out of $140 million is quite substantial. The reason the hospital is having to make cuts internally is that more and more patients are choosing to use it, and the way that they are going to deal with this cut is by closing about 30 beds.

I find it very ironic and quite bizarre that a hospital that is experiencing a greater number of patients is dealing with that increase by reducing the number of beds in which it can cope with those patients. But that is modern medicine under this Liberal Government. The hospital is facing a crisis. The member for Elizabeth, in a question to the Premier early today, advised of the tragic death on Friday last week of a young man aged 28 who died before he had been properly attended to in the hospital. I gather that that is the first example of that in something like 18 years, and I appreciate that that very tragic circumstance is being investigated.

Also, last Friday I was advised that ambulances bypassed the hospital. In other words, if people in the normal catchment area of the hospital required ambulance service, the

ambulances bypassed the hospital and took them to the Royal Adelaide Hospital. I spoke to the hospital about this yesterday, because a couple of my constituents had contacted me about it, and I was advised that only patients to the north of the hospital were sent to the Royal Adelaide Hospital. I would certainly want to set at rest the minds of my constituents who live south of the hospital. Nonetheless, the hospital was so busy that ambulances had to bypass it.

Another constituent rang today to advise me that her doctor had told her that she should try not to get sick, because he could not place her in the hospital. He had been told by Flinders Medical Centre not to put patients in the hospital. This doctor said to the patient: 'Don't get sick this week: we can't find a bed for you in the hospital.' It is outrageous that in the modern day people are being told not to get sick because the hospital system cannot cope with them. At the breakfast the other morning we were also told that, when Minister Brown made his comments over recent weeks about the desperate state of hospitals, the number of patients coming to the hospital had fallen. That is not because they suddenly got better, but because they were afraid to go to the hospital because they were worried that they would not be treated.

This is an outrageous circumstance. What does Minister Brown do about it? He, of course, blames Canberra and more recently has blamed Cabinet. What does the Premier do about it? He blames Medicare and wants to set up an inquiry. It seems to me that the hospital system in South Australia is a victim of the dispute between Minister Brown and Premier Olsen. Premier Olsen has set up Minister Brown to fail in this difficult portfolio. He is being squeezed of funds by the Premier and by Cabinet and having to defend himself by attacking his Cabinet colleagues in Canberra. This State is in a health crisis because of this leadership dispute.

The Government should give the health system the attention that it requires. We need to see more attention and a higher priority given to health, with less on Motorola, less on the Hindmarsh Stadium and less on the increase in funds going to the Premier's Office and other areas of demand. We need a higher priority given to our health system.

The Hon. D.C. WOTTON (Heysen): This afternoon I want to commend the work of the Centre for Ground Water Studies in South Australia. That centre was initially set up here in Adelaide in 1987 and later expanded to include a number of groups in Perth in 1995. The running of such a large and diverse centre with its expanding international links is paying off through increasing international recognition for its excellent science, innovation, education and training.

The Centre for Ground Water Studies reached a milestone in 1997 with 10 years of operation. The centre has become a major institution for ground water research and education both nationally and internationally. The scope of the centre's activities includes postgraduate education—and a significant number of Ph.D. and Masters students have graduated through the centre since its inception. Many of these graduates now play significant roles in research in natural resource management areas. The scope of the centre's activities also includes industrial training. The centre's training course in ground water related topics through the National Ground Water School continue to attract strong support from industry. They are one of the principal means for receiving ground water training in the environment and resource management industry and for the uptake of new technology; and, of course, the centre is also very strongly involved in research.

The outcomes of the centre's research program continue to make a significant contribution to the resolution of resource management problems in Australia. The fields of research covered by the centre's research program include resource sustainability, diffuse and point source contamination and remediation and water reclamation. Since 1997, when the centre celebrated its 10 years of operation, it has continued to grow significantly, and I am delighted with the work that the centre is doing. The research of the centre is focused on a number of major project areas, each led by a senior scientist, including sustainability of ground water resources, surface water, ground water interaction, ground water quality management and protection, assessment and remediation of contaminated ground water and soils, water reclamation, salinity management, and so it goes on—all very worthwhile areas.

The one area in which I am particularly interested is water reclamation. I guess it is foolish to say that because all these subjects are vitally important, but water needs to be re-used if we are to have environmentally sustainable urban and irrigation water supplies and effluent discharges. One of the recent reports of the centre states that storage of reclaimed water in aquifers via artificial recharge using injection wells is known as aquifer storage and recovery. Partners initially developed this for urban stormwater, and South Australia is recognised for the advancements that we have made in this area. They are now extending it to treated sewage effluent as well. Magnificent work is being done by this centre, and I commend all those involved. I am delighted with what they have been able to achieve over a short period, and I am sure all members of the House would wish them well in this very important work which they are doing in Australia and which is now being recognised throughout the world.

Ms KEY (Hanson): My contribution to this grievance debate is very much connected with the comments made by the Premier today with regard to volunteerism, and I join with him in congratulating the 259 000 volunteers in South Australia who contribute to our society. My only concern is that we still have very high unemployment rates, and I am wondering what the plans will be for redressing that situation. In the light of those comments, I want to report on a paper that I received recently from Rodney Allen and Ian Hunt called 'A Modest Proposal for the New Millennium', in which they say, referring to the problems we have which are certainly reflected not only on a global level but in South Australia:

> One is persistently high unemployment, with high levels of long term unemployment, which threatens to create an underclass locked into welfare dependency, educational under achievement, despair and alienation.

They also look at the problem of many people in our society who suffer from employment insecurity and the increasing numbers of people in the western nations who are engaged in low paid, casual, part-time, temporary or contract work and, as a result of that, are beset by economic insecurity.

The paper goes on to look at some of the solutions that we might consider, bearing in mind that South Australia has such a high unemployment rate particularly in the area involving youth. What the two eminent academics suggest is that we should reintroduce chattel slavery but that this should be reintroduced on an optional basis for all those facing the prospect of social exclusion. The paper further states:

We should change the law to allow individuals the choice of contracting into lifelong slavery, as chattels of wealthy owners capable of providing them with secure sustenance for the rest of their lives in return for unpaid labour at the behest of their masters.

It is not envisaged that voluntary slavery would replace the familiar employment of wage labour by capitalists; it would, rather, be an addition to it, an option for those who fear for good reason that they will not be able to find secure paid employment. This new institution of slavery would be regulated so as to impose obligations of adequate slave maintenance on the owners. Slaves would have some basic rights—rights to food, lodging and medical care for themselves and any dependants.

Slave-owners who were unable to meet their obligations would be able to sell their slaves in regulated slave markets to other reputable owners. Slave markets would be the mechanism guaranteeing slaves lifelong security, even if their owners become insolvent. Of course, after the initial free choice the new slavery would still be similar in crucial respects to older forms of the institution. Runaway slaves would be law-breakers who could be hunted down and returned to their owners. Recalcitrant slaves could be summarily punished by their owners.

The benefits that the two learned professors envisage are as follows:

. . . the reintroduction of slavery would be to solve, very largely, the problems of long-term unemployment and socially excluded underclasses. At a stroke the cost of absorbing the unemployed into useful work would be cut to the bare minimum. At the moment one of the main barriers to full employment is the high cost to employers of wage labour—costs that include paid holidays, sick leave, superannuation contributions, the expense of meeting occupational health and safety standards, and much more besides.

Employers have moaned for years that they would employ more people if only the cost of doing so were not so high. Slaves would obviously be much cheaper than waged workers. They would be less expensive to maintain than dependent teenagers (for they would not need to be expensively educated) or a dependent spouse. So the super-rich could afford quite a few slaves, as servants and personal assistants, and as extra labour for use in their various business interests. Even the moderately well off should be able to afford one or two. Manifestly, then, a new institution of voluntary slavery would be capable of soaking up the permanently unemployed and underemployed into useful service to the rich and well off.

Mrs PENFOLD (Flinders): As illustrated in recent export data showing it was the top performer, aquaculture in South Australia is expanding expedientially with increased exports, increased investment and increased employment. It is a very exciting time to be the member for Flinders, which already produces 65 per cent of the State seafood harvest and which has a coastline bigger than Tasmania's with significant areas suitable for further in-sea and onshore aquaculture. One of our major selling points, especially for exports, is our clean and green image. Our pristine waters and high hygiene requirements ensure a consistently marketable product, but we must never relax our vigilance concerning water pollution.

It is therefore pleasing to bring to the attention of Parliament a program being conducted in Port Lincoln by the Flinders University. Work on the new project is based at the Port Lincoln Marine Science Centre. Flinders University already has a strong stake in Port Lincoln through the marine science facility at Kirton Point, and the new project is an extension of the marine research already being undertaken there. With a total project value of $3.8 million, including a $1.8 million Federal grant, Flinders University joins a team of sponsoring Government agencies, industry, business, local community and indigenous bodies in an integrated project that aims to develop a sustainable water re-use strategy. What is of equal if not greater importance is that it will reduce the input of nutrients and pollutants into the coastal environment.

The project was one of only three judged to have national significance in that round of clean seas grant programs. Scientists from Flinders University will play a major part in the three year clean seas project, which will see cleaner coastal water. It will also see an increased water supply for Port Lincoln, and will create new economic development in the area. The goal of the project is to develop and implement a strategy for taking waste water from the local sewage treatment plant, stormwater drains and nearby fish processing plants and to put it to good use.

The first stage of the project will evaluate the various options for treatment and identify the most appropriate technologies to solve the problems. A program of capital works will then be undertaken to implement the plan. A second major objective will be to establish a re-use scheme for the sewage effluent and to expand a rejuvenated coastal wetlands system. The effluent will be pumped inland for irrigation purposes, or diverted to the wetlands area, which will hold and further filter waste water for re-use. It is planned that some of the reclaimed water will be used to irrigate a new golf course to be built on former landfill as part of the Lincoln Lakes development.

Water from underground basins near Port Lincoln is reticulated to a large proportion of Eyre Peninsula. Everyone is aware that water is precious. Therefore, this project has the potential to help to sustain water supplies on the Eyre Peninsula. The availability of treated effluent and stormwater for irrigation will free up water supplies for other commercial activities while the diversion of waste water and pollutants will improve the coastal marine environment for existing and future aquaculture enterprises.

A comprehensive team put together by Flinders University will tackle the project. Scientists from biological sciences, earth sciences and environmental health are all providing scientific support. Scientists will be involved in all aspects, such as treating the factory effluent and stormwater, coastal water quality, and a water quality monitoring program, testing the effect of irrigation with marginal saline effluent on the integrity of the water table and identifying salt tolerant species for irrigation by the reclaimed water.

Eyre Peninsula has a great potential to increase tourism. This will be picked up by the project in its later stages, when Flinders staff and students may become involved in eco-tourism and cultural tourism initiatives eventuating from the wetlands development. The project is an important demonstration of Flinders University's ability to put together a multidisciplinary team to address major environmental problems. It is another example of the close association that the university is developing with Port Lincoln and the support that is coming from all sections of the community.

Ms STEVENS (Elizabeth): Last Sunday in the *Sunday Mail* I was incorrectly reported as follows:

The Opposition has demanded the Government use $36 million of pokies money to slash waiting lists.

The article went on to say that I called on the Premier to intervene in the crisis and urgently redirect income to hospitals. I wish to correct the impression given that I had called on the Government to hypothecate $36 million of poker machine revenue for redirection to our hospitals. At no stage did I make this suggestion. However, what I did say was that proper Government funding of our hospitals was a matter of spending priorities. The *Sunday Mail* got it right when it quoted me as saying:

The highest priority for the Government is the health of South Australians.

This Government should reconsider budget decisions such as those that have allocated an additional 8 per cent, or $4 million, to the Premier's own department, decisions that last year led to the spending of well over $50 million on consultants and, as my colleague the member for Kaurna said just a few moments ago, decisions that led to a soccer stadium and money going to Motorola and other areas—and all this while our hospitals are clearly and undeniably severely underfunded and patients' lives are clearly at risk. I call on the Premier to look again at budget allocations and make a decision to alleviate the crisis that we are facing.

I would like to refer briefly to what happened today in Parliament when the Premier, in the absence of the Minister for Human Services, was asked some direct questions in relation to matters at Flinders Medical Centre. It is interesting to reflect on the answers he gave. They were a mixture of personal denigration, evasion and incorrect answers that demonstrated his weakness in this policy area.

In the first question, the Premier was asked whether he would actually meet with nurses. Nurses have made a strong stand in favour of patient care and saving patients' lives, even to the extent of saying that they refused to close beds and would turn up for work in order to save those beds. What did he do? The Premier denigrated the Secretary of the ANF.

Well, one must understand that to attack someone personally is really the last defence of someone who has nothing else of value to add. But, that is what he did, and there is no undertaking by him to visit the hospital, talk to the people who know what is going on there and do something about it. The Premier then said that he had done something about the health crisis. He and the other Premiers had talked about and advocated a Productivity Commission investigation into the health system. We agree—that is a good idea, but the problem is that it will take 18 months to report.

The situation in the health system needs a short-term solution, as well as medium and long-term solutions. The Productivity Commission report is the last of those three. The Premier has failed to address the situation that is right at our feet now.

Thirdly, the Premier was not even prepared to request that the Coroner make a priority of the investigation of a death at Flinders last week, and certainly would not instruct Flinders not to close 30 beds. Interestingly, when asked that question, he said:

> I understand that the Noarlunga facility has offered about 30 beds to work cooperatively with Flinders Medical Centre.

About 30 beds! Of course, when I pointed out later in Question Time that Noarlunga did not have 30 beds, he wanted to back track on what he said. He stated that he had said, 'up to 30'. He did not say, 'up to 30'. According to the *Hansard* record, he said, 'about 30'. As we know, with only 62 beds, Noarlunga Hospital does not have 30 beds available, as the Premier suggested. The Premier needs to do a bit of homework on health. He needs to get out and see it for himself and talk to the people who know.

Mr SCALZI (Hartley): In today's contribution I would like to refer to an interjection during a debate in another place. In a contribution by the Hon. Sandra Kanck on 28 July, when supporting a private member's Bill, the Hon. Carmel Zollo said:

> I am sure that Joe had something to do with that. They are all Liberal Party members.

The SPEAKER: Order! The honourable member is out of order if he starts to refer to debates in another place.

Mr SCALZI: Thank you, Mr Speaker. I think it is insulting to members of the public who take the time to write and make a contribution to any issue that is debated in this place if they are accused of supporting one political Party or another. I know for a fact that many of the members who wrote on that occasion are not Liberal Party members. I would ask that when making generalisations members of Parliament would bear that in mind, because it is important that people write and phone their local MPs and make a contribution. In regard to this private member's Bill, I know that Derryn Hinch, Jeff Krause, Ian Tietz of Paradise, John Di Fede and David d'Lima are not members of the Liberal Party. I believe that the honourable member in another place should write to those individuals and apologise—

Mr CONLON: I rise on a point of order, Mr Speaker. It seems to me that the member for Hartley is flouting your earlier direction to him not to discuss a debate in another place. It is either right or wrong.

The SPEAKER: Order! I do not uphold the point of order, but I remind the honourable member that earlier in his contribution I ruled that he must keep away from debates in the other place.

Mr SCALZI: I will not refer to debates in the other place, except to point out that members of the Parliament should not assume that members of the public belong to a political Party when they do not. I do not like generalisations. For example, if members opposite had said that all Liberal or Government members oppose trade unions I would find that offensive, as a member of the Australian Education Union for over 23 years. I would find that offensive, because all Liberal Party members of Parliament and the Government are not opposed to trade unions. So, it is wrong and foolish to make gross generalisations in any debate.

Mr Hanna: That's a generalisation.

Mr SCALZI: The honourable member is correct, but there are generalisations and generalisations, and that generalisation is not harmful, so I welcome the interjection from the member for Mitchell—as long as we make it clear and do not accuse a member of the public of supporting a particular Party when clearly that is not the case.

Secondly, members would all be aware of letters that were written to members of the general public regarding Greek born, Croatian born and Polish born people discriminated against, and the member for Mitchell has written one titled 'Middle Eastern discriminated against'. The latest letter is 'British born discriminated against'. In this case the Opposition did not have to have an interpretation on the back written in a foreign language, because it was to British born discriminated against. It is wrong to discriminate against any group of Australians, and I remind members that if there was any hint of discrimination the Hon. Alexander Downer would not support it.

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

SELECT COMMITTEE ON A HEROIN REHABILITATION TRIAL

Mr HAMILTON-SMITH (Waite): I move:

> That the select committee have leave to sit during the sittings of the House this week.

Motion carried.

SELECT COMMITTEE ON THE EMERGENCY SERVICES LEVY

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

That Standing Orders be so far suspended as to enable the report of the select committee to be brought up forthwith.

Motion carried.

The Hon. R.L. BROKENSHIRE (Minister for Police, Correctional Services and Emergency Services): I bring up the report, together with the minutes of proceedings and evidence, of the select committee and move:

That the report be received.

Motion carried.

ASER (RESTRUCTURE) (MISCELLANEOUS) AMENDMENT BILL

Received from the Legislative Council and read a first time.

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): I move:

That this Bill be now read a second time.

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

Leave granted.

This legislation will add value to all of the ASER assets by simplifying and rationalising the management of the occupational regime of the ASER development.

This legislation has been designed to achieve three broad objectives. The first objective is to further simplify the management of the structural interdependence, shared facilities and common areas that are inherent in the ASER Site.

Achieving this objective will assist in achieving the second, very important objective, which is to improve the prospects for the sale of the Adelaide Casino, Hyatt Regency Hotel and the Riverside Centre.

Thirdly this legislation will provide for procedures that will assist with the development of the Riverbank Precinct as a community asset.

These objectives will be achieved by the proposed amendments to ASER (Restructure) Act.

ASER Ownership Arrangements

The ASER Complex consists of the Adelaide Casino, the Hyatt Regency Hotel, the Adelaide Convention Centre, the Riverside Centre, two car parks and the Adelaide Plaza, or 'common area', connecting these buildings. The Adelaide Convention Centre and car parks continue to be operated by the State Government. TransAdelaide owns the land on which the ASER Complex is built and is the head lessor of the ASER Site.

Funds SA and Kumagai were joint owners of the ASER Group of Companies until 30 June 1998. Since 30 June last year, on completion of a comprehensive restructure of the corporate and tenure arrangements of the Site, Funds SA has been the sole owner of the companies that operate the Casino, Hotel and Riverside.

Funds SA is in the process of selling these assets and this legislation is designed to enhance the value of the assets while at the same time providing a procedure that will assist in achieving the initiatives of the Riverbank Precinct Master Plan.

Need for the ASER (Restructure) Act 1997

The ASER Complex was initially designed and built as an integrated development. The buildings share important facilities and services. For example, the air conditioning plant servicing the Hotel, Riverside and the Convention Centre is located in the Hotel basement, and fire tanks and pumps located in the Plaza car park serve the entire development including the Exhibition Hall and the railway station. The ASER (Restructure) Act 1997 created a management regime to address these complex interrelationships.

ASER Services Corporation

On 30 June last year as a critical element of the restructure, the ASER (Restructure) Act 1997 created the ASER Services Corporation to manage and maintain the common area and shared facilities, and to provide security for the complex. TransAdelaide and all of the Head Lessees of the ASER buildings became members of the Corporation. The Corporation's members, or stakeholders as they are also known, manage the Corporation's affairs and contribute to the cost of carrying out its responsibilities.

The ASER Site is unique. It consists of a complex interlocking arrangement of buildings and common plaza areas surrounding and covering a busy railway station. This situation has resulted in a highly complex series of requirements for structural support between the buildings, the Plaza and the railway station.

The occupiers of the Site need a simple practical regime that guarantees adequate continuing rights of support for their buildings and the common area, and that comprehensively deals with the vital issues of insurance, reinstatement and redevelopment of the Site. This legislation will facilitate this outcome.

The Legislation

The New Division 4 of Part 2 gives each stakeholder a right of support over the structural elements on which their building is currently physically dependent, and over those that they may be dependent on in the future. These rights will be enforceable by the Supreme Court on application from the relevant stakeholder, or on application from the Corporation on its own behalf or on behalf of a stakeholder.

The New Division 3 of Part 2 deals with the redevelopment of a subsidiary site. Where a redevelopment is proposed to extend into the common area, it requires that the stakeholder proposing to undertake a redevelopment must obtain the Corporation's approval in addition to approvals under the *Development Act 1993*. Where additional structural support is required for a redevelopment, the occupier of the subsidiary site that would be affected by the redevelopment must also approve the proposal.

It is no surprise that with the number of complicated issues the ASER (Restructure) Act was designed to resolve, it has been found to contain a number of definitional and operational inefficiencies. These have come to light as a result of the experience gained from operating the ASER Services Corporation over the past months and are resolved by this amending legislation.

The new section 20A makes the Corporation responsible for providing a formal means of communication between stakeholders and the agencies responsible for the implementation of the Riverbank Precinct Master Plan, including the making of any financial contributions and assisting generally to the benefit of stakeholders and the State. This responsibility has a sunset clause and will end on 30 June 2004.

The Bill deals with a number of other incidental matters that are explained in the clause notes accompanying this speech.

The regime facilitated by this legislation will dovetail with the Casino, Hotel, Riverside and Public Facilities leases to facilitate a more flexible, workable solution to the complexities of the ASER Site.

I commend the Bill to honourable members

Explanation of Clauses

Clause 1: Short title

Clause 2: Commencement

Clause 3: Amendment of s. 3—Interpretation

A definition of special resolution is inserted for the purposes of an amendment to section 15 of the Act.

Clause 4: Substitution of Division 2 of Part 2

Clause 4 repeals Division 2 of Part 2 of the Act, which allowed the Governor, with the agreement of TransAdelaide and ASER Nominees Pty Ltd, to make regulations defining subsidiary sites, the casino site and the common area. Division 2 is replaced with new Divisions 2, 3 and 4, which have the following effect.

7. The casino site

Section 7 provides that the casino site, which must still include the area licensed as a casino, continues to be defined by regulation. If a change to the casino site also affects the common area or a subsidiary site, a regulation may only be made with the agreement of all stakeholders or with the agreement of the occupier of the affected subsidiary site, as is appropriate.

7A. The subsidiary sites and the common area

Subject to section 7, and only within the Site, the ASER Services Corporation ("the Corporation") may redefine the boundaries of the common area and subsidiary sites. However, the Corporation must have the agreement of all stakeholders to a change in the common area, and the agreement of the occupier of the affected subsidiary site(s). The change is effected by publishing details of the new boundaries in the Gazette.

7B. Development of subsidiary sites

This deals with the redevelopment of a subsidiary site. Where a redevelopment is proposed to extend into the common area, it

obliges a stakeholder proposing such a redevelopment to obtain the Corporation's approval in addition to approvals under the Development Act 1993. Where additional structural support is required for a redevelopment, the occupier of the affected subsidiary site must also approve.

7C. Statutory rights of support

This gives each stakeholder a right of support over existing and future structural elements on which buildings are now or become physically dependent. These rights will be enforceable by the Supreme Court on application from a stakeholder, or the Corporation on its own behalf or on behalf of a stakeholder.

Clause 5: Substitution of heading to Part 4

Clause 6: Substitution of heading to Division 2 of Part 4

Clauses 5 and 6 merely replace the headings to Part 4 and to Division 2 of Part 4.

Clause 7: Amendment of s. 14—Insurance

Subsection (1a) has been added to give the Corporation the ability to take responsibility for the management of the joint insurance policy for the Site. Pursuant to clause 12 of the Bill, the Corporation will be able to levy stakeholders for the cost of providing this service.

Clause 8: Amendment of s. 15—Common area

The inclusion of this section gives the Corporation, subject to special resolution (a vote of 75 per cent or more) of stakeholders, the power to grant short-term exclusive occupation rights of parts of the common area. The granting of the rights must serve to enhance the use or enjoyment of the common area. The term must not exceed 3 years.

Clause 9: Amendment of s. 17—The shared facilities and basic services

The former provisions in respect of shared facilities are removed. Section 17 will provide for the following. The shared facilities will be those identified in the regulations at the commencement of the subsection. If all stakeholders agree to change them, the Corporation will be able to redefine shared facilities and basic services. In the case of shared facilities, this will be effected by publishing a schedule of shared facilities in the Gazette.

Clause 10: Insertion of Division 4A of Part 4

20A. Riverbank Precinct Master Plan

Section 20A makes the Corporation responsible for providing a formal conduit for communication between stakeholders and the agencies responsible for the implementation of the Riverbank Precinct Master Plan, including the making of any financial contributions and assisting generally to the benefit of stakeholders and the State. This responsibility ends on 30 June 2004.

20B. Adjacent facilities

Section 20B gives the Corporation a limited capacity to perform functions beyond the Site. These functions must be associated with the use and enjoyment of the Site and may only be performed in areas adjacent to the Site. Each particular function to be performed beyond the Site must be approved by all stakeholders.

Clause 11: Amendment of s. 21—Budget of income and expenditure

Section 21 is amended by removing the requirement for the Corporation to submit its budgets to the Treasurer for approval, and to remove the Treasurer's power to amend the Corporation's budgets.

Clause 12: Amendment of s. 22—Compulsory contributions

Section 22 is amended to require all stakeholders to agree to any change to the allocation of stakeholders compulsory contributions, where previously only a special resolution was required.

As noted in relation to Clause 7, the new subsection 22(3a) is designed to ensure that the Corporation is able to recover costs incurred on behalf of a stakeholder from the stakeholder as a debt due to the Corporation.

Mr De LAINE secured the adjournment of the debate.

LOCAL GOVERNMENT BILL

Returned from the Legislative Council with amendments.

AUSTRALIA ACTS (REQUESTS) BILL

Returned from the Legislative Council without amendment.

FEDERAL COURTS (STATE JURISDICTION) BILL

Adjourned debate on second reading.

(Continued from 29 July. Page 1931.)

Mr ATKINSON (Spence): The Opposition commends the Government on bringing the Bill so swiftly before the House, and we are resolved to assist taking the Bill through all stages as quickly as possible. Should it have been necessary, we would have responded to the Bill last Thursday, but the intervening four days has allowed me to re-read the leading cases on the judicial power of the Commonwealth, and I thank the Government for giving me the time to enjoy the nostalgia from my law school days. I studied Commonwealth constitutional law in 1981.

Before Federation the highest courts in the six Australian colonies were the Supreme Courts. Appeals from the Supreme Courts lay to the Queen in Council in London or, as it is better known, the Judicial Committee of the Privy Council. One of the minor purposes of Federation was to furnish Australia with one federal Supreme Court, to be called the High Court, which would become the final court of appeal for the new country. Overseas lawyers visiting Australia would, I presume, be puzzled by a country that had six Supreme Courts and a High Court above them. Chapter 3 of the Constitution establishes the judicature. Section 71, the first section of chapter 3, establishes a High Court with federal jurisdiction, and permits such federal courts as the Commonwealth Parliament creates, and the section allows Parliaments to invest State courts with federal jurisdiction.

Soon after Federation, State Supreme Courts were invested with federal jurisdiction. This was done by the Judiciary Act, which started operation on 25 August 1903. The creation of federal courts other than the High Court was still many years away. Cheryl Saunders, in her commentary on the Commonwealth Constitution, anticipates the difficulty that this Bill is designed to patch over where she writes at page 76:

> . . . only the courts identified in section 71 may exercise federal judicial power and that federal courts may not exercise any other type of power.

The High Court case of *Le Mesurier v. Connor*, decided in 1929, stands for the principle that the Commonwealth Parliament can confer jurisdiction on a State court but cannot reconstitute the court, for example, making someone an officer of the court who would not otherwise be an officer. The case also decides that the Commonwealth Parliament cannot delegate authority to confer jurisdiction to the Governor General, or anybody for that matter. This case led to the establishment of the federal Court of Bankrupcy.

Lorenzo v. Carey had decided in 1921 that the Commonwealth Parliament could take away federal jurisdiction from State Supreme Courts and give it back at the Commonwealth Parliament's will or on condition. *In re Judiciary and Navigation Acts*, also decided in 1921, held that when the Commonwealth Constitution said, in section 76, that the Commonwealth Parliament could make a law giving the High Court original jurisdiction in a matter, that matter meant a legal proceeding. The Full Court of the High Court said that it would be unconstitutional for it to give advisory opinions on whether a Commonwealth statute, untested by a fight in civil society, was valid. It said:

> There can be no matter within the meaning of the section unless there is some immediate right, duty or liability to be established by the determination of the court.

One would have thought that this would limit the opportunity to test the Commonwealth Constitution, but what followed is that the High Court has allowed the States and the Commonwealth to sue the living daylights out of one another on matters of high principle. It has been the occasion for many a happy trip to Canberra for lawyers working for government and it has kept Solicitors-General in the manner to which they have become accustomed.

Section 73 of the Constitution made the High Court a court of appeal from all judgments of the Supreme Courts that could at Federation be appealed to the Queen in Council. I am sure appeals to Queen in Council are something the member for Stuart values and, I imagine, he certainly regrets their passing.

The Hon. G.M. Gunn: Very much so.

Mr Hanna: He still reads the legal notices in *The Times*.

Mr ATKINSON: Perhaps the member for Stuart reads the legal notices in *The Times*. We know he reads *The Times*.

The Hon. G.M. Gunn: Unfortunately it has been removed.

The DEPUTY SPEAKER: Order!

Mr ATKINSON: I am sorry—the member for Stuart can no longer read the legal notices in *The Times*. Appeals to the Privy Council were gradually prevented by legislation and practice and ended by the Australia Acts 1986. I know the member for Stuart was in the House at that time. I cannot recall whether he opposed the Australia Acts for their final abolition of appeals to Queen in Council. There are so many judgments of Supreme Courts where the defeated parties want to appeal to the High Court that it is now necessary for the High Court to spend much of its time considering applications for leave to appeal and refusing the great majority.

The High Court, in addition to its appellate jurisdiction, has an original jurisdiction defined by section 75. That includes writs of mandamus and prohibition against an officer of the Commonwealth, seeking an injunction against the same, disputes between States and residents of different States, cases in which the Commonwealth is a party or matters about a treaty or affecting representatives in Australia of foreign countries. I suppose now, after the Heather Hill case, that the British High Commissioner would be such a representative. We certainly know from an earlier contribution that the member for Hartley regards the 40 per cent of constituents in my electorate born overseas or having a parent or grandparent born overseas, as being foreign, because his Bill certainly treats them that way.

Section 77 of the Constitution permits the Parliament to create federal courts other than the High Court, which has now been done. So, we have the federal Court and the Family Court. As I mentioned earlier, the Commonwealth Parliament may make a law investing any State court with federal jurisdiction, which Parliament did in 1903.

In the 1980s it was agreed amongst federal and State Ministers that it was undesirable to maintain a strict separation between federal and State jurisdictions. Some cases had bits that were being adjudicated in the Family Court and bits that needed to be adjudicated in the Supreme Court. To overcome this, cross-vesting legislation was passed by the Commonwealth Parliament and all State Parliaments. In South Australia this was the Jurisdiction of Courts (Cross-Vesting) Act 1987, a modest little Act of 15 sections. Although the vesting went both ways, most of the cases were consolidated in the federal courts.

I hope I have shown that there are very few constitutional difficulties in vesting State courts with federal jurisdiction. What the founding fathers did not contemplate—and the text shows it—is the vesting of State jurisdiction in federal courts, other than the High Court's appellate jurisdiction. Constitutional development in Australia being what it is, centralism continued its advance, this time in the judiciary. Soon it occurred to a disgruntled party to a cross-vested case that he or she could escape an adverse decision in a federal court by challenging the constitutional status of the cross-vesting statutes. In a recent High Court case *Gould v Brown*, (1998) 193 Commonwealth Law Reports at page 346, the court divided 3-3 on an appeal and therefore it was lost, the cross-vesting statutes just holding up on that occasion.

But in the recent Wakim cases a majority of the High Court decided to go back to basics, back to black letter interpretation, and the cross-vesting statutes were struck down in so far as they attempted to vest State jurisdiction in federal courts. The majority judgment of Justices Gummow and Haynes said:

> Characterising a set of circumstances as having an Australian rather than a local flavour or as a desirable response to the complexity of a modern national society is to use perceived convenience as a criterion of constitutional validity instead of legal analysis and an application of accepted constitutional doctrine.

Commenting on the argument that the cross-vesting legislation could be upheld as federal-State cooperative legislation, Justices Gummow and Haynes said:

> In *R v Duncan; ex parte Australian Iron and Steel Pty Ltd* there was no doubt that both the Commonwealth and the States had power to give some authority to the Coal Industry Tribunal. The effect of the decision was that the limited power of each was joined to form a body with power greater than any one of the polities, acting alone, could have conferred. It is a case about the complementing of existing powers, not the creation of new powers. In the present case the immediate question is whether the Commonwealth Parliament has any power either to consent to States conferring jurisdiction on federal courts, or itself to confer State judicial power on federal courts. If there is no power for the Commonwealth to take those steps, the fact that all the States wish that it could do so or seek to have it do so does not supply the absent power.

Later, the majority judges continue:

> But no amount of cooperation can supply power where none exists. To hold the contrary would be to hold that the Parliaments of the Commonwealth and the States could by cooperative legislation effectively amend the Constitution by giving to the Commonwealth power that the Constitution does not give it. It is necessary, then, to identify a relevant power of the Commonwealth.

Those seeking to sustain the cross-vesting arrangements then argued that vesting of federal courts with State jurisdiction was incidental (see section 51, placitum (xxxix) of the Constitution) to the powers in Chapter Three of the Commonwealth Constitution to establish a federal judicature. To this the two judges replied:

> The first focus of an inquiry must therefore be on the subject matter of the power to which the step in question is said to be incidental. In the present matters that is the Commonwealth's power with respect to the judicial power of the Commonwealth. Once it is recognised that this is the main power, it can be seen that it is not necessary to the exercise of that power, and it is not reasonably necessary to carry it into effect, that State judicial power is conferred on federal courts. To put the matter in another way, it is not conducive to the success of the legislation that establishes the federal courts or defines their jurisdiction that State judicial power is conferred upon them. In truth what is sought to be done by the legislation that is now in question is to supplement the power that the Commonwealth is given by the Constitution with respect to the federal judicature, not to complement it.

The Bill seeks to remedy this by accepting the High Court's interpretation as distinct from trying to find a way around it and deeming certain decisions of the Federal Court of

Australia and the Family Court of Australia exercising State jurisdiction to have effect as decisions of the Supreme Court of South Australia. This saves the party to these decisions made between 1987 and 1999 from having those decisions voided. Members can well imagine the effect on civil society of even a fraction of 10 years of Family Court decisions being voided.

The Bill also moves causes under State jurisdiction now before federal courts back to the South Australian Supreme Court. The Bill tries to save what it calls 'ineffective judgments', namely, judgments in a federal court on a State matter already given in the purported exercise of jurisdiction conferred by a State Act. The State Limitation of Actions Act 1936 applies to the cases returned to the Supreme Court as if the cases had been in all respects Supreme Court cases at the time they were federal Court cases.

Section 22 of the Competition Policy Reform (South Australia) Act 1996, which provides that State courts do not have jurisdiction of matters arising under that Act, is repealed by the Bill. I wish the Government well in its attempts to salvage cases adjudicated in good faith under cross-vesting arrangements before they were struck down by the Wakim decision on 17 June.

Mr LEWIS (Hammond): The only remark I wish to make about this legislation, or more particularly about Federal courts in general, is to question, if not deplore, the way in which people are appointed to the bench in the Federal courts system. That has been watered down to such an extent now that it is more to do with whom you know, not what you know; and whether or not you are politically correct rather than, if you like, competent in assessing matters and determining them in judgment.

Mr Hanna: Even the question of whether you are an ethical lawyer seems to be overlooked.

Mr LEWIS: Yes, indeed. It does not seem to me to require any formal recognition of law training to get there. They have constantly wound back reliance upon rigour in determining professional competence, to the point now where I think it is a farce. It leads me to make the final remark that the more in which this State involves itself in the arrangements with the Federal courts system, the faster will be the ultimate demise of this State and every other State and the Federation in consequence. Then the Federal courts, of course, will be misnamed because there will not be a Federation.

I think that many people who have put forward the propositions to water down the way in which judges are recruited and appointed to the Federal courts benches belong to that group of people, anyway, and do not believe in the Federation and do not believe in the necessity to have States—and in the final analysis they will win. I do not see us having either the wit or the will to challenge that process. Indeed, every time the Federal courts system or some proponent of it suggests that it could be used as the means of determining the outcome of litigation, instead of using the State courts system, we agree with it and allow it to happen.

In native title determinations, for instance, we handed over those powers simply because it would save us money, and I think that was dopey. Determination of lands title was properly a province of the States and, notwithstanding the fact that it was going to be an area in which there was great uncertainty, and therefore considerable litigation in the short run, I believe we should have held that jurisdiction within the State. Handing it over was not going to reduce the level of uncertainty at all because, as I have already said, I reflect upon the competence of many of the people who are appointed to the benches. It will extend the amount of litigation which results, not reduce it, and it will extend the number of occasions upon which appeals to higher courts and ultimately the High Court will have to be undertaken. That arises in consequence of the lesser competence of the people finding their way onto the benches in the Federal court system.

While my remarks are not germane to any particular clause, they are some observations about what is going on in our society at present, where those observations are relevant in the context of the court system to which this legislation is addressed. I am grateful for the opportunity of at least being able to put it on the record and say, perhaps as Pontius Pilate did, I wash my hands of the mess.

Mr HANNA (Mitchell): I first express gratitude to the member for Spence for his learned exposition of the history behind this legislation and the need for it, particularly so when the Ministers in this place from time to time handling the Attorney-General's Bills make no effort at all to grasp the issues involved. It is just as well that the Opposition is able to bring some knowledge and reasoning to the Chamber in relation to Bills such as this and, in this case, we are very happy to support this Government initiative.

The real problem comes back to the constitutional structure that we have in this country and I spend some time, probably too much time, thinking of the need for constitutional reform both at State and Federal level. This problem, caused in a sense by the decision of the High Court in *Wakim* and partially solved by this legislation, is a perfect example of how the structure is deficient in this day and age with the complexity of litigation, and litigation which cuts across several different categories, such as property disputes in the Family Court.

There is no doubt, as recognised by the High Court judges to whom the member for Spence referred, that it is a matter of perceived convenience that we are able to litigate here in Adelaide any of the complete range of issues which parties might bring to the courts, so to be fouled up with technicalities concerning the judicial power of the Commonwealth and the power accorded to State and Federal courts is a nuisance to litigants which cannot be afforded. The ultimate answer is for constitutional reform, I suspect, but we all know how difficult that is. Because of the initial reluctance of States to combine into a Federation, we have such a difficult task in amending the Federal Constitution to create a sensible balance in changing times.

I am happy to support the Bill as well, and I say that in spite of what might be called its retrospective nature. After all, it looks back over the last decade to a number of decisions and renders them valid. In other words, the perceived state of affairs as far as courts and litigants was concerned was an illusion. Many of the matters heard in Federal courts should not have been there, according to what the High Court says and therefore according to what we now know. This law is in a sense retrospective in lending validity to all those various decisions, which are ascribed in the legislation as ineffective. It shows that, on occasion, it is absolutely right to be retrospective when the whole community has been believing in and relying on a particular state of affairs, so if we must by legislation render that state of affairs the true state of affairs then sometimes retrospective legislation is necessary.

The Hon. I.F. EVANS (Minister for Industry and Trade): I thank members for their contributions.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4.

Mr ATKINSON: The Attorney-General (Hon. K.T. Griffin) has consistently denounced retrospective legislation. He denounces it in the fiercest terms, especially when it is drafted by a Labor Government. Recently in the Parliament in debate over road closures, the Government refused to support an amendment of mine because it was modestly retrospective. Will the Minister now give a justification to this Committee for this wholly retrospective legislation, wholly retrospective in the full sense of the word 'retrospective', with no redeeming virtues other than convenience to the parties concerned in the cases retrospectively justified?

The Hon. I.F. EVANS: The member for Mitchell summed up the reason for the retrospective nature of the Bill quite well, and I have nothing to add to that.

Clause passed.

Clauses 5 to 14 passed.

Clause 15.

Mr ATKINSON: The Bill contemplates that regulations will be made under it. What kind of regulations are contemplated?

The Hon. I.F. EVANS: I am advised that, as yet, no regulations have been developed. Negotiations are happening across all States as to what regulations will be required, if any.

Clause passed.

Schedule.

Mr ATKINSON: The schedule states that section 22 of the Competition Policy Reform (South Australia) Act 1996 will be repealed. I turn to that Act and I find that section 21 reads:

> Jurisdiction is conferred on the Federal Court of Australia with respect to all civil and criminal matters arising under the Competition Code of this jurisdiction.

Given the High Court's judgment in *Wakim* and its striking down of the transfer of State jurisdiction to a Federal court, why are we repealing section 22, which merely provides that State courts do not have jurisdiction? I accept that that needs to be repealed, but why are we not repealing section 21 also, which confers State jurisdiction on a Federal court?

The Hon. I.F. EVANS: I thank the honourable member for his question in relation to consequential amendments. Consideration is being given to the need for further consequential amendments to the legislation dealing with national cross-vesting schemes. The Bill does not make general consequential amendments to all legislation affected by the High Court decision. The only consequential amendment made is to remove section 22 of the Competition Policy Reform (South Australia) Act. Section 22 provides that the State courts do not have jurisdiction in relation to—

Mr Atkinson interjecting:

The Hon. I.F. EVANS: That is right; I am just repeating it for the honourable member. The State courts do not have jurisdiction in relation to matters under the Competition Code. The removal of this restriction will allow for the State courts to deal with the matters that arise under the code that previously were dealt with by the Federal Court. I understand that the Bill introduced in Western Australia amended the general cross-vesting legislation, the corporations law and the legislation associated with the Commonwealth-State Co-operative Scheme, such as the Agriculture and Veterinary Scheme, the Competition Policy Scheme and the Gas Pipeline Scheme. The New South Wales Bill did not make the consequential amendments but included a very broad regulation making power.

It appears that the regulations could be used to modify the provision of the Acts relating to the cross-vesting. However, I understand that the Queensland Bill did not include the consequential amendments and that the Tasmanian Bill does not currently include the consequential amendments. The Government does not propose to move any additional consequential amendments at this stage. This is based on the view that the amendments to the scheme legislation should not occur without the necessary approvals required under the scheme. For example, amendments to the Corporations SA Act would need to be considered and approved by the Ministerial Council on Corporations.

Therefore, the Attorney-General will liaise with his ministerial colleagues with a view to finalising any consequential amendments that may be required as a result of the High Court decision, so that they can be brought to Parliament at a later stage.

Mr ATKINSON: I want to comment on how well briefed and well informed the Minister is, and I congratulate him for giving that answer off the top of his head.

Schedule passed.

Title passed.

Bill read a third time and passed.

STATUTES AMENDMENT (TRUSTS) BILL

Adjourned debate on second reading.

(Continued from 29 July. Page 1930.)

Mr ATKINSON (Spence): The Opposition has studied the Bill carefully and discussed the matter at meetings of the Parliamentary Labor Party. The purpose of the Bill is to try to breathe life into charitable trusts that have been neglected. Many charitable trusts are run by trustee companies. The reason for this is that often a trust is created in a person's will and, upon that person's death, it is convenient to have a trustee company with perpetual succession administering the capital of the trust. These trusts may have been in existence for decades or even more than a century and, if any beneficiaries had an eye on the trust at the start, they would now be dead or moved on from the class of persons who would now be beneficiaries. This sometimes leaves no-one who is interested in the trust or is scrutinising it.

Trustee companies often invest the trust's capital in a common fund and charge both an administration fee for administering the trust and a management fee for managing the common fund. The purpose of investing the money in a common fund is that sometimes the trust capital is quite small, and it is by aggregating the capital of several small charitable trusts and placing them in a common fund that a higher rate of interest can be obtained. The double dipping, by charging an administration fee and a management fee, occurs when this is not justified by the work the trustee company is doing for the trust, and it reduces the amount available to the beneficiaries or potential beneficiaries.

Some charitable trusts go on accumulating capital without paying out income to beneficiaries because beneficiaries are not clamouring for payment or the trustee company is not looking for beneficiaries. Some charitable trusts stagnate because the trustee company invests the capital in a poorly

performing common fund and never considers investing it in a better fund.

The Bill seeks to overcome these difficulties. One change is to require a charitable trust to have regard to information or advice supplied to the trust in writing by properly interested persons. The trustee is not obliged to act on the information but is obliged to read and consider it. Another change is to widen the range of people who can apply to the Supreme Court to have a new trustee or trustees appointed. The Attorney-General can do this, and can also apply to vary a trust but, with the number of matters on the Attorney-General's plate and the forgotten nature of so many charitable trusts, this happens rarely. Members will recall a number of occasions when the Attorney-General has introduced Bills to amend a trust, where the original purpose of the trust has passed away or been frustrated, and to apply the trust money for new purposes chosen by Parliament.

The Hon. M.D. Rann: Shipwrecked mariners, or something, is one.

Mr ATKINSON: Yes, seamen abandoned in port, or something like that, as the Leader of the Opposition quite rightly remarks. I think there was another regarding a trust for a hospital in Belair, in which the Minister's father was greatly interested. Applications may now be made after the passage of the Bill by properly interested persons to remove a trustee on grounds other than wrongdoing. Neglect or not generating a reasonable rate of return would be such grounds. The Bill also provides for a properly interested person to apply for copies of trust accounts and auditors' reports, but these may be requested only once a year. The Bill stops trustee companies double dipping, by which we mean charging an administration fee in addition to a management fee, where the trustee company does nothing more than invest trust capital in a common fund. An argument can be made that the Government should appoint charity commissioners, like those in the United Kingdom, who could supervise all charitable trusts and look at those that are all but forgotten. The Attorney-General replies that by broadening the range of properly interested persons he has opened these charitable trusts to public scrutiny and charitable commissioners are not necessary. Certainly, the number of charitable trusts in South Australia would not, I think, justify the appointment of charitable commissioners.

I noted that the Bill was supported in a qualified way by the Law Society, and I was interested to read in its entirety its submission, which came to us over the signature of Lindy Powell, and in particular her historical survey, which included commentary on Sir Samuel Romilly's Act. It is the kind of prose I am accustomed to write myself, and it was surprising to see someone else being quite so eccentric about our legal history.

We also received a letter from His Grace the Anglican Archbishop of Adelaide, who, as members recall, was installed and not consecrated. He said:

> Often an inappropriate investment strategy is adopted frequently by the use of common funds and circumstances where trust funds would perform better in targeted investments. The proposed amendments will impose greater responsibilities on trustees to adopt investment strategies directly relevant to the needs of the beneficiaries of the particular charity or body.

His Grace goes on:

> They will require all trustees to give more weight to the views of those on whose behalf these trusts are administered. I also believe that the amendments will make trustees more accountable to the beneficiaries for whose benefit these trusts exist. They will ensure the free flow of information on investment strategies and the financial performance of trust funds. In addition, the supervisory role of the Supreme Court is affirmed and greater scope is given to the rights of parties to approach the court on an application to remove under or non-performing trustees.

I think the Archbishop summarises the virtues of the Bill well and we wish the Bill's passage and implementation success.

The Hon. M.D. RANN (Leader of the Opposition): I support the comments made by the member for Spence. I was also approached by the Anglican Church on this matter. Indeed, I had a meeting with the new head of Anglicare some time ago. Certainly, what we are doing today is about transparency and better accountability. It is also, in my view, timely, in the sense that it is important for people to feel that they can actually have access to the records of trusts, and I am pleased that procedures have been placed in this legislation that will allow members of the public (people who feel they are stakeholders in trusts) to get the records and accounts at least on an annual basis.

Certainly, the Archbishop points out that a number of the leading charities and educational institutions, including the Anglican Church of Australia, Anglicare, the University of Adelaide, St Peter's College Mission, Crippled Children's Association of South Australia, Morialta Trust and many others have seen their income from these trusts whittled away by high fees and diminishing returns and often inappropriate investments strategies adopted frequently by the use of common funds in circumstances where trust funds would perform better in targeted investment.

The Archbishop argues that the proposed amendments will impose greater responsibilities on trustees to adopt investment strategies directly relevant to the needs of the beneficiaries of the particular charity or body. The Archbishop goes on to say that he believes that the amendments that we are considering today will make trustees more accountable to the beneficiaries for whose benefit these trusts exist. They will ensure the free flow of information on investment strategies and the financial performance of trust funds.

In addition, the supervisory role of the Supreme Court is affirmed and greater scope given to the rights of parties to approach the court on an application to remove under or non-performing trustees. So, this is basically putting, I guess, the hard word on the trustees themselves to exercise their rights and responsibilities in a proper way and to be accountable.

The learned member for Spence mentioned the very famous English Charities Procedure Act of 1812 of which most members would be aware and which, as he points out in the letter from Lindy Powell, is often referred to as Sir Samuel Romilly's Act. The intention of that Act was to provide a simpler summary procedure in relation to charitable trusts as an alternative to the chancery Bill or information. She points out that the complexity and delays associated with chancery procedures were legendary, as is evident from Dickens' *Bleak House*. The Act was not enthusiastically received by chancery judges, as its scope was limited by a series of decisions, some of which were referred and distinguished by Hannan AJ in *Re the Trusts of the Church of Saint Jude*, which I certainly recommend members to study with care.

A number of other amendments were being put forward by the Government. Clause 9 was proposed to be amended so as to make a provision which both industry and charitable sector bodies have requested, namely, the provision for fees in respect of a perpetual trust to be deducted from real capital growth of the fund as well as, or in the alternative to,

deducting fees from income. So, where the capital value of the fund is increasing in real terms, the preservation of capital is not threatened by the deduction of fees from the capital growth.

However, it is proposed that the trustee be obliged to disclose, on request, the method of apportionment of the fee as between the income and capital so that this can be subject to the scrutiny of the properly interested person and, if necessary, of the court. Also, the fee may only be taken from the capital growth which has occurred during the period to which the fee relates.

A number of issues need consideration. I know that the Minister (and I say this in a bipartisan way) is totally on top of this issue, particularly Sir Samuel Romilly's case, and we have pleasure in supporting the modernisation of this legislation.

The Hon. I.F. EVANS (Minister for Industry and Trade): I thank Opposition members for their comments and their support for the Bill. In fairness to the House, I will update members on some of the amendments that occurred in the other place and their effect. The amendment to clause 5 substituted the phrase 'have regard to' for the present 'take into account'. The purpose of this change was to make clearer that the trustee is not automatically obliged to do what the advice or information suggests or proposes, and to make the wording consistent without using section 9 of the Trustee Act which lists the matter to which a trustee must have regard in exercising the power of investment.

The trustee is to consider the submission on merits. Of course, the trustee may sometimes have proper reasons for declining the advice and not acting on the information: it would depend on the circumstances of the case. The aim of the provision is to give the interested person a right to make submissions to the trustee and to require the trustee properly to consider whatever is put. Both the member for Spence and the Leader of the Opposition in their addresses have addressed that point.

There is no doubt that the contribution of trusts and their management is an issue that is gaining some prominence within the community. Through my experience in Apex I recall that, through their charitable trust, the Apex Foundation, which managed about nine different trusts, there was ever increasing pressure on the performance of the trust and the transparency of the trusts involved. Therefore, I certainly welcome the bipartisan support of the Opposition and of those members who spoke to the Bill and thank members for their contributions.

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

GEOGRAPHICAL NAMES (ASSIGNMENT OF NAMES) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 29 July. Page 1927.)

The Hon. M.D. RANN (Leader of the Opposition): The Opposition supports this legislation which seems to be a sensible way to deal with problems arising from the realignment of roads, for instance, and when a place has dual names, and therefore causes confusion. It also appears to us to streamline the process of assigning geographical names when the change is minor and non-contentious.

Of course, probably the most contentious area we have seen in recent years relates to the names assigned to electoral districts. I am very pleased that the member for Spence has been campaigning for some time to have more easily identified geographical names given to areas. When first elected to this Parliament in 1985 and elected as the member for Briggs for an area covering most of Salisbury, I was constantly asked on a daily basis, 'What is Briggs?' 'Where is Briggs?'—

Mr Foley interjecting:

The Hon. M.D. RANN: —or 'Why aren't you called the member for Salisbury or the member for eastern Salisbury?', as it then was. As the member for Hart points out, he continues to have that problem as the member for Hart. As the member for Ramsay, people are constantly asking why we have names—

The Hon. M.H. Armitage interjecting:

The Hon. M.D. RANN: The member for Adelaide says that he does not have that problem. People know where his electorate is, albeit for a short term, with his long-term vacation coming up soon. There has been confusion caused, and I am pleased that the recent electoral redistribution resulted in some more names which are much more compelling in terms of local residents.

I am concerned that the Bill does not make clear how the Minister is to be satisfied that a particular change is minor and non-contentious as opposed to being major and controversial. I ask the Minister to explain that now or in the Committee stage of the Bill. I am conscious that the Bill places a special onus on the Minister in terms of the application of its provisions and that the Opposition will be monitoring closely the performance of the Minister in the administration of the Bill. It seems to me that the central point in going through the various changes recommended by amendment is that the consultation process has been expanded.

The Bill provides that the Minister must give written notice of the details of the proposal to each local council likely to be interested in the proposal, inviting them to make written submissions to the Minister in relation to the proposal within one month of receipt of the notice and must cause to be published in the *Gazette* and in the newspaper circulating in the neighbourhood of that place a notice that gives details of the proposal and invites interested persons to make written submissions to the Minister in relation to the proposal within one month of the publication of the notice. The Minister must, in making that decision, take into account any submissions received.

There was a consultation process involved in the current legislation, as I understand it, which required the Government to consult locally, but there was not a specific provision in terms of consulting with the local council. I know in my own area and in the Salisbury area, there are some people in Salisbury North who want the name Salisbury North changed to Windermere, and other proposals currently exist for other areas. In part of Salisbury East there was a move to make it Manor Heights and Manor Farm. It is very important that consultation occurs with not only local residents but also the local council, because there are many historical aspects in terms of dedicating a particular name to a particular area that must and should be taken into account.

Given that the Minister is very much on top of this issue, as I know he is, could he make clear how the Minister is to be satisfied that a particular change is minor and non-contentious rather than major and controversial? Perhaps if the Minister could explain that, the Opposition, with its

current attitude of bipartisanship on most issues, will support the Bill.

The Hon. M.H. ARMITAGE (Minister for Government Enterprises): I thank the Leader of the Opposition for his contribution and indication of support. In speaking to the Bill at this stage, I identify that the minor processes will be for literally minor matters, such as new subdivisions or where there are minor changes to infrastructure leading to access issues. They will be determined to be minor by their scope and where there has been a process and all affected parties agree in writing. If there is no agreement, they will not be considered minor.

The Hon. M.D. RANN: The Opposition is happy with that assurance.

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

SUPERANNUATION (VOLUNTARY SEPARATION PACKAGES) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 29 July. Page 1925.)

Mr FOLEY (Hart): I support this legislation. It originated in another place and it is important for the Opposition to support this legislation. It simply gives members of the State superannuation schemes, who choose to take a voluntary separation package, access to a portion of their pension from the age of 45 onwards, as an added incentive for some members in the public sector to take advantage of a voluntary separation package. We have been advised by both the Public Service Association and the Police Union, in respect of the next Bill we are to debate, that they support it.

I have one question to put to the Minister, and I am happy to put it at this stage as distinct from the Committee stage. This will not be a difficult question, because the Minister is a trained economist and a former member of the elite South Australian Centre for Economics. He is the Treasurer's representative in this House and somebody, so I am told, of enormous economic credibility in financial management. Could the Minister turn to page 3 and explain the formula on that page? If he can do that satisfactorily, I will be happy for the Bill to proceed.

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): I thank the member for Hart for his contribution and also advise him not to get too carried away about my ability in terms of a revered economist. This Bill, as the member for Hart has suggested, will improve the superannuation benefits for those public servants undertaking a voluntary separation package. The arrangements that previously existed had moved to a stage where it was not as attractive for somebody to take up a VSP. The superannuation benefits out of that were not as attractive, so this enhances the benefits for those employees deciding to take a VSP.

The formula to which the honourable member has referred appears about two-thirds of the way down on page 23, indicating the amount of benefit available to a person taking a VSP. I think the symbols are fairly well spelt out for the honourable member, and it is simply a matter of fitting in the figures. He should be able to manage that, given that he is the shadow Treasurer.

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

POLICE SUPERANNUATION (INCREMENTS IN SALARY) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 29 July. Page 1926.)

Mr FOLEY (Hart): This Bill simply provides the same set of arrangements for police superannuation for which, as members would be aware, there is separate legislation. The comments that were made previously fit here. It simply allows those people aged 45 and over who wish to take a voluntary separation package if it is available also to access a portion of their pension. It does not cost the taxpayer, and neither does it breach any Commonwealth guidelines with respect to superannuation. It is a modest but useful reform, and the same applies for the Police Union and for police officers who wish to avail themselves of a VSP, should it be on offer.

It is a further indication of the Opposition's bipartisan spirit with which we continually operate in this Chamber that this is now about the fifth Bill in a row that has met with both Government and Opposition support. Perhaps this will send a simple message back to members opposite that, as much as they portray us as an Opposition that stands in the way of this Government, indeed, quite the opposite is the truth. We are an Opposition that will stand for matters of important principle and clash vigorously on those but, when it comes to the important elements of moving this State forward, the Opposition stands with the Government to do the right thing. This measure is yet another example of that. With those few words I am happy to see this Bill go through to the third reading.

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): I thank the member for Hart for his contribution and the Opposition's support for both the superannuation Bills. This Bill is required as a consequence of a new incremental salary structure which was introduced in the 1998 enterprise agreement and which needed to be incorporated into the legislation with respect to superannuation. With those few words, I thank the Opposition again for its support and commend the Bill to the House.

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

Mr HAMILTON-SMITH: Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

EMERGENCY SERVICES FUNDING (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 25 March. Page 1304.)

Mr FOLEY (Hart): My colleague the shadow Minister for Local Government and Minister for Emergency Services, the member for Elder, will be speaking on this Bill as the Opposition's lead speaker, but I rise to speak as the first speaker, without being the lead speaker. There is a distinction between the two; if anyone is confused, bad luck! The Select Committee on the Emergency Services Levy tabled its report today. As a member of that select committee I will talk in some detail about the recommendations of that select

committee report, and my colleague the shadow Minister will talk in further detail. For those members who are yet to read it, this select committee report is available from the clerks of the House. I suggest that all members get a copy of it before they speak on this Bill, because there are some important findings and conclusions and significant recommendations.

As members would recall, when this legislation first went through the Parliament we were supportive of the notion that a more equitable way to collect money from the community should be considered, as distinct from the way it had been done previously. At that time the Government was saying that roughly what we were getting previously we would be raising in this legislation but that we would simply be raising it in a more equitable and efficient manner. On that basis we supported that legislation, but one should know better than that. One just cannot take this Government on trust. Taking this Government on trust is a very risky exercise indeed. You would have thought that after six years in this place somebody like me would know better, and I will have to reprimand myself for that.

The reality is that, in line with the findings in our report and published in the budget papers, this tax will raise $141.5 million. When we look at what was being raised previously we see that, in the 1997-98 year, between $46 million and $49 million was collected from the levy on fire insurance. Then, a component of local government moneys to the tune of approximately $13 million and a similar amount from the State Government in that year brought us to about an $82 million pool of money that was funding a certain set of emergency services. Had this Government still applied the old methodology, the budget figure for the year 2000 would have been about $100.2 million, the extra picking up the requirement to fund a Government radio network. But, what do we see? This tax is coming in at $141.5 million, so there is a $45 million greater take from the community than would have been the case had that old methodology and formula been in place.

We have to break down that $45 million to see how much of it will be additional revenue to the Consolidated Account. We find a number of disturbing features, and I will go into more detail about this later. We find that a large proportion of that money will go towards the actual costs of collecting the revenue—and we are talking a figure of many millions of dollars. Then we have a figure in there for the Government radio network contract, which I will talk on in more detail in a few moments.

At the end of the day there is a $9.6 million bottom line improvement to the budget. The Government with its rhetoric talks of having to raise more money for emergency services, the demands on Government to provide emergency services, and the fact that you get the emergency services that you pay for. All of that is absolute claptrap, because this Government is providing no new services.

The select committee report uncovered the startling revelation that very little, if any, new money is going into any substantial increase in the provision of emergency services. It is paying for what we were already paying for and should be paying for. It is paying an extraordinarily large amount for collection costs, but what is the big ticket item in all of this? The big ticket item is the Government radio network contract, which will be taking up $250 million over a seven year period. That is the only new benefit that the community gets from this quite significant tax.

Members opposite will say that we need a new radio network, we need to have the best available and we need a very good communication system. We have no argument, but do we need to have a system as is being put in place in this State and which will cost $250 million—a quarter of a billion dollars—and a system which, as we know from the Motorola affair, was not competitively tendered for? We did not have a full and open competitive tender arrangement where the best technologies were considered.

Rather, we had a Government commitment to Motorola prior to any proper tendering process—a process undertaken in 1994—and we are now seeing that technology arrive as we enter the year 2000; it was a decision by the then Minister, now Premier, to give Motorola an exclusive contract without proper tendering, which has locked us into some proprietary technology, as a result of which we have no flexibility, with the bottom line cost to the taxpayer being some quarter of a billion dollars.

Many will say that that is not new news; indeed the issue has dogged this Government for the best part of two years and it will continue to be an issue for this Government because of the very reckless decision by Premier Olsen, then the Minister, to sign away this contract to one company.

I would argue quite forcefully that this has meant that ordinary households and ordinary families in South Australia—people who can least afford it—are being hit with that bill. And for that the Government should be ashamed. As we went through the select committee process we saw the Government up to its old tricks again. I talked before about not being able to trust this Government, but when we look we find that all sorts of things are being swept into the basket of services that are being funded by the emergency services levy. We find a figure of $23.8 million, which includes emergency services costs incurred by the South Australian Police, the ambulance service, DEHAA, and the State helicopter service. It is as if they went around government and said, ‘What can we bring into the mix; what can we bring into the basket of services that we can tag "emergency services"?’, which then relieves the Consolidated Account from having to provide that money.

At one part of the select committee inquiry we had the Police Commissioner and his senior officers with us, and we learnt that there was a whole raft of policing activities of which we were not aware but which were being included in the Emergency Services Fund. We discovered other interesting things, too. Despite the Government’s own printed pamphlets which went out to every household in this State saying that ambulance services would not be paid for from the Emergency Services Fund, what do we find? That is exactly what is happening—not all, but some. A component of ambulance funding is coming from the emergency services levy, despite the Government’s own printed literature saying that that would not be the case.

There is no doubt that taxpayers—ordinary South Australians—are being hit with a tax far in excess of what they should be hit with and far in excess of what this Parliament was told would be the impact of this legislation, and this Government finds itself in a position where it is the only way that it has chosen to pay for this Government radio network contract, this disgraceful piece of over-expenditure that is causing and will continue to cause so much monetary pain in the community—a quarter of a billion dollars. We could have contracted Optus to have a half share in a satellite for something less than a quarter of a billion dollars. It is an extraordinary sum of money.

There are a number of conclusions in the legislation that were agreed to, although not by all members—there were

some dissenting voices and I will let them speak for themselves. There are a number of important recommendations that should be implemented. Whilst 'amusing' is probably an unfair word to use, we had a briefing on the role of the Advisory Committee on Emergency Services. In our recommendations we are calling for that committee to be abolished and certainly removed from statute and for the levy to be referred to the all powerful Economic and Finance Committee of the Parliament.

That advisory committee, as well intentioned as are the people who sit on it and as highly competent in their areas as they are, is a committee with no power. It has no power to advise Government in terms of making decisions; it has no power to recommend any significant alteration to the sums of money that are being raised through the levy; it has very little ability to influence the allocation of money; and it has no ability to speak publicly or to criticise. It is a body that this Government wants to cling to because it believes that it gives it a level of comfort with this impost or taxation measure. The people who serve on that committee perhaps have better things to do with their time than to be used in the manner in which this committee is being used by the Government. It does not utilise the skills of the people involved.

If the body was independent of Government, had real muscle and was able to have other powers, it may well be worth looking at. However, this committee essentially gets told by the Government how much money it intends to spend on emergency services; the committee reviews it, and ticks it off for the Government; and it finds its way into the budget—a very unsatisfactory process.

There are issues to do with non-contiguous farming land which should be picked up. It is important to note that the Labor Party was at the forefront of pushing the issue of non-contiguous land. I do not know where rural members of the Government were on this issue, but the member for Elder and I, together with the member for Chaffey, were at the forefront of making sure that that issue was addressed and to ensure that rural constituents in this State were treated better. It seems always to fall to the Opposition and the Independents to lead the way when it comes to the rural and farming communities of this State.

We addressed some issues about historic and left-hand drive motor vehicles, and it would be fair to say that we felt that the case was put quite well by the people involved in those groups and we have made some recommendations in that respect. I will let the member for Chaffey talk about recommendation four, which refers to a review of the current levy weighting factors. Recommendation five details investigations into reducing costs of collecting the levy. I have to say—and this is not a reflection on Revenue SA, which does a fabulous job in the work it has to do—that the cost of $9 million in the first year to raise $141 million is an extraordinarily large amount of money for a collection service.

Our report did find out that little, if any, real work was done to look at the option of local government's collecting this fee, this tax. Local government told the committee in evidence that it could do it more cheaply. It did not provide sufficient evidence to sustain that submission, but then again we did not ask it to come with that. However, it strongly believed that it could do it for considerably less than the Government is doing it for. At the very least, I would like that to have been tested and worked through far more thoroughly. But $9 million to collect $141 million is too high an amount, and we recommend that it be worked through. Recommendation six states:

> The Government should consider ways of giving greater relief from the levy to low income earners and pension recipients.

There is this bizarre notion that because a rebate factor is included that means pensioners get out of this well. The bottom line is that pensioners are paying more for this service than they were before; they are paying a higher tax than they were before, notwithstanding the rebate, and that is unfair. We recommend that work should be done to look at that situation.

We are also saying that the Emergency Services Funding Act should be looked at being further amended to revise the criteria—and this is important—for establishing whether a service is funded from the Emergency Services Fund. The Government has widened the net and has broadened the criteria to throw in just about anything it can find and term it 'an emergency service'. That naturally gives it significant further budget relief from consolidated revenue.

Probably the key recommendation is that we ask the Government to review its commitment to the Government radio network contract due to its high cost, and examine options for lower cost solutions to remedy existing communication problems. That is the essence of it. We are having such a large tax because this incompetent Government put us in a position where we are paying in excess of $250 million for a Government radio network contract. We are simply asking: can we review that contract; is it possible to modify it; and is it possible to reduce the cost of it? I do not know. The Government obviously has contractual commitments, but we simply want the Government to make the effort to consider what options may still be available to minimise and reduce, if possible, the cost of that service. Of course, to do that will reduce the cost to the taxpayer.

Good work was done by the committee. I congratulate all members of the committee, including Government members, on their work. At the end of the day common sense prevailed. Even the Government members found it very difficult to argue against many submissions that the Opposition and the Independent put forward because they were decent reforms.

In conclusion, I want to comment on what this tax will mean. It is clear that the member for Mawson is, no doubt, regretting the fact that he has inherited this tax. The member for Mawson will leave this Parliament, most probably at the next election as the defeated member for Mawson, and when he looks back on his career, as he takes the long drive home on the Saturday night of his election defeat and sees all those posters down South Road that say, 'Would you vote for the tax man, R. Brokenshire?', he will reflect on the fact that this tax cost him his seat in Parliament—and that is a reflection of community anger with this Government for forcing upon it such a significant tax impost. It will be incumbent upon the Labor Party to ensure that all residents of Mawson understand who delivered this tax to them: it was the tax man. That name has a ring to it, and I suspect it will be ringing in the ears of the member for Mawson long after he has lost his seat in Parliament due to this tax.

Mr Conlon interjecting:

Mr FOLEY: He will be swept from office on the back of this tax; there is no doubt about that. I think the member for Stuart is sufficiently experienced in all things political and he knows the impact of this nasty tax and what it means to the constituents he represents. It will affect all members opposite

and I just think that, at the end of the day, this tax will be a major blunder for this Government.

The Hon. M.D. RANN (Leader of the Opposition): It was 18 months ago that this House was told by the then Minister of Emergency Services that we needed a new and fairer way of collecting the emergency services levy than was then collected through a levy on insurance premiums. We were told that this would be more equitable; we were told that this was a fairer way of collecting the money; we were told that it would make sure that people paid their fair share and would not just hit people who insured their property; we were told it was just a better way of collecting what was collected before. That is what we were told; that is what the Parliament was told; that is what they said on the talkback shows; that is what they told their constituents. They said that it was just a better, fairer way of collecting what was collected before. That is the basis upon which this tax proceeded through the parliamentary process.

But then came the revelations about the Government radio network. The Premier and his Government had done it again: the Premier had cut a deal, the Premier had signed a contract, and the taxpayers were going to pay for it. Motorola had brought its Australian software centre here, but it was also going to do something else for us: it was going to supply a large slice of the Government radio network contract—and this contract was huge. In fact, we have since been advised that in total the Government radio network contract is closer to $250 million—it blew out by a figure of more than $100 million. The Premier, of course, denied that Motorola won this work in some kind of sleight of hand, side deal.

Sure, he had written letters with offers to the company; sure, he had given the company specific as well as general assurances; sure, he had written a Cabinet submission asking for a variation in the incentive package Motorola was given to come here; sure, there was not the usual tender process; and, sure, we had chosen proprietary technology that meant that Motorola and only Motorola could supply it, in other words, locking ourselves onto an escalator, locking ourselves down the one company tunnel that would lead to more and more going Motorola's way. Sure, we had selected an analog system when everyone else is going digital.

But the Premier still assured us, despite all the scandals, scruffy deals, being caught out and privileges motions, that this was a good deal for South Australia; that all was really above board; that it just did not look that way. How was the State going to pay? How was the taxpayer going to cash the cheques that the Premier, both wittingly and apparently unwittingly, had written and signed? That all became clear when the budget came down and the Government hoped to disguise it with an ETSA tax and with the GST—all around the same time; let us confuse the acronyms; let us roll it in. The public will think perhaps that it was the Federal Government's tax or as a result of the non-sale of ETSA or what have you.

But, instead of collecting the $50 million or less the previous levy had collected, we saw this massive emergency services levy come in at a whopping $141.5 million. The emergency services levy is really an Olsen Government waste and mismanagement tax designed to cover the cost of the Government radio network which has blown out by $100 million—and still counting.

The emergency services tax, the EST, was announced at the same time that Australians finally learned that they were also going to face a GST from Canberra: two massive Liberal family taxes designed to hit people where it hurts. The EST is an impost of $150 to $200 on households. It is a tax on everything a family owns or wants to own—the family home, the family car, the family boat and caravan, and even the trailer. Nothing escapes the net. This tax is yet another Liberal broken promise and it is another broken promise for which the Liberals will pay dearly, but unfortunately so will South Australians.

Today the Government has been told by a parliamentary committee, following its examination of the hefty new emergency services tax, to investigate whether it is possible to get out of the $250 million Government radio network. The report by the select committee into the tax was tabled this afternoon, although the Government wanted desperately to table it tonight so it would miss the television news, which is typical of the hit and run, tax and run, and tax and hide Government and Premier, who cannot face reality. Where is he today when his tax is being debated in this Parliament?

We were told 18 months ago that this tax would be a more equitable way of collecting the same amount of money. It was written in the contract. How many times have we been told that by this Government and how many times does it get caught out and caught out again? The select committee has found that the new tax is not about a better way of funding our emergency services such as fire, police and ambulance: it is about fixing up the Olsen Government's mistake over the disastrous radio network.

In concluding, before the principal speaker the member for Elder speaks on this matter, let me say this: this levy will be known as the political gravestone of the Minister now responsible for it, the member for Mawson, because I will make sure that every single household in the electorate of Mawson knows that this is the Brokenshire tax. This will be known as the Brokenshire tax. We will make sure that every one of his constituents, when they face the tax on their cars, boats and trailers, knows who was responsible. The campaign starts now. Since the last election, when this Government suffered a 9.4 per cent swing and lost 13 seats, there has been road rage from this Liberal Government and some of its friends in the media, who have never really understood what is going on. I make this promise: that was not a king hit, that was a pulled punch compared with the king hit that this Minister, the member for Mawson, and this Government will get for the deceit and dishonesty surrounding the introduction of this tax.

The SPEAKER: Order! Will the member for Elder confirm that he is the lead speaker?

Mr CONLON (Elder): I am the lead speaker for the Opposition.

The Hon. G.M. Gunn: Unfortunately.

Mr CONLON: The fact that the member for Stuart does not like that fact will only encourage me. I rise with unusual keenness to debate this Bill and those matters of the report of the Select Committee on the Emergency Services Levy which are so closely linked to this Bill. The Opposition has been particularly helpful with respect to the business of this House by agreeing to debate the report along with the second reading and therefore expedite both matters.

I am keen to speak on this because I want to clear up a number of misconceptions that have been raised about the emergency services tax in the community by the Government and the Minister. When we in the Opposition were criticising the huge tax grab associated with this measure, it was said over and over again that we were hypocrites because we had

supported its introduction in this place. This is a very opportune time to make clear what we did support and what sort of undertakings were given to us and to the people of South Australia when this new tax was introduced a year ago. The truth is that what we supported, and what we will not run away from, was the fact that the old system of funding emergency services by insurance premiums contained a number of inequities and that it would be good public policy, it would be fair and more equitable, to change that system of funding to a more equitable one.

We supported that just as, whenever there is a matter of good public policy to be debated in this place, the ALP lines up to support it. We would be irresponsible not to support a more equitable system of funding and we were told that that was precisely what the emergency services levy would be—a more equitable system of funding. We had our suspicions about the Government and about whether it would use the levy to cover holes in its budget, to cover difficulties that had arisen for the Government. Therefore we sought an amendment to the Bill when it came to this place a year ago to allow proper scrutiny of it. The scrutiny we suggested was through the Economic and Finance Committee of the Parliament. That was defeated, and I am glad that the member for Stuart is here, because he spoke against it and suggested a different system of scrutiny. It is particularly ironic that one year down the track, having had the experience of this Government and its trustworthiness in raising the tax, a select committee of the Parliament has recommended future scrutiny by the Economic and Finance Committee of the Government in the setting and raising of the levy. All I can say to members of the Government on the other side is, 'Weren't we right? You weren't to be trusted.'

The community has been misled by the Minister's persistent statements that we supported the measure so we should not complain. As I said, we supported this measure with the proviso of that amendment and with the assurances of the Government and some of its then backbenchers. When this matter came before Parliament in a previous session, on Tuesday 21 July 1998, the present Minister for this tax was then a backbencher, and he gave us the assurances we needed that it was simply about a more equitable system of tax. I refer to what was told to the House by the member for Mawson. These are the assurances that we were given:

> One of the things that I have spoken to the Minister about is my hope that, when things settle down and we know exactly what is happening with respect to the net cost to each landowner and the owner of any property, real or otherwise, there will not be a major net increase. I have been assured that that will not be the case. I would assume that it would not be the case given that 30 per cent more people will be brought into the net to spread the risk and the costings. We all know that insurance is all about numbers—the more people who are insured, the cheaper it becomes per head.

It is a good thing that we did not rely on the assurances of the then backbench member for Mawson, now the Minister for this tax, that it would be cheaper because there would be more people paying it. The simple truth is that, under the old fire insurance levy premiums—and we can argue about all the numbers in the report—$56 million was collected in the last year of operation, which was an extraordinary year because of the repayment of Country Fire Service debt. In an ordinary year it would have collected $49 million.

The new more equitable system, the one that will be cheaper because there are more people paying, will raise the tiny sum of $141 million, which is significantly different from $49 million. Why does it do that? One of the things we do concede is that, whether or not this new system is introduced, there will be a very big hike in the cost of emergency services. That very big hike was associated with this Government radio network.

We are told that even without the introduction of the levy the total contribution from the fire insurance premiums in levels of government would have risen from $80 million to $100 million a year. A dreadful truth has emerged from this select committee and its investigations, and that is the enormous cost to the people of South Australia of John Olsen's dodgy deal with Motorola. The people of South Australia are paying for it through the nose and will continue to do so. If members want to know why the emergency services levy is so high, they need look no further than this document, Mr Cramond's report into John Olsen's dealings with Motorola. Let me canvass just what occurred.

John Olsen wrote in 1994 a letter that subsequently attracted the criticism of the Auditor-General; a letter that subsequently, on the advice of Crown Solicitor Andrew Jackson, tied us into legal obligations towards Motorola. That letter ended in our being tied to a Government radio network worth $247 million—a quarter of a billion dollars. That is enough money to upgrade the Queen Elizabeth Hospital three times: $250 million from a Government that has since 1993 consistently cried poor and tried to blame everyone else.

One of the obvious recommendations of the select committee into this matter was the earnest imprecation, the pleading, for the Government to go away and examine whether there was any way out of this dreadful arrangement. Through a letter of 1994 we are tied to a contractual arrangement that makes people around Australia shake their heads when we talk about it.

We are tied to a $247 million radio network for which the people of South Australia are paying through the nose by way of this new tax. And all this because we had a Premier who, when he was Minister, thought he was a fly fellow who could do a good, sharp deal for South Australia. It has turned out to be a really good, sharp deal.

Mr Koutsantonis: A doozey!

Mr CONLON: It is a doozey, as the member for Peake says. There is another reason why the levy is so high. As has been pointed out by the report of the select committee, the Government has been very keen to use this to give itself relief in terms of consolidated revenue. The members of the committee are candid about that. The select committee members have pointed out that they believe the Government has given itself a very high contribution towards consolidated revenue in a back door way through this levy and, again, the people of South Australia are paying for it. It raises the issue—one of the other things that was canvassed in the select committee—of what they were paying for. One would think that, with this extraordinary leap in the public's contributions through emergency services, they would be getting just a little bit extra for their dollar. But they are not.

There is virtually no change in the operational budgets of any of the emergency services. However, a few pretty swift things have occurred. I have spoken at great length in this place and outside about the disgraceful state of police numbers and the disgraceful budgetary situation in which they find themselves, about the disgraceful lack of any priority given to the police by this Government and about the fact that the Minister is merely an apologist for his Cabinet, which has persistently cut their budget. The Minister, out of loyalty to his Government, is prepared to go out and argue that black is white in terms of police numbers, day in and day out, and talk about smarter policing. One would want to be

Einstein to work with the money that this mob gives them! I do not know about smarter policing.

But the police actually got something out of this emergency services tax. Originally, it was going to be $9 million. It was said that the component of the police budget that is emergency services was $9 million. That was the first estimate by a steering committee, but that was not enough for this Government. It said, 'Are you sure you've estimated that properly? Go and look at it again,' and when they came back it was $16 million. It is amazing what a second look can do: you can find things that you never thought were there. So, it was an extra $16 million for the police.

Some South Australians would not have complained about that if the police budget actually got something out of it. However, $16 million extra went through this tax and the Government reduced its contribution from consolidated revenue by—guess what—$16 million. This is the most vicious, deceitful and underhanded method of taxing people that we have ever come across. The Government will not 'fess up' to its being a tax. During the Estimates Committee, over and over we asked this Minister questions about his tax, and he was terribly sensitive about it. He said, 'No, it's a levy; it's not a tax.' We have relief of $16 million to consolidated revenue that used to fund the police out of this levy; an extra $13 million a year is paid into the coffers for the incredibly overblown radio network contract; and there is funding of things out of consolidated revenue that were never funded under the old system; but it is a levy. Please! The people of South Australia are not that stupid—although they did elect the Government.

The process of the select committee (and this is a good time to indicate this to the House) has shown that there need to be a number of amendments to this legislation, and I foreshadow that when this Bill reaches the Committee stage a significant number of amendments will be moved. The first is to do what we sought to do a year ago, the wisdom of which has finally been accepted, that is, to have a parliamentary committee scrutinise the setting of the levy funds each year.

One of the other things that the select committee identified and has commented upon is that, as can be shown by the example of the police, this Government has done whatever it can to find something and describe it as an emergency service and then fund it out of the levy. So, amendments will be brought to this place to attempt to revise the criteria for establishing whether a service is an emergency service and to define it more tightly.

One of the things about which we on the select committee were staggered was when we asked how it was determined that $700 000 of ambulance service costs would be funded from the levy. We said, 'How did you determine that they were an emergency service?' and the answer was that they wrote to the ambulance service and said, 'Do you have anything that is an emergency service?' They wrote back and said, 'Yes, $700 000 worth.' We asked, 'What is it?', and they gave a vague sort of answer, but the truth is that they wrote off to the ambulance service and said, 'Can we describe anything as an emergency service? Please find something for us.'

They found something, gave them $700 000 out of the levy and then, true to form, reduced funding from consolidated revenue by $700 000. You really have to admire this mob. You would not want them to be your bank manager: you would never get an overdraft. You would not get anything out of them.

The one area to which we can point where they have done a bit extra with the money, as I understand it, is the Country Fire Service. It got a fantastic deal. We went from $49 million on a levy to $141 million on a tax system, and the CFS will get six extra employees as a result, I am told. Those are some pretty expensive employees, I humbly submit.

A number of other amendments that will be moved are relate to non-contiguous farming land. The selection committee took a very fair approach to this, and I commend the Government members who agreed with those matters that were raised by the member for Chaffey and others in the select committee. It is true that some farmers own several blocks of land, some of which are not necessarily contiguous but which may just be a few hundred yards up the road, and it is fair. I think of my own experience, particularly, with some of those old dairy blocks in the South-East that were settled by war veterans, from memory. It seems fair to give those people some relief from the weight of this tax.

One of the recommendations which is most keen to my heart and which has come from the select committee is the recommendation in terms of low income earners and pensioners. Despite all the protestations of the Minister and the Government on this, it is absolutely manifest that almost everyone is paying more and that the burden falls most unfairly on those who have a few assets but who could only be considered to be extremely income poor. I do not—

Mr Koutsantonis interjecting:

Mr CONLON: I am told that there are some such people. The Minister has told us that it is not all bad news—some very wealthy people in North Adelaide who have very expensive properties will be better off. This bloke could win the salesperson of the year award, could he not? I am sure that that pleased the people in North Adelaide and outraged almost everyone else in South Australia who is paying this new tax. I have a lot of very old people in my electorate who believed that, if they worked hard all their lives and bought a house, they would survive on the pension when they retired. Many of those are now older women living alone and they have suffered under this Government and the Federal Government over the past few years. They have suffered because of the cuts to the pharmaceutical dental scheme and increasing costs for which they have received very little compensation. They simply cannot afford this new impost.

The truth is that people who did insure their homes were paying between $25 and $35 for a fire insurance levy. Those people are likely to be paying between $100 and $120 now and the Government is giving back $40. Of course, if they do own a vehicle—which is becoming increasingly difficult given the increased costs of registration and insurance from this Government last year—they will also be paying $32 extra. I think this Government misapprehends those people. They do not have any more to give or to spend. When the pharmaceutical benefits scheme changed some of those people lost a dollar or two a week and they had to adjust their food budget by a dollar or two a week. There is no fat left: they live from week to week; they have nothing else to give. It is particularly heartless of this Government to make those people pay more for its $250 million radio network.

One of the recommendations we urge most strongly upon the Government is to consider ways of giving greater relief from the levy to low income earners and pension recipients. It was put to me by one of the Ministers on the select committee that we must think that they do not have pensioners in their electorates. I do not think that at all, but I do think that they are not in touch with how some of these people are

suffering and that they do need to get in touch. If we as a Parliament cannot do something for those people, I do not know why we are here. There will be a series of amendments to this legislation at the Committee stage. I note the time, but it may well be that we will have more to say at that stage. However, I am sure many of my colleagues on this side would also like to excoriate the Government on this matter.

The Hon. G.M. GUNN (Stuart): I welcome the report of the select committee. I have been following this particular proposal with a great deal of interest. Let me say to the honourable member that I may have had some influence in relation to a number of the amendments which have been circulated and to which the Government has agreed.

Mr Conlon interjecting:

The Hon. G.M. GUNN: Yes. Let me say that there is no benefit to me personally. I am most concerned about my constituents who have faced the most difficult economic circumstances that any group has had to face in a very long time. The fact is that they do not have the resources to pay any more. I make it clear that I have been conducting quite strenuous negotiations with the Government in relation to a wide ranging number of changes to this proposal.

Mr Clarke interjecting:

The Hon. G.M. GUNN: I am being very cautious in what I am saying because I want to make sure—

Mr Conlon interjecting:

The Hon. G.M. GUNN: As usual, the honourable member for Elder cannot help himself; he relies purely on sarcasm and personal denigration. He wants to cloud the issues. The fact is that the select committee, as I have found with most select committees, has diligently gone about its business, taken evidence and put forward a considerable number of improvements to this particular legislation. I want to make clear that I do not have any problem with having a fairer system, but my clear understanding was that a fairer system would ensure that people who were not making a contribution towards emergency services would make a contribution and people who were insuring overseas would be caught. There was also a suggestion that people who were under-insuring would make a fair contribution.

Let me make it very clear: I believe that a number of my constituents probably would have under-insured because they did not have the financial resources to pay the full insurance premium. Currently, just under 600 families in my electorate have applied for exceptional circumstance funding from the Commonwealth Government. They are not having a very good year. We have a situation where wool prices are at their lowest for decades, yet their costs are continuing to increase. These people are having a battle to survive.

Mr Foley: What about lamb?

The Hon. G.M. GUNN: The prime lamb producers are in a slightly different situation. I could talk about that, but I will let the member for MacKillop do so. Most of the people to whom I refer are not in the situation of being able to grow prime lambs because they are in more marginal country. I am very concerned about the amount of money which will be collected. I think that emergency services should be reasonably funded. I think we have to be very careful that we do not allow people with the best intention and the greatest enthusiasm for what they are doing to go overboard with equipment. I believe that they need good, adequate and reliable equipment, but we have to be very careful that we do not go overboard. Every group that I have come across as a member of Parliament can always justify and put forward very cogent arguments why they should have more money. However, when it comes to raising the revenue, most people want someone else to pay.

I am not saying that my constituents should not make a reasonable contribution, but I am of the view—and I hold this view very strongly—that the amount which will be raised is too excessive and I believe it needs to be pruned back. I believe that the select committee's recommendations and report is a good result and I commend those responsible, particularly the Minister for Emergency Services, who, I understand, chaired the committee. I have to say that I will be participating in the debate in relation to—

Mr Conlon interjecting:

The SPEAKER: Order!

The Hon. G.M. GUNN: Can I say to the honourable member that all the amendments which we are currently discussing were going to be implemented whether or not we had a select committee. There have been some ongoing discussions in relation to this matter. Let me also say that I am very surprised at the amount of money which has been budgeted for its collection. I just wonder why that is so. I am personally of the view that the collection of revenue is a normal expense of Government. I will participate in the debate on the legislation when it comes before the Parliament.

Members interjecting:

The Hon. G.M. GUNN: Well, I will participate more vigorously.

Mr Foley interjecting:

The Hon. G.M. GUNN: We have the Committee stage, and I look forward to those discussions because there are a number of areas in it which I believe need further examination and consideration.

Mr KOUTSANTONIS (Peake): When I first heard of the emergency services levy, I was surprised to hear of the Party of low taxes and controlled spending bringing in probably the largest tax grab in South Australian history in one go under the banner of the Liberal Party. It is amazing for the Government to try to deny the fact that this is a tax. This is not a levy: it is a tax on every single person residing in this State, and the person who has been given the task of selling this tax to them is the member for Mawson.

We will begin the task of informing every single constituent in the seat of Mawson exactly why their member of Parliament thinks that the best thing for them to do is pay up to $140 dollars, nearly $100 more than they have paid in the past, in providing for a mistake made by the Premier. This Premier is the one who has locked us into this emergency services tax. This tax is about funding Liberal mismanagement and waste. This tax is about covering up John Olsen's mistakes. This all goes back to the handshake deal—the back door deal—that the Premier made with Motorola. To cover that mistake, to cover that error in judgment, one of many he has made, the people of South Australia will pay, and they will pay dearly for it.

No South Australian deserves to have a Premier like this making mistakes the way he has and then imposing a huge tax to cover his failings. This tax will be his crown of thorns. No South Australian will forget this tax. The former members for MacKillop, Chaffey and Gordon realise how dearly members with safe seats in regional areas pay for mistakes made by the Government, especially mistakes made by someone like the Premier. The mistake he made in signing off on a deal with Motorola has condemned South Australians until 2003 to pay this levy.

It really is covering up a mistake. We talk about mismanagement and waste, and we continually hear the Government bringing up the State Bank issue. This Government has imposed a tax because one individual in Government signed off on a deal before realising its implications. The member for Colton mentioned earlier that the money that the Motorola deal will cost could rebuild the QEH three times. That money is urgently needed as an injection into our public hospitals and schools.

Mr Conlon interjecting:

Mr KOUTSANTONIS: That's right. We cannot possibly have our hospitals working efficiently; this Government would prefer to spend money on a back-door deal made by the Premier. It is a disgrace!

I was talking with some police officers today about that mismanagement and waste that the Government is imposing on them. It has taken away another four-wheel drive vehicle from a regional area and changed the role of the officer in question into that of a highway patrol officer. It has given him a brand new Commodore with all the new sophisticated radar gear, and the local community thinks it has retained its police officer, but in effect his effectiveness to police operations has been removed, because he cannot go off the bitumen. This emergency services levy is meant to aid police officers in regional areas but the reality is that it will not. The reality is that what the Government is putting in as extra to the Police Force via the emergencies services levy it is taking out of consolidated revenue. It is a farce, a joke! The people of South Australia will not have the wool pulled over their eyes. They know exactly what this is, and they will punish this Government for it.

I have many families in my electorate who own more than one car and who have more than one property, but when they see the Minister responsible for the emergency services levy (the member for Mawson) go on television and say, 'But not every South Australian will be worse off; some will be better off. If you own a $400 000 home in North Adelaide, you will pay less,' they will be very unlikely to say, 'Thank you very much. That is so reassuring.' I am sure the people of Torrensville, Thebarton, Mile End, Lockleys, Brooklyn Park, Novar Gardens and West Beach—

Mr Foley: Peterhead and Birkenhead!

Mr KOUTSANTONIS: —that is right—and Port Lincoln will sleep well at night, knowing that the good eggs of North Adelaide in their $400 000 homes will be better off. It reassures me so much to know that some people will be better off. Those who can afford to be better off will be better off. This is an absolute disgrace. It has been the Labor Party which has embarrassed and humiliated this Government into making concessions. Had it not been for the Opposition, this Government would impose the emergency services levy at the full rate upon pensioners. If it was not for the Labor Party's putting pressure on backbenchers and the Premier, they would not have conceded once. We are the ones who have put the blowtorch to the Government. This Opposition has been functioning effectively, bringing the Government to account for its mistakes. But because of the election result and the sheer weight of numbers, this Government is getting away with murder. It is getting away with blatant fraud, as far as I am concerned.

Mr Foley: Don't hold back!

Mr KOUTSANTONIS: Well, I won't; you know me. This Government, through sheer weight of numbers, will ram through this tax. It will use it to pay for the Premier's mistake. It will make families suffer, and it will make the elderly suffer only slightly less because they will be getting a $40 tax cut, but not on cars or caravans. I have a number of constituents who are pensioners and whose sole plan for retirement is to travel across the country in a caravan, and they will be taxed for that right as well, but they are getting their $40 discount.

Mr Conlon interjecting:

Mr KOUTSANTONIS: That's right. The Leader of the Opposition coined the phrase 'wallet on wheels'. This Government is taxing people out of existence. As the member for Elder said earlier, there is nothing left. The Government has squeezed people dry. There is nothing left to take. Their comrades in Canberra are bringing in a GST, taxing low income families on their food and essentials. This Government is taxing them on their mode of transport, their home and their assets. What is left to take? What is next—a bed tax, a poll tax? This really is a poll tax by stealth. This is a tax on every household by stealth.

There is no way that this Government can hide what this is, but the person who will pay the greatest price for this emergency services tax is the member for Mawson. It will not be the Government backbenchers who will be swept from office. The member for Mawson will be the tax man who will feature prominently in every single Labor Party advertisement. He will be the person we hold to account for this tax. He only just held onto his seat at the last election, and I am sure he is looking for alternative work already.

I can say that the advertisements will be good. They will be fantastic. They will be unbelievable. I am sure the member for Mawson cannot wait to see them. Television advertisements will run 24 hours a day attacking one person—the only person who had not the courage but the stupidity to stick up his hand and say, 'Premier, I'll sell this tax. I'll do it.' But the price he will pay for it will be his seat. He said, 'I'll be a Minister and I'll sell this tax!' Well, I can tell you something, Mr Speaker: all his comrades are laughing. They could not believe their luck when they found someone to sell this tax. Our advertisements will be starting very soon. I seek leave to continue my remarks.

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

SURF EDUCATION PROGRAMS

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): I seek leave to make a ministerial statement.

Leave granted.

The Hon. M.R. BUCKBY: On 2 March 1999 I tabled information provided by the Department of Education, Training and Employment regarding the participation of non-government schools in surf education programs. Ms Elaine Farmer, General Manager, Surf Life Saving SA Incorporated, wrote to me informing me of a discrepancy between the departmental records of programs recorded as surf education programs and records of programs delivered to non-government schools through the Surf Life Saving headquarters.

In seeking a more detailed analysis of departmental records, it was indicated that the discrepancy arose due to the introduction of changed reporting mechanisms and forms during 1997. During the 1996-97 financial year, surf education programs were recorded as 'swimming programs' as the report form provided no way of distinguishing between swimming and surf education programs.

The figures related to service provision during the 1996-97 financial year indicate that programs delivered through Surf Life Saving SA are recorded as: swimming programs, 931 hours; aquatic programs, 8 hours; surf education programs, 65 hours. This totals 1 004 hours, and this is consistent with Surf Life Saving SA data. All these hours were for surf education programs. During the 1997-98 financial year, details of the programs delivered through Surf Life Saving headquarters concur with the data presented by Mrs Farmer, that is, 475 hours. However, there were an additional 35 hours of beach programs recorded as 'surf safety' delivered at Port Lincoln. This totals 510 hours and agrees with the information published in *Hansard*.

SELECT COMMITTEE ON WATER ALLOCATION IN THE SOUTH-EAST

The Hon. D.C. KOTZ (Minister for Environment and Heritage): I move:

That Standing Orders be so far suspended as to enable the report of the select committee to be brought up forthwith.

Motion carried.

The Hon. G.M. GUNN (Stuart): I bring up the report, together with the minutes of the proceedings and evidence, of the select committee and move:

That the report be received.

Motion carried.

The Hon. G.M. GUNN: I move:

That the report be noted.

Water resources in the South-East and elsewhere in the State play a strategic role in economic development and employment. Effectively managed, an allocation of water resources is critical to the long-term sustainability and welfare of those people who depend on those resources. The focus of this inquiry was to examine the method by which water allocations were granted in the South-East, to investigate the development of policy in the Lacepede Kongorong prescribed wells area and to develop a clear set of guidelines for the management and allocation of ground water in the South-East.

While it appears that many views on water allocation and the rights of existing land-holders to access water when desired are irreconcilable, it is evident that a sustainable use of the available ground water resource is imperative for the protection of the environment and the economic future of the South-East. Management of water resources is clearly a very important issue for many people in the South-East and indeed all South Australians.

The major recommendation to emerge from this inquiry facilitates a move towards a total market based system for managing water in the South-East, and this can only occur when all available water is allocated. To achieve this outcome, it is proposed that any unallocated water from the unconfined aquifer in the Comaum Caroline, Lacepede-Kongorong, Naracoorte Ranges, Padthaway and Tatiara prescribed wells areas be immediately allocated on the basis of hand holding. Once allocated, the water becomes a personal property right and is able to be permanently or temporarily traded, consistent with the water reform principles of the Council of Australian Governments. Trade will be encouraged through the imposition of a rent for water allocation.

I would like to thank all people who have participated in the inquiry, especially those in the South-East, witnesses and those people who provided submissions. I would also like to thank all members of the committee for their contributions to the inquiry and the committee staff for their assistance to the committee and for the compilation of this report. It is not expected that the committee's determinations will enjoy universal support, but it is the committee's expectation that they will contribute to a more effective water allocation in the South-East and elsewhere in South Australia that will benefit the people and the environment of South Australia.

The select committee determined that it would undertake a broad public consultation process in order to ensure that the views of the South Australian community were considered in determining the final recommendations. The select committee advertised widely. Over the course of the inquiry, over 250 written submissions were received from interested individuals, groups and agencies representing a diversity of views and opinions. The committee also received oral evidence from expert witnesses within Government agencies and from other witnesses, including the Hon. David Wotton MP and Mr Dale Baker. The committee met on 27 occasions, and held public hearings on 23 and 24 February and on 23 April in Mount Gambier and on 24 April in Naracoorte.

When we commenced this select committee inquiry I must say that from the outset I wondered what I had got myself involved in, because it was clear from the outset that this was a complex and difficult situation. But, I must say that for the committee to make a unanimous set of recommendations everyone realised that the current situation could not continue and that we had to do what was in the best interests of the people not only of the South-East but also of the State. So, I thank the members of the committee for their contribution and for the manner in which they conducted themselves during what were lengthy and, on some occasions, fairly tedious proceedings. I particularly thank the staff who did an outstanding job in putting together what has been a very large undertaking.

There is no doubt that the process which we recommend will, in my view, assist people in the South-East. It was clear from the evidence that we received that a large section of the community always believed that they would be able to access the water under the land they occupy. However, with the changes brought about by the amendment and the new Water Resources Act, that was no longer possible. It is also clear that those people who had the ability to employ and get the best advice possible understood the changes and were able to avail themselves of the opportunities provided under the new Act. Of course, it was clear that those in the grazing fraternity who did not have that opportunity were very upset and concerned that they had been passed over. The recommendations that we have now put forward will give those people the opportunity to use that water and to develop their property.

The other matter which is quite clear when discussing this set of recommendations is that the role of the board in the South-East will be very critical to the future management of water resources. However, for the community to have confidence in that board and for the board to be able to carry out effectively what will be a difficult and arduous task, the board needs the confidence of that local community. That is why we have put forward recommendations for six members of the board being elected by the community, because it was clear that certain sections of the community felt that they had been passed over, that they were not really being represented. I believe that the people who currently sit on the board are

putting their best endeavours into the task before them. Therefore, that will be a complete change to the existing arrangements.

The system which should be employed in relation to the election of the board is something that needs a great deal of consideration to ensure a fair and reasonable way of electing people so that all sections of the community can be represented. It is clear that that will need the guidance and assistance of the Electoral Commission. The large investments of people in the South-East must be protected. The committee recognised from the outset that, if the Government attempted to do anything about those particular allocations, it would be subject to compensation claims.

There is another very important matter that I believe the Government has to address. It was put to us that many people who have had water allocations over a considerable period of time have not fully utilised those allocations. In many cases we were given reasons why that had not taken place. However, when the resource becomes under pressure I am of the view that it will be necessary to review those unused allocations, because if in the future people do not use them they should not be able, for lengthy of periods of time, to sit on them and to deny others the opportunity to develop. It is essential that, if the South-East is to continue to play a very important role in the future economic development of South Australia, people have certainty and water there is available. Some very large developments have occurred in the South-East, and, of course, we want to see more developments of that nature, because that is in the long-term interests of South Australia.

The in excess of 70 findings of the committee will certainly give the Government a great deal to ponder over. The 35 recommendations have been put forward by the committee with the best will in the world: they are in the interests of the South-East and the people of South Australia. I commend the member for MacKillop for his input and role in this matter. All of us had to give a little ground in this matter, but we did this so that the major political forces in this State could come forward with a set of proposals that we all support. It will be necessary to amend the legislation to ensure that the Minister has a chance to implement these recommendations and that certain groups do not gain an advantage over others.

Again, I thank the committee and the staff. This has been a most interesting exercise. I have a far better understanding of the difficulties that all those who have tried to administer water resources in the South-East have had to encounter in the past. We certainly attracted a great deal of attention. I do not know how many select committees get 250 written submissions, but not many would. I do not know whether there was an orchestrated campaign to get people to write to us—I would think not—but I did wonder at times when reading all these letters and submissions why many of them were similar in nature. However, obviously because this matter was of great moment in the South-East it attracted a great deal of attention.

In conclusion, a number of suggestions were put forward alleging certain wrongdoings. The committee set out to investigate wherever possible. The committee found no wrongdoings. I do believe that some of the processes which are currently in place leave a lot to be desired. Everything that takes place when dealing with a resource such as water should be fully transparent and everyone should know. Bad administration is not conducive to managing the resource adequately. One of our other suggestions was that there be a lot closer liaison and cooperation between the various agencies which manage water resources in the South-East.

I commend the report to the House. I look forward to its recommendations being implemented in a speedy fashion. I did indicate to one witness in the South-East that I was the farthest person west, that if he wanted to be heard and his views considered he should be nice to us and that the only person who would really have to wear the political consequences of the decision we made was the member for MacKillop. I am sure that when the honourable member's constituents read this report they will be pleased with their local member. We did take evidence from the member for Gordon, and we thank him very much for his participation. Every member should read the member for Gordon's evidence, because it is a case study in how one should give evidence to a select committee, particularly when it is a difficult subject, because when one reads it carefully one ensures that they never get into trouble.

However, I thank the member for Gordon for his participation and for his help and assistance. I also thank the District Council of Grant for the use of its facilities, for being most helpful and cooperative and for assisting us greatly. I also thank the people who provided the facilities at Naracoorte. I hope that all of us will be welcomed with open arms when we go back to the South-East in future. I sincerely hope that we have made a real contribution towards solving what was a very difficult problem, which I know has caused a great deal of hassle for the current Minister and his predecessors. I commend the motion to the House.

Mr HILL (Kaurna): This is a select committee we had to have. For some time the Government resisted this committee. The Independents also resisted it. It was only when Minister Kotz failed to make a deal with Minister Kerin that the Independents came on board and agreed to a proposition the Labor Party had put some 12 months earlier. If the proposition we had put had been accepted, this issue could have been resolved 12 months earlier. However, the matter is now resolved, as I understand the Government will support the recommendations of the report and will also support the proposed legislation, or have its own version of the legislation.

When this committee was first proposed, I was accused of playing politics. Ironically, the committee has resolved this issue in a bipartisan way, largely by ignoring the local politics and looking at the issues and principles involved. Before going into those principles I want to look at the role of Dale Baker, because Mr Baker, or his name, was clearly involved in a lot of the politics and he was certainly accused of many things by many people. The original reference to Mr Baker was made in this Parliament by the member for MacKillop, who said that Mr Baker was behind this; he had said in the South-East that he would get on top of this and fix it.

An anonymous note was put in my pigeonhole at one stage by somebody from this House indicating that then Minister Wotton had been instructed to attend a meeting in the Premier's office and when he arrived Dale Baker was there, and as a result of that meeting Mr Wotton was told that he had to change his policy. Former Minister Wotton confirms that a meeting took place, and I refer to page 37 of the report that we tabled today. So he did confirm that that meeting took place. When I asked Dale Baker whether he had made representations to the Premier, this is succinctly what the record said. I asked, 'Did you make representations to the Premier?' He said, 'No'. I said, 'You did not talk to him

about it at any stage?' 'He said, 'No, I do not recall ever talking to him about it because it was not an issue.'

An honourable member interjecting:

Mr HILL: He should have, as the honourable member says. A number of other witnesses also raised the issue of the role of Mr Baker, but none was able to give any supporting evidence whatsoever. For example, at page 122 of the transcript I asked Mr Bill Williams, 'Mr Williams, you believed that the consultation meeting in Mount Gambier was rigged? You said so in your presentation to us. Who did the rigging?' Mr Williams said, 'I believe it was called as a consultation meeting, but it was not a consultation meeting. When I said it was rigged, I believe it was just a way of announcing the policy under the guise of consultation.' I said, 'Who was responsible for that?' Mr Williams said, 'I believe that there were people within Parliament—the former member—who had some input into having that changed.' I said, 'Are you referring to Mr Baker?' He said, 'Yes'. I said, 'What evidence do you have for that?' He said, 'I spoke to Dale Baker on a couple of occasions in his office. He told me that *pro rata* was ridiculous, that it would never work and that he would do whatever he could to change it.' I said, 'Did he go beyond that and say he had changed it?' Mr Williams said, 'No'. So, members can see that that view of what happened is slightly different from the view expressed by Mr Baker, who said that he had made no representations to the Premier. Mr Beck, another witness to the committee, gave evidence at page 187, and I asked him:

> In your second to last paragraph you referred to Wotton and Baker. Do you have any direct evidence of any inappropriate behaviour?'

He replied:

> No, I was not privy to the meeting. I presume there was a meeting somewhere or other where Wotton was overturned in his Party room. I was not there. I was not part of the Government at that stage—

I do not think he has been a part of the Government at any stage, despite his saying 'at that stage'—

> I only have what the press has reported in relation to that. The key part of my evidence is that you have to judge whether reasonable people could acquire reasonable knowledge about the geology of the South-East prior to that period and whether whatever Mr Dale Baker was up to was not in the best interests of the State.

I raise these issues not to slur Dale Baker, as some might suggest, but to put on the record the fact that there was a strong, widespread view in the South-East that Dale Baker was up to no good in this. The committee and I perused this issue to the nth degree and we found no evidence whatsoever that Mr Baker was up to anything that was not straight forward in this regard. In fact, there was some evidence that when he was asked to make representations to at least one group he did not even bother returning the telephone call. If we look at the report, in particular in relation to the hundred of Shaugh, where Mr Baker himself has an application in for a water licence, we might infer that in some ways he is also the victim, because the department has taken over a year to consider his application, which on some of the evidence before the committee should have been rejected straight out because in that application he requested more water than was available in that district.

I raise all that not to slur Mr Baker but to put on the record that we tried to pursue it. But there was a very strong suspicion in the South-East that somehow or other he was in some sort of practice that was either illegal or unethical. The truth of it is that we just do not know. The committee could not establish any wrongdoings. There is no doubt, however, that there were strong suspicions in the South-East that secret deals—mates' deals—were being done. The poor process of consultation and decision-making undertaken by Minister Wotton and his department heightened this suspicion.

I refer to one of the findings in the report, at paragraph 21 on page 9, where we found that the process used to establish and modify the water allocation plants in the Lacepede Kongorong prescribed wells area was handled extremely poorly and without appropriate community involvement at critical times. There is no doubt, if you read the report and look at the evidence, that many people were excluded from a proper role in the consultation. Decisions were made without proper warning and proper advice to many people in the community. This suspicion was also heightened by what was widely perceived as poor administration by the department. Again I return to our report at page 12, containing a number of findings. Findings 50 to 53 highlight that. Finding 50 says:

> Administration of water licensing in the Mount Gambier office of the Department for Environment, Heritage and Aboriginal Affairs appears to be inconsistent, even erroneous, lacks transparency and the time taken to determine applications has been unduly excessive.

Finding 51 says:

> Many people are frustrated at not being able to get timely and accurate information on water licences and on the availability of water for allocation.

Finding 52 says:

> Problems with licensing administration can be attributed to the constant changes in policy direction, a lack of human and financial resources and ambiguities in the current water allocation plans. A lack of understanding of the complexity of water resource management in the South-East may have compounded the problems.

When you look for a conspiracy you often find a stuff-up. In the South-East we found a monumental stuff-up in the way the Government and the department handled the policy positions and the administration of whatever policy happened to be in place.

The issue of water allocation in the South-East has always been about politics. Politics have divided the local community. They have divided the local branch of the Farmers Federation. The issue has divided the Liberal Party and, ultimately, has led to the election of two Independent members for the area. It has helped the demise of the former Minister Wotton, who was responsible for the policy in the previous Government. Minister Kotz, who was brought in to provide the political fix, should take no comfort. She has managed to make the situation worse. As one witness said of Minister Kotz, 'We call her the Minister for Indecision.' There is no doubt that in her term as Minister the problem got worse. There were a number of backflips, to which we have alluded in this House previously, and the solution was not forthcoming under her administration. In the South-East there are two main interest groups—the dry land farmers who want a *pro rata* form of water allocation and irrigators who want an on-demand system.

An honourable member interjecting:

Mr HILL: It is water, not South-East water but good Adelaide tap water. All the various policy positions have tried to get the balance right between the two groups without really considering the basic principles. The select committee considered those basic principles. The committee recognised three basic principles, the first one being environmental protection. Environmental protection of the resource and the land was agreed upon by everybody. All the witnesses agreed that it was essential: there was no real debate about that,

which is a very good thing and shows a great deal of maturity in the South-East. Some of the recommendations, particularly those relating to metering and monitoring, I believe will strengthen the protection of that resource from an environmental point of view.

The second principle is economic development. Everyone, too, agreed that this was essential to the South-East. The third principle is equity and fairness—and this is where the real debate is. What is a fair way of allocating water? Many people in the South-East thought it was fair that everyone had a right to apply for water on a first in, first served, basis, and that was fair.

Mr Lewis: A buccaneer's view.

Mr HILL: A buccaneer's view, as the honourable member says. Many people believed that was a fair way of doing it. Others felt that this was unfair and that everyone who had land in the South-East should have access to water. The committee's solution, which is in keeping with COAG principles, and arguably in advance of the rest of Australia, if implemented, is that a proper market for water ought to be established in the South-East. By that means, water will travel to where it will find the best economic return.

As a committee, we supported full tradability, which means selling and leasing. This means that water and land rights would be separated. The committee's suggestion is that all the land-holders who currently do not have a water licence or have below a pro rata licence will be given a pro rata licence or allocation. Once they have it, they can do what they like with it; they can use it to develop their own land, they can sell it or they can lease or, if they so choose, they can sit on it and pay a rent on it.

The question arose how best to get to that market situation. Over time, an on-demand system will ultimately result in all the water being allocated and available thereafter only by purchase. That is certainly the case in some areas of the South-East. The committee decided that the fairest way to get to that situation was by allocating all the available water. Once existing bona fide users and environmental concerns have been taken into account, the water should be divided on a pro rata basis to existing landowners and, after having that allocation, their being charged a rent commensurate with the value of the water allocated, thereby encouraging trade. This effectively ends the debate about water and land being permanently linked.

I would like briefly to talk about the nature of modern farming which became apparent to me while visiting the South-East. I think that the way farming is going in the South-East has really driven the policy that we are recommending. In the past there was always plenty of water to go around; people did not have to worry about its running out. It was viewed as an unlimited resource. But now it is possible under the existing system for one applicant to apply for all the water in a particular area—and that is certainly what has happened in a couple of areas. This means that there is no water left for anyone else if that applicant is successful.

In the South-East we are seeing the development, I guess, that is happening all over the world of mega-agricultural businesses. The committee had the pleasure of visiting Donovan's Dairy, south of Mount Gambier. This is a modern dairy of 1 500 cows. A rotor system is used to milk all the cows in about two hours. It is a highly efficient industry that is more akin to a factory than to a traditional farm. The workers on the property are more like partly skilled factory workers than day farm labourers. That seems to be the trend in the South-East; certainly it is happening in the viticulture area and the olive industry as well. Big farming enterprises which are more akin to factories are being introduced into the South-East, and that is definitely the way to go. It will produce great wealth and produce new jobs in the South-East and, hopefully, if several of these things can be brought together, it will also produce factories which, in the case of the dairies, can process milk.

I thank members of the committee for the way in which they approached their work. We worked together very well in a bipartisan way and we did try to find a solution which was in the best interests of the South-East and South Australia. I believe that the Chair conducted the business of the committee extremely well—and all the things I heard about his chairing ability I challenge, now having seen him in operation over 28 meetings! I believe that he was a true statesman, especially in the public arena where he presided. I also thank the officers who attended to the committee and who helped us prepare the report, and indeed I thank all the witnesses who attended the committee as well. I support the report.

The Hon. G.A. INGERSON (Bragg): As a mere suburbanite, I found the select committee very interesting and very enjoyable. It was an exercise which happens many times in this House where at the end of the select committee one finds that one is much better educated about a particular issue than when one began. I think that for all involved that was a fairly important outcome.

The economic value of the South-East is obviously very important to South Australia. Anything that we can do to manage water in the South-East to enable that growth to continue is very important, and I believe that this committee has set out, as part of its solution, to ensure that the significant economic growth in fact continues.

This was a unanimous decision of the committee, and I think that, in itself, is quite surprising. The member for Kaurna mentioned quite a lot of the comments and innuendo that occurred in the meeting in relation to Mr Dale Baker. Most of the questioning in relation to whether there were any difficulties in relation to Mr Baker and his role in this area were initiated by the member for Kaurna. I think that at the end of the day we were all very pleased to find out that there was no obvious corruption in terms of anything that went on in the South-East.

In fact, what really happened was that the then member for MacKillop and other members, including the then member for Gordon (Harold Allison), were purely and simply carrying out a role which we expect any local member to carry out, that is, picking up the interests of the local constituents and putting them very strongly and forcefully to the Government. I think that is exactly what we would have expected.

Probably the highlight of the questioning by the member for Kaurna (which put the thing in context) was when he asked a constituent just outside Mount Gambier, 'Do you believe that Mr Baker had a significant role in your obtaining your water licence?' The answer from the constituent was, 'When he rings me back will be the first time he speaks to me.' Then the member for Kaurna went on and asked another question, 'Do you think this constituent had any influence from the Premier?', and he got exactly the same answer.

I think that put into context the fact that neither the Premier nor the then member for MacKillop went out of their way to influence the Government and the Minister, in particular, in any other way than one would expect the local member to do. That evidence came out clearly in a whole

range of areas. I think it is important that the member for Kaurna has acknowledged that, because that was one of our references and, clearly, it was found that there were not any areas of difficulty.

This unanimous decision has come up with a market-based system for managing the use of water in the South-East by, first, using a pro rata allocation process and then implementing a rent on that allocated water. The basis of the rent is really to encourage the operator not to sit on the water but in fact to use it. We believe that the rent will be quite small but will be large enough to encourage the individual to put it into the market if they do not want to use it.

The licences can be sold or leased, and I think that is an important issue. In fact, we are encouraging the market to get out and sell it or lease it if they do not want to use it. If they do not want to sell it, they can lease it; or they can use it to develop what they want. The fact that everyone agreed in the end that we should go down this path was a very significant decision of the group.

The South-East Water Catchment Management Board was the subject of a lot of discussion in the process and the committee has recommended that the formula be changed to six representatives elected locally and three representatives appointed by the Minister. There are several reasons for that, but the most important reason is that, if the people who have complained about this process in the South-East really want to take hold of it, they have to do it themselves, so management must be returned to the local community so they can make the decisions about the future. There must be some representation from the Minister, who needs to have people on the board who have technical knowledge and a technical background.

Mr Hanna: We can listen to them, but it is our responsibility.

The Hon. G.A. INGERSON: I know, but one of the problems with the honourable member is that he does not understand consensus, and that is what this is all about. The South-East Water Catchment Management Board is very important to the future of this exercise. Several other issues were important in the committee's decision, and the member for Kaurna highlighted that in relation to the preservation of the environment. That was a very significant, unanimous decision, which we believe will be very important in the long-term interests of the South-East. Sustainability is a very important part of our program and, whilst there is plenty of water in the South-East to be allocated, it is finite and it should be used efficiently. The committee found that that was a very important issue. As I said at the beginning of my speech, the need to continue economic development is the major thrust of the future of the South-East. Fairness and certainty in the process within this market context is a very important point, and the introduction of a monitoring or measuring system in the South-East will be of long-term benefit.

The committee had to deal with two extreme points of view. The irrigators' point of view was that it be on demand, free market, open slather, and first in best dressed. The dry land farmers wanted to have a pro rata system linked specifically to the land, but their view was as absolute and polarised as that of the irrigators. What was fascinating to me, and we talked about it several nights over dinner, was the polarised nature of the community in the South-East. It was not polarised as we would think from a political perspective but purely and simply on the issue of water. The polarisation was extreme and very obvious. Committee members thought that any decision we made had to bring these positions into the centre and to try to get an outcome that would work.

The bureaucratic process as far as the department and the administration of the Act is concerned is absolutely appalling. The committee heard so many examples of the way in which the Act has been poorly administered, including the involvement of many people within the department in the South-East, that it was almost unbelievable. It was Sir Humphrey at his absolute best. A couple of witnesses made Sir Humphrey look like an amateur, and all committee members remember at least two of them very well. None of us could believe that all the changes within the department were being administered by the Sir Humphreys, so that needs to be changed.

Some of the people who had dealt with the department were so badly treated that their problems had been going on for seven to eight years. They traversed Governments. The difficulty is that nobody attempted to fix up these problems. Fortunately, for one family, the committee was able to secure an outcome. There were probably many other examples similar to that one that we did not have the opportunity even to look at. The history of the management of this process is that there have been long-term problems.

My personal view is that bureaucrats should not remain in country areas for long periods. One of the problems has been that the same people have been in the same place in the same town and they have become part of the community. All their friendships develop, as do their enemies, and a pattern emerges from the administration of the issues, and that causes problems. The department ought to consider moving senior bureaucrats around so that this sort of problem does not develop in the future. I have spent a bit of time on the issue of staff because it is important, and we need to make sure that they have economic, environmental and technical skills in water management. They need to be very well trained and spot-on, recognising that their role in the system is as part of a very important partnership to make sure that the area grows.

I was very interested in the non-use or under use of allocated water in areas where total allocation of the PAV has been made. That is the case in a lot of hundreds, and that is a major area for the Government to look at. How can we get maximum use out of historically allocated licences where the usage of the water in those licences is nowhere near the level it could be in terms of efficiency? I hope that, after this recommendation has been implemented, the Government considers how we can get maximum use out of the allocated water that is currently not used.

I said earlier that I was pleased that we did not find any corruption in the South-East and I have to say that the local members at the time represented their constituents very well, and so did the would-be local members, and a couple of those would-be local members are now members of this House. A very interesting process went on in the South-East with respect to the members and the potential members of Parliament representing the divergent views of the community and putting them strongly in their area. We were not around at the time to know this, but I have been told that the member for Gordon, in particular, did a magnificent job in chairing one particular meeting prior to his being elected to this House. I have not seen his chairmanship but I was told in general conversation that it was quite special. That is the sort of thing that we will probably see one day from the member for Gordon.

Another issue of concern is the PAVs, whether they are really accurate and whether the formula that is used is the correct formula. The PAV relates to the total amount of water

that is allocated in an area. There are a lot of questions about the techniques that are used and, if we are to get an absolute economic outcome from the South-East, the measures of the amount of water that can be used in a particular hundred need to be regularly updated. The process of recognising where they are at must be continuous. Sometimes they go up and sometimes they go down. We need to recognise that, because the resource is finite and, as more development takes place there will be changes, this measure, which is the central measure of the allocation of water in the South-East, should be more regularly updated than it is currently.

The other major area of impact which we never had time to look at within the confines of the select committee was the effect of forestry, and in particular the more recent growing of blue gums. It is the view of many that the blue gums in particular are taking much more water out of the system than was first thought. We have encouraged the Government to have a good look at the future development of forestry and how that might affect the amount of water available.

We also looked at large investments. I found it absolutely incredible that three departments—the Department of Industry and Trade, the Department of Primary Industries and DEHAA were involved, with the Departments of Industry and Trade and Primary Industries encouraging very significant developments of olives in the South-East but apparently having very little consultation with the department involved with the matter of water allocation itself. Clearly, the Government needs to ensure that when very significant developments are involved, be they in the South-East or anywhere else, there is an involvement of all the departments concerned so that we do not have, as has happened in this case, the department responsible for water allocation holding up the development for any sort of reason.

The particular development at which we looked in Shaugh was proposed by Agribusiness and Dale Baker in August of last year. There is still no decision, and that is appalling, because clearly the application for the amount of water required out of that hundred was far in excess of the amount of water available. What should have happened was for a 'No' reply to be given quickly, or at least they should have gone back to the applicant and said, 'You will have to modify this application significantly because it is far in excess of the amount of water that is available in the hundred and the hundred alongside it.' The fact that that has not been done after nearly 11 months is an indictment on the whole system.

We all found it quite incredible that, with all the innuendo that was going on about the Hon. Dale Baker at the time, if anyone has been disadvantaged by the process, it is his company and all its constituents—and significantly disadvantaged. There is a further issue involved, in that a whole group of people who may have been given an allocation of water and who also live in that same hundred have not been able to submit any applications because of our current system of 'first in best dressed'. Whilst Mr Baker has been significantly disadvantaged, a whole lot of other people—if his business shifted to another area because of insufficient water—have also been disadvantaged. Clearly, that sort of system is no good for anyone who wants to develop in our State.

Finally, the whole Act clearly needs to be reviewed. I think all of us who were involved believe that many sections of the Act need to be reviewed. We did not set out to look at them all, but they arose in the debate and clearly there needs to be an urgent review of many of the processes. At the end of day, this select committee will be able to say, 'We started a process to improve the whole water allocation process and, hopefully, in our recommendations we have provided an answer.' It has been a privilege to be on the committee. We did have an excellent Chairman, as the member for Kaurna pointed out.

The other interesting fact was that all members enjoyed each other's company and we had a lot of excellent debate on what we should do. I think that is one of the very important outcomes of this select committee. I should finish—

The Hon. M.D. Rann: Like Woodstock!

The Hon. G.A. INGERSON: Absolutely. I conclude by saying that it is good to see that the member for MacKillop, along with all other members, has recognised that to get the change that was needed to make this work everyone had to give and take, and that has been very much part of the whole experience of this committee experience. I commend the report to the House.

Ms RANKINE (Wright): Tonight I believe we have brought before this House a very comprehensive report and range of recommendations in relation to the management of underground water in the South-East. As the member for Stuart has said, this committee has been sitting for nearly 10 months and it has met on 27 occasions. On 15 of those occasions oral submissions were taken from a range of people, including the residents of the Mount Gambier and Naracoorte regions, members of Parliament, one former member, departmental officers and experts in a range of areas. This committee consulted with irrigators, dry land farmers, dairy farmers, grape growers, potato growers, representatives of local councils, members of water catchment boards, the forestry industry, environmentalists and business people with an interest in irrigation, and over 250 written submissions were received.

This was an issue of major controversy in the South-East. It divided this community and set neighbour against neighbour. It is an issue that should never have reached the stage that it did reach. If proper consultation had been undertaken in the first place; if all those with an interest in this area had received clear information; if they had all had the opportunity to properly participate in the debate; if they had the impression that this issue was being dealt with in an open and fair way, I believe that much of this controversy could have been avoided. This committee was determined not to go down the same track as the Government. The committee was committed to broad public consultation. We were determined that all views would be taken into consideration.

If this Government learns nothing else, it must learn that consultation is about talking with the people of this State and then making a decision, not making a decision and then trying to convince the public they are right. That simply does not work and the community of the South-East has shown they will not cop this approach. At first glance it may have seemed that this issue was irreconcilable—and as the member for Stuart said, we wondered what we had got ourselves into—but I do not believe now that that is the case. In fact there were many areas upon which most people who gave evidence or provided written submissions agreed. They agreed that water was one of the major economic forces affecting the future of the South-East; that it should be managed in a sustainable way; that the resource is precious; and that it should be protected. They agreed there was a need for flexibility, but they also needed certainty.

However, in many instances, they did not agree how this was going to be achieved, but that clearly is the role of Government. It is the responsibility of Government to

develop clear guidelines and administrative procedures, and that is what this Government failed to do. Those who take the time to study this report will see that there is much criticism of the department in relation to the development of policies and the administration of water licences—and quite rightly so. There is no doubt that in a number of cases put to this committee applicants have been dealt with appallingly. This ranges from providing incorrect information, withholding information—whether or not that was deliberate has not been determined but it is significant nonetheless—and quite clearly treating some applicants differently because of who or what they are.

The committee took evidence in relation to an application made by Mr Dale Baker in the hundred of Shaugh. The application, which required more water than was available in that particular area, did not contain all the details required, yet it was not refused. Instead, the department has held onto it while a computer modelling system is being developed to assess its impact. The department received this application in August 1998, and it was not until March this year that it asked Mr Baker for the missing details. Getting this information from the departmental officers was, I can tell this House, akin to pulling teeth—an issue which the committee discussed informally on numerous occasions and which has been mentioned by the member for Bragg tonight.

Prior to the committee's taking evidence in relation to this issue, I asked the Minister a question in the House in relation to this application. The answer I received would indicate that these officers were probably tutored by their Minister. She needed more specific information in order to address my question. Here we had the biggest application for a water licence ever, and the Minister did not know which application I was talking about. Well, it was the one her department held onto for five months before requiring further details. It is the application that, according to her officers, she had been advised about, but it appears that it is still awaiting determination. This surely begs the question: why?

No evidence of corrupt practices or inappropriate political influence was provided to this committee. As is mentioned in the report, the committee has been unsuccessful in obtaining reasonable explanations from the department as to why this application was treated as it was. Still, people are left now to come to their own conclusions in relation to this. Substantial evidence was given which indicated that applications from less prominent persons would have got short shrift. Indeed, people who could reasonably expect to be granted licences were not or were asked to return them on the basis of a bureaucratic bungle. The Mount Gambier office of DEHAA has come in for considerable criticism, but the incompetency, lack of due diligence and the tardiness was not restricted to the local area. It has clearly been driven from above.

During the life of this committee the department has initiated a range of administrative changes. It is regrettable that it took a select committee of the Parliament to encourage these initiatives when it was so clearly needed. These changes will be assessed to determine their effectiveness. The process undertaken by this Government to get us to the policy which is currently in place was appalling. Much of this, and the political intrigue, has been addressed by my colleague the member for Kaurna and other members of the committee. Mention has been made about conflicting evidence; the inept attempts at communication which only led people of differing views to consider that they had nothing to worry about; the making of a policy on the run after political pressure had been brought to bear—whether or not that was appropriate, clearly it had an impact; and the exclusion of people with a clear interest in the whole process and outcome.

To arrange a so-called public meeting at which only one sector can reasonably be considered to be represented can hardly be considered to be fair, equitable or open. To develop policy on the run, as was the evidence given by the member for Gordon, lacks any credibility. As I said, this is the policy which is currently in place. No wonder it has attracted such dissent amongst the community.

The major recommendation of this committee is, as has been mentioned, to move towards a market based system, but the committee has taken into account not only the rights of existing licence holders and the need for development but also those who quite reasonably held the expectation that they would have access to water—that they also had a right. We rejected the approach of this Government that first in was best dressed or those in the know got the benefits. We have also expressed concern about some water licence holders who were sitting on that water and not using it. It would seem that in some cases they did not get the licence for the purpose for which it was meant and were happy to hold onto it for superannuation benefits.

A range of significant recommendations has been put in this report, and I urge the Government to take them up. The recommendations included monitoring of the resource. Here we have one of the most valuable resources, with licences allocated according to quantities that people can use, yet there is no monitoring of that currently in existence.

We have recommended that a rental payment for allocation be made. We want people to use the water productively, and not sit on it for benefit in later times. We have also recommended changes to the makeup of the water catchment boards, with the majority being elected by the local community. And we have recommended public disclosure of licence applications so that people know what is going on in their community.

I have taken only a short time to address some major factors affecting a wide range of decisions. Our decisions were governed by the principles of equity and accountability. We want to ensure development but not at the cost of the environment.

Our committee had a major task in settling the bungle created by this Government. Initiated in 1996 under the former Minister, it has continued under the current Minister. I believe that we tackled our task with determination and commitment. We set our task to achieve a workable outcome that ensures the future of the South-East. I also want to register my thanks to other members of the committee. We did have a difficult task, and I think we have come up with a reasonable outcome.

At the beginning of the hearings, the member for Kaurna and I were supportive of having open hearings at which the press could be admitted. The committee decided in its wisdom not to allow that, and I must congratulate the Chairman, because his commitment was to ensure that witnesses were not intimidated. Whether it was press or otherwise, he ensured that that did not happen. As the member for Bragg insinuated, the Chairman was at all times charming!

Members interjecting:

The SPEAKER: Order!

Ms RANKINE: Not only was he charming: he also expressed a strong commitment to our environment. I want to thank the staff who were involved in helping us work

through our deliberations, and most of all the people of the South-East. I support the report.

The Hon. M.D. RANN (Leader of the Opposition): I am delighted to support the report. In fact, the select committee sounds more like a support group than a normal select committee. I am delighted to hear that the Graham Gunn whom we all know and love, and with whom I have been on many committees, is now described as a charming greenie. How things have changed!

The Opposition certainly wants to support the report and its findings. It is terrific that the findings of the report are actually bipartisan, five to nothing. All of us have been concerned about the divisions which have been constant problems for the South-East in so many areas over so many years. The development of the South-East, both politically and in other ways, has often been dogged by divisions, and there were real concerns that a split report would have only fuelled divisions in the long term on complex issues such as water licences and the management of underground water, as well as development and environmental considerations. A split report would have been a disaster for the future of the South-East.

It is very important also that the recommendations are based on principles of fairness rather than on greed, equity, certainty and accountability instead of the constant accusations of influence, peddling, backroom deals and local politics. Having said that, I think the committee has resolved that unallocated water should be allocated pro rata on the basis of land-holding. It means that water is fully tradeable, as the member for Kaurna said, in terms of selling or leasing; that rents can be traded permanently or temporarily, and that the committee's scheme is in line with national competition principles but, as has been said, it is done in a way that should encourage economic development as well as protecting the environment.

I am sure that there will continue to be divisions about the input of this report, but at least no-one in the South-East can say that the committee which comprised Labor and Liberal members, as well as an Independent, has been playing politics when it is a five-nil outcome. That can only be for the benefit of the State.

I recall that when the Opposition raised concerns about the management of South-East water the member for Kaurna was roundly condemned for playing politics. However, the matters that he raised have now been reinforced by the breadth of this report. I indicated to the Premier this afternoon that the Opposition is keen to facilitate the necessary action to put it into effect. I support the report.

Mr WILLIAMS (MacKillop): Tonight I rise to support this report, to encourage the adoption of this report by this House and to encourage the Minister on behalf of the Government to implement the committee's recommendations forthwith. I will use some of the time available to me to canvass some matters where I believe the report and its recommendations fall short. Whilst I am delighted that this is a very positive report that will do great things for the South-East and the State in general, I am still concerned about some matters on which, as other speakers have indicated, I did not get my way. In fact, I felt I did not get much of my way at all, but we will move on to that.

Before I go on to those issues, I wish to declare my interest as both a landholder and an irrigator in the South-East, and I wish that to be on the record. The House is well aware of my interest from a political perspective and indeed of the fact that it was this issue that provided the impetus for my nomination for election to this Parliament. Since I have been involved in this debate, many have argued that the position I have taken has had limited community support and was only encouraged by a vocal minority. Even after they recovered from their shock at my election in October 1997, many continued to suggest that the policies adopted by the Government reflected the majority view and were in the best interests of the State.

I can inform the House that I take immense satisfaction from the fact that this report, in its separate parts and in its totality—the culmination of months of investigation and reams of evidence—has been adopted unanimously by the members of the select committee. It would be fair to say that at the outset the members of the committee had little knowledge of the issues involved and no empathy with the protagonists in the debate in the South-East. I place on the record my appreciation for the way in which all members of the committee approached this investigation and for the time and effort that they all applied in coming to grips with the complexity of physical facts and political argument, which in the main had little relevance to their own constituencies.

Of course, I am delighted that the position I have taken with regard to the inequalities of the present system has largely been vindicated by this committee. However, that satisfaction is tempered by the knowledge that it has taken over two years since the proclamation of the Lacepede-Kongorong wells area, and the adoption of the first in, best dressed policy for that area, for the voices of frustration and despair to be heard. It is a fact that during this period many more injustices have occurred, and the hopes and aspirations of many honest and hard working South Australians have been dashed in order to sate the selfish greed of a view.

Parts of the South-East—those areas within the Comaum Caroline, Naracoorte Ranges, Tatiara and Padthaway proclaimed wells areas—have variously been subject to the policies of first in, best dressed with regard to water resource allocation for up to and in some cases over 20 years. The evidence which history has given us in these areas is plainly that the arguments about encouraging investment are flawed. In these areas where all of the resource is allocated, only a little over one-half is being used. In the meantime, landholders seeking to diversify into irrigation based enterprises are prevented from doing so, because holders of water allocations are able to continue to hold licences for speculative purposes, only relinquishing them for productive use if rewarded by huge windfalls.

With the proclamation of the Lacepede-Kongorong wells area in May 1997, one of the first things that came to hand was that some hundreds—principally the hundreds of Grey, Kongorong and McDonnell—were subject to such irrigation activity that the resource was under some threat. I will address the hundred of Grey, where the initial land area use survey done by the department showed that at least 120 per cent of what was deemed to be the sustainable yield in that hundred was already being used in irrigation activity. That is, questioning by departmental officers showed that the amount of activity that landholders in that area had undertaken in the preceding couple of years was 120 per cent of the sustainable yield.

In the summer following the proclamation of that area, the figures came into the department of the actual amount of irrigation that had been carried out after these same people had been issued licences, commensurate with what they had

told the department they had been using, and it was found that only about half that water was actually being used. This is the problem which has already happened over the previous 20-odd years in the proclaimed wells areas to which I have already alluded.

It is still happening today, and I would certainly urge that, using the powers it already has under the Water Resources Act 1997, the department investigate those licences that have been issued and take the appropriate action where it finds, as I am sure it will find in many cases, that landholders have exaggerated their claims of the amount of irrigation activity they have been undertaking. That will allow the department to reallocate water to those landholders who have missed out under the present policies and provide a certain amount of equity. That is what I have been fighting for over the past two years and what this report seeks to achieve with the quantity of the resource which still remains to be allocated.

The allocation of finite resources has always been a difficult task and fraught with danger, as there will always be one, several or many people who will argue that they have been unfairly dealt with. This is borne out if we consider matters as diverse as access to fisheries or the issuing of taxi plates. We could point to many other examples where we have finite resources and we run into problems in allocating them.

One of the problems which have arisen and which has come to my attention in investigating this issue is that we started off from a mind set that this resource was infinite. The foundations of the present policies have been built up over the centuries on the premise that we were dealing with infinite resources. I suggest that, now that we know that is not the case, the fundamentals on which those policies have been built should be changed. The mind set of those giving policy advice happens to be set in a time warp which refuses to acknowledge the new circumstances. I suggest that we require some lateral thinking and modification of those foundations.

I draw the attention of the House to section 7 of the Water Resources Act 1997. This section points out the rights of landholders to access the water resources on, adjacent to or beneath the land prior to those resources being prescribed under the Act. Indeed, one of the provisions of this section is that users may not take water in any way which would detrimentally affect the enjoyment of others' rights to the same resource. However, at the stroke of the Minister's pen these rights, as spelt out in section 7, are torn away, and land owners' access to the resource is suddenly subject to meeting criteria dreamt up by bureaucrats and endorsed by Ministers in far away places, supposedly for the greater good of humanity.

Indeed, any rights to irrigable quantities of water can and have been lost from many properties in the South-East without any consideration for the property owner or their past common law rights. If, however, we look at section 101, which deals with the preparation of water allocation plans for a prescribed resource, and in particular subsection (4)(d), we see that:

A water allocation plan must—

and I emphasise the word 'must'—

in providing for the allocation of water, take into account the present and future needs of the occupiers of land in relation to the existing requirements and future capacity of the land and the likely effect of those provisions on the value of the land.

Indeed, in my mind this gives hope to all land-holders for legal redress to any policy developed under this Act which attempts to reduce their previous common law rights. However, as the current policies were grandfathered into the current Act, I am told that they do need to comply with it. When I questioned a senior bureaucrat—indeed, his title within the department was Director of Environmental Policy—on the possible implications of this clause in particular, even though he admitted having input into the development of the Act he was unable to give any indication as to what effect it might have.

In the meantime, irrigators and land-holders in the South-East pay about $1 million in levies to fund a board which is grappling with this very issue. This itself has raised more problems as the catchment board, supposedly a community board, is appointed by the Minister. It is not answerable to the community; indeed, this particular board was not even appointed by the Minister as per the recommendations of the Water Resources Council, contrary to the perception created by advertisements in the South-East at the time of calling for nominations from interested persons. Subsequently, the catchment board has appointed some 30-odd persons to subcommittees charged with providing advice in an endeavour to garner public support, but when a person who previously headed one of the major national agricultural commodity bodies does not qualify for appointment to one of those subcommittees, let alone the catchment board, one does question whether an expression of views contrary to those held by nearly all the board members and that of the department has any influence, this being only one of many glaring anomalies.

The catchment board will be accountable to and have the confidence of the community only if and when it is elected by the community. The greatest failure of the current policies in the South-East stems from the ignorance of the policy makers to the fact that pumping from a well is not the only way to access the resource. The resource in the upper or unconfined aquifer, the aquifer which is most widely used, is recharged by annual rainfall which escapes the root zones of the plants growing upon the land and percolates downward into the water table. Therefore, it follows that by intercepting this recharge the net effect on the aquifer and, most importantly, the effect upon the sustainability of the aquifer is the same as if an equivalent volume of water were pumped from a well.

There are many ways in which this interception can occur, and they vary from such matters as a simple change of land management to increasing fertiliser application or changing the species grown, say, from a species of native grasses to an approved pasture to deep-rooted perennial crops ranging from lucerne to pine or blue gum plantations. The present licensing regime ignores this use of water. Indeed, notwithstanding the findings of the committee, I believe that the long-term sustainability of this resource cannot be guaranteed until the nexus between land use and recharge is recognised and, indeed, the licensing regime takes this into account.

This is the foundation of my constant call for a *pro rata* water allocation system, because it is the only system in which we can tie land use to what happens with water allocation. Once we allocate water to a particular land-holder, if they choose not to use that water on the land holding and transfer it to somebody else, we then have an opportunity to tell that land-holder that he can also no longer change his land use. In other words, he cannot sell a water allocation for profit and then plant down his property to a pine forest or a

blue gum forest using the same water which he has just sold through his water licence.

This makes a complete nonsense of the COAG requirements to separate water title from land title. I have no problem with the separation of water titles from land titles, so long as the land use subsequent to that separation is taken into account and regulated. Otherwise, I believe that breaking the nexus between land use and water titles is fraught with danger in such an aquifer as that in the South-East. It might work in a situation such as that involving the Murray River, because it makes no difference from where you draw the water, but in my opinion it certainly will not work in the South-East.

It is also worth noting that forestry is indeed the most important industry in the South-East, currently providing direct employment to some 4 000 people, or 12.5 per cent of the total work force of the South-East. I sincerely hope, in line with the Federal Government's 2020 forestry strategy to treble the area of plantation forestry in Australia, that the South-East of South Australia can participate in this vision and reap the economic and job growth which will flow from this industry in the future. Of all the primary industries currently being undertaken on any significant scale in the South-East, forestry is the only one which does not rely on exports for its viability. In fact, Australia is a net importer of something approaching $2 billion of forest products annually. It is ludicrous to expect that the growth of this import replacement industry could be thwarted by short-sighted policies which would make forest growers compete with the likes of horticultural producers for water licences at thousands of dollars per hectare when the return on their investment would be 30-odd years away.

Every witness who appeared before the committee, every pressure group to which I have spoken in the last two years or so—everybody who has an opinion on this particular issue in the South-East—has always used the word 'sustainability'. I do not think there is any argument about the need for sustainability, but I do think that this report—even though I am very happy with its findings and recommendations—falls a little short of guaranteeing sustainability in the medium to long term. I urge the Minister and her department to take on board some of the points that I have raised tonight as well as the recommendations of this report and thereby guarantee the long-term sustainability.

The committee found that the process to change the policies between May 1997 and the end of June or early July 1997 was flawed. The committee also found that, because that change was flawed, the ongoing policy and the attempts to justify that policy were flawed. It is my opinion that the present membership of the catchment board is flawed. Although I know and have known virtually all members of the catchment board on a personal basis for a great number of years and hold them all in a great deal of esteem and respect for what they have done and, no doubt, for what they will continue to do in the community, because of the group of opinions that they as a board hold I believe that they show considerable bias. I believe that is the flaw in what is continuing to happen in the South-East. That is one of the reasons why I and many others—and, indeed, it is a recommendation of the committee—believe that the board should be replaced by one to be elected largely from the local community, because that will then be a community board.

In conclusion, I express my appreciation of the input of the other members of the committee. I add to that my appreciation of the staff assisting the committee. We had two secretaries during the time that the committee sat, and there was a research officer: their input to the committee was invaluable. I thank all those people who came forward from the community in the South-East, some of whom did so with quite a deal of personal difficulty and, no doubt, found the process rather daunting. I appreciate that those people came forward to express their opinions. At the end of the day, they will be most appreciative of the way in which the committee has dealt with the evidence put before it. I commend the report to the House.

Mr LEWIS (Hammond): I am amazed that a matter as important and far-reaching as this report has to be debated within minutes of its being tabled in the Chamber and that no other member apart from myself has any interest in it to try to digest what the committee has found, albeit unanimously, in its recommendations. As one of the members of the Parliament who gave evidence to the committee, I have not taken the time since the report was handed out to discover how the committee has attempted to deal with the propositions that I put before it, other than by paying attention to the remarks made by members of the committee, none of whom drew particular attention to the difference between what they say the report contains by way of recommendations and what I had to say about those matters myself.

I am apprehensive about resource rental taxes because to my mind this kind of approach could be the Trojan Horse that ultimately results in all mining industries being required to pay a resource rental tax on their winning the resource from the ground. That denies the great risk that exists in other extractive industries to the capital outlaid in attempting to discover where the resource is and it diminishes the return that can be expected from either using one's wits and knowledge of geology and the terrain or one's scientific knowledge to extract that mineral from the earth more than efficiently than has been done previously using existing technology. That is done then by developing new techniques to make what was previously inefficiently available resources economically viable, and efficiently winnable, to the point where it becomes profitable to do it.

If we look at that in the context of underground water, there is a disincentive to use new technologies if you are to be taxed upon the greater value which your new technology then places on the water. That was the reason for my not even mentioning a resource rental tax *per se* in the course of my remarks to the committee, which were fairly restricted. I welcomed the opportunity to appear before the committee, I say as an aside, but would have appreciated being given another 15 minutes to elaborate further on the points that I wished to make.

My view is still now, as it was then and as it has been for 30 odd years, that a scarce resource such as underground water can change dramatically because there is no certainty about the volume of open pore space in the strata in which the water is held, and therefore the total volume of water in an aquifer ought not to be assumed to be available on a continuing basis just because it is assessed to be so.

You can take as many core samples as you like, but the imponderables are that you may miss some fairly dense or porous parts of the aquifer and that your assessment of the total volume contained in the aquifer is therefore wider of the mark than the normal margins for error in probability that you would ascribe to the assessment given by your geologist. You may be more than 7 or 8 per cent out. So, until you start to pump it and exploit it at anything like what you have assessed

as being the available annual rate of recharge, you do not know but, if we all decide as a Parliament to give Executive Government through law the right to allocate quantities of water, we must also accept responsibility to ensure that it is there, and if we do not we are really expecting that the aggrieved licence holder, if they find that the water they have been allocated is not there, can sue. That does not matter a stuff to a Minister or a Government or even us as members of Parliament. We say that our salaries will continue, but the fact is that we have been incompetent and the rest of the taxpayers will pick up the cost of the litigation from the several aggrieved irrigators who have been given a licence to take the water for whatever purpose, whether for irrigation or some other purpose.

As time goes by I can foresee the day when our spring water, which is underground water no more no less, will have a market value in South-East Asia at least equal to what we can get for it by straining it through the vascular bundles in vines and olive trees and any other crop, by selling it to them as simply fresh, unpolluted spring water, as do the French now and as they do in a good many other places. Indeed, we do it here for ourselves for those of us who want to drink it out of bottles.

The Hon. G.M. Gunn interjecting:

Mr LEWIS: Maybe so, but those other things such as wine use about six times as much water as is needed to make a litre of wine. You need six litres of supplementary irrigation, or roughly that order, to get an extra litre of wine, although it varies a bit. The value of the wine is much greater than the value of six litres of water on the spring water market. My point, however, is not to wade into the minutiae of that market comparison but rather to draw attention to the idiocy of adopting a proposition that, because an expert says it is likely to be there and we write that down as what is there and allocate water volumes in perpetuity (and I will talk about volumes a little shortly) and give secure title to them, when they are found not to be present we have another problem to deal with. How do we reduce the amount of water that we allow people to withdraw from that aquifer?

Presently we have a stupid system of saying that, because it is in a given hundred, where a surveyor drew a line on a map, which has nothing to do whatever with the geology, geomorphology or hydrology of the landscape, we allocate the amount of water on the basis of a hundred as to what can be withdrawn by those people who apply for and are granted licences. That is an inadequacy in the present legislation. It is not bad and is making progress in the right direction. It is also an inadequacy in the select committee's findings.

The other matter that none of us can determine is when there might be an earthquake like there was, as I told the select committee, in Meckering, or as there was in Kingston in the South-East in the 1850s which will split the impervious layer below and supporting an aquifer, in this case a confined aquifer, and result in the confined aquifer draining to a far greater depth.

Suddenly, people who had water allocated to them at a given depth from a given aquifer no longer have it. It is no fault of Government and it is no fault of Parliament, but it has happened and they have a licence. How do we compensate them? In my judgment it ought to be on the basis of *caveat emptor*, in other words, if you want to bid to buy, you can have it, but you cannot have it forever because nobody can guarantee that it is there forever. The third point I make is that it begs the question: what about climate change? That may be more rapid. It may be that in some parts of our continent become drier rapidly by comparison with the rate of change in climate any time in the last few million years if we believe the doom sayers who advocate that we are subject to an increasingly rapid rate of climate change as a consequence of greenhouse gas.

We are talking about massive changes in climate in less than 100 years. That is the mathematical implication of the worst case scenario of those people who hold themselves out to be experts on greenhouse. If there is massive change in 100 years, then the law, and indeed the recommendations contained in this select committee report, do not take account of that. They ignore it altogether, rather looking historically at what has happened rather than prospectively at what can happen, what might the case. It was my view told to the select committee that the best way to allocate the resource was on a tenured basis and to allow the people who believed they could make most money from it to bid more than anyone else. That may have been done by private tender on a quarterly basis. If you have so much water available each year, you put out a quarterly tender to allocate that amount to the highest bidders and allow people to tender for it. You put half up for tender and then, when the tenders are open and allocated, immediately put the other half up for an open cry auction and allow people to buy it just as they would in wool sales or in livestock sales. Even though to most of us it would seem that the thousands of steers in the Chicago cattle markets are of identical quality and weight, the buyers, nonetheless, follow the sale through and buy up what is available. So open cry auction would most certainly work.

Any combination of the two, whether all of one and none of the other or some combination of them, does not fuss me, but it is the way in which Government can say honestly, 'This is a resource. You may have access to it if you choose to bid more for it than anyone else, and the rules are that if you then wish to extract it, you will have to sink your own bore, pay the cost of the installation of your own meter, and secure that meter against tampering by allowing an inspector to put on a seal so that it cannot be opened and fiddled with after it has been tested and accepted by an independent authority and installed.' All that to my mind is a more responsible approach.

I have heard the remarks made by members who were part of the committee, and I am pleased that it has been unanimous. That makes us all feel much better. At least it defines the common ground. I was impressed by the dissertation by the member for MacKillop, notwithstanding the fact that his view of how it is to be done not only differs somewhat from the committee but also differs from my knowledge and understanding of what I see as the fairest, simplest and least risky way for the Government to allocate the resource.

Before I leave that point, there is one other thing I want to say. The best bulls in any stud cattle or herd bull sale are those which attract the highest bid, so one could expect that in given localities, if the water quality is higher, or the surroundings more suitable for the use of the water, there would be a willingness of the people seeking to purchase the right to use the water for a period of, say, eight years, to pay more for it just as there is when you buy the best stud bull or best boar or whatever else it is that you believe will enhance the productivity of your existing enterprise, albeit in animals in the analogous situation.

It is then left to each individual to accept that risk and to make a decision about how to combine all the factors of production to optimise the outcome, to get the highest possible return for each of the dollars they decide to invest

in the process of producing the goods. The Government does not owe them anything. That means that the taxpayers are not liable under the model about which I speak at length in my remarks this evening. I guess that is why I am reluctant, because I do not know that any clear regard has been given by the committee to that understanding that is based on good science. I have not had time to study it.

I do not think that the current system of levies is an appropriate way in which to collect revenue from people who use underground water. I do not think that the money that is obtained from the system that I am advocating ought to go to general revenue. I think it ought to go to the catchment water management boards and to the region in which the water exists to develop infrastructure to make it more appropriate and efficient to use the water and everything else that is available for enhancing the profitability of those enterprises and, therefore, the prosperity in those areas. Let me explain that, lest people do not understand me. Why should the people in the South-East contribute to the general revenue of the State, and of Australia for that matter, a greater amount just because they have underground water and are paying a resource rental tax on it in the manner which is suggested or a levy so that water can be pumped to people who live in Rabbit Flat which is in the middle of the Tanami Desert? That is idiocy, but at least it illustrates the point I am making. The revenue ought to be expended close to where it is derived in order to enhance the greatest possible efficiency in the utilisation of the resource from which the revenue is raised.

I do not quarrel with the member for MacKillop in an apposite fashion saying that he is wrong but, rather, I draw attention to the fact that he referred to crops which extract water from the ground at greater depth than coastal barley grass, for instance, which is only a matter of a centimetre or three. Coastal barley grass and blue gums are very different; so is coastal barley grass compared with lucerne; blue gums and lucerne might be pretty much the same. But while the water is still in the root zone, it is legitimate for us to say that it is okay to plant a crop that exploits it regardless. It belongs to the landowner who chooses to grow that crop if that is the most productive and profitable crop that can be grown in that locality. Otherwise, we will get ourselves into the argument about the degree to which the crop so planted extracts the water from the root zone where you have coastal barley grass graded through annual species to perennial gramineous clovers to potatoes and other shallow rooted vegetables through to deeper rooted vegetables and fruit trees through to forests of one kind or another and deep rooted perennial pastures such as lucerne. That is dopey. It is as stupid as the Western Australian Potato Board taking an inspector on the back of a one tonne truck with a rotary hoe and chopping up the excess area that potato growers used to plant over and above what they were allocated as an area of potatoes to grow, regardless of what they got in the way of yield. I think it is unpoliceable and ridiculous. If it is an unconfined surface aquifer and the roots of the crop can exploit it, then let it.

While there is much more that I could say, I commend the committee for the work it has done. I am distressed that I am compelled to consider the report without having had the chance to read it at length and to compile a response to it that would be more realistic and less reactive than this.

The Hon. G.M. GUNN (Stuart): I can put the honourable member's mind to rest. The proposition put forward by the committee is that the proposed rent will be collected by the local catchment board and will fund the operations of the catchment board. Currently the catchment board is funded by either a land based levy or a water based levy. The proposal is completely in line with the proposition put forward by the honourable member.

Let me also say to the honourable member that the committee took evidence from a witness who brought before it samples of impervious rock and explained in some detail how it held water. We were most appreciative of that witness's evidence, so we have some understanding of what the honourable member said. Unfortunately, the committee does not have the wit or the wisdom to make recommendations relating to earthquakes. We cannot help and we cannot bind taxpayers to acts of God.

I thank all members for their contribution. The committee listened very intently and gave proper consideration to the honourable member's evidence and to that of all other witnesses. I now look forward, as do the other committee members, to the Government's implementing these recommendations for the benefit of the people of the South-East and therefore the people of South Australia. I have enjoyed the process but I hope that I am not involved for a while in another similar exercise because it is most time consuming. It takes a great deal of one's time at weekends to study volumes of reports and papers. I do not know if an attempt was made to give us information overload or whether it was thought that, if we were provided with huge amounts of paper, we would become even more confused than when we started. However, we all have very clear minds and we have put forward a set of recommendations which I believe are workable in the best interests of the people of this State. I commend the report to the House.

Motion carried.

WATER RESOURCES (WATER ALLOCATION PLANS) AMENDMENT BILL

The Hon. D.C. KOTZ (Minister for Environment and Heritage) obtained leave and introduced a Bill for an Act to amend the Water Resources Act 1997. Read a first time.

The Hon. D.C. KOTZ: I move:

That this Bill be now read a second time.

I am pleased to receive the long-awaited report from the House of Assembly select committee which has been examining water allocation policy in the South-East. A water resources policy is certainly a complex issue and people are understandably concerned that we get it right. The select committee has made a useful contribution to a fierce debate, which has been raging for well over 2½ years in the South-East and which some have claimed had its origins as long as 14 years ago.

I now turn to briefly address the recommendations from the report. The committee's recommendations are generally supported, with some qualifications, mostly of a minor nature. An initial response to each of the recommendations has been prepared, and they will be distributed. Many of the recommendations concern technical and administrative matters which still need to be fleshed out in a manner that is consistent with the committee's recommendations and within the context of the State Water Plan and the object of the Water Resources Act 1997. Many of the recommendations have substantial resource implications.

I am particularly pleased with the four water allocation principles recommended by the committee, namely, protection of the environment; facilitation of economic development; the provision of equity or fairness in allocation; and the

provision of water to meet the needs of future generations. These principles fully accord with the object of the Water Resources Act. In fact, many of the committee's recommendations are consistent with the provisions of the Water Resources Act, providing a healthy impetus to the Government's approach to integrated water resources management. I am pleased to note that the committee supports the COAG water reform principles and current Government policy with its recommendation for a total market based system, where access to water is held as a fully transferable property right separate from land.

Members interjecting:

The DEPUTY SPEAKER: Order! There is far too much discussion in the Chamber.

The Hon. D.C. KOTZ: By accepting this particular recommendation, the committee has accepted that we must maximise the economic value of water within the sustainable limits of the resource and, in doing so, it has provided leadership on this very vital aspect of water reform from a statewide perspective. The committee has reasonably and practically also recommended that the rights of existing water users are preserved.

The key recommendations of the committee relate to the remaining unallocated water in the South-East. Put briefly, the committee recommends a freeze on all new applications for unallocated water and that the remaining unallocated water be shared among landowners who do not presently have water. The share would be in proportion to the area of land owned, that is, on a *pro rata* basis, and people would be expected to pay for the right to both hold and use the water. This recommendation has application in four of the prescribed areas in the South-East where there are still significant amounts of unallocated water available. These areas are the Comaum Caroline, Lacepede Kongorong, Tatiara and Naracoorte Ranges prescribed areas. It should also be noted that, in the latter two prescribed wells areas, there is only a small area for which water has not yet been fully allocated.

The fifth prescribed wells area, Padthaway, is included in the Bill as a precautionary measure should unallocated water, or other related matters, be realised in the area during the period of implementing the new water allocation policy. Certainly, a lot is to be said for allocating all the unallocated water in the South-East in a single step. For one thing, it may put an end to the often bitter arguments about water allocation policy, which has certainly split this community for a very long time.

However, there are some issues which are left open by the committee such as: first, is the proposed allocation of water rights to landowners to be on a compulsory or indeed a voluntary basis? Secondly, if voluntary, as I would assume to be the intention of the committee, is the water returned to the Government to be held in trust or to be shared out again to those who want it, and on what basis? Thirdly, are all landowners who do not presently have water to receive their share, regardless of whether they have useable water supplies beneath their irrigable land on their properties? Fourthly, has the committee made any assessment of the level of rent to be charged for water in various parts of the South-East? These are just some of the questions which spring to mind, and certainly there are bound to be many more, and it will take some 12 months to implement this scheme.

These are certainly questions that will be best dealt with through the South-East Catchment Board in consultation with the community through the water allocation subcommittees. However, the select committee's recommended water allocation policy will be given effect immediately. In order to do so, however, the select committee has pointed out that an amendment to the current Water Resources Act is necessary, and that is now the Bill before this House, and, if passed, it will give me the power to give immediate effect to the select committee's recommendations on water allocation.

I will give effect to the water allocation policy recommended by the select committee by putting into place a new water allocation policy for the prescribed areas. This policy will seek to freeze applications for new or additional water allocations as from the close of business today and will give effect to the allocation method recommended by the select committee. This will be given formal legal effect as soon as I have been given the power by this Parliament to do so through the successful passage of the Water Resources (Water Allocation Plans) Amendment Act 1999.

The committee's policy is a compromise; it is an attempt to balance the needs of those who want water now (potato growers, dairy farmers, the wine industry and other developers), and those who want to see water rights preserved in the hands of those who own land. The Government in this Parliament has supported the establishment of skills based water management boards. This model has delivered outstanding results across South Australia. However, in response to the issue of board membership raised by the select committee, the Government will now consider the implications of electing members to boards.

The South-East Catchment Water Management Board currently is preparing some five water allocation plans for each of the prescribed areas in the region. We now have at least 72 local South-East residents directly involved in the process and many more making a contribution to these plans. This process will continue, notwithstanding the implementation of this new water allocation policy. Administration of licensing is a difficult business and the committee has highlighted some areas where the department could have done things better. However, it is pleasing to note that the committee has duly recognised the significant changes which have been made, and are continuing to be made, to the administration of water licensing by the department. These changes will continue to be implemented as a matter of priority and, in line with the committee's recommendation, progress will also be reviewed by the Environment, Resources and Development Committee in some 18 months' time.

I would also like to thank the committee for its contribution to what I believe history will view as one of the most major debates about the future wellbeing of South Australians. I seek leave to have the remainder of the second reading explanation and the explanation of clauses inserted in *Hansard* without my reading it.

Leave granted.

The Select Committee on Water Allocations in the South East was established in the House of Assembly on 10 December 1998.

The Committee has handed down its findings and recommendations in a draft report.

A number of recommendations have been made—the majority of which are supported and addressed in a separate Government response.

One of the recommendations (recommendation 9) found that Schedule 3 of the *Water Resources Act 1997* should be amended.

Schedule 3—Repeal and Transitional Provisions of the *Water Resources Act 1997* is being amended to allow the Minister responsible for this Act to vary a water allocation plan (referred to in subclause 2(15)) by a notice in the *Gazette*.

Water allocation plans are an integral tool in water resources management in this State. Each water allocation plan provides the

policy framework for the management of the prescribed water resource to which the plan refers. Once adopted by the Minister, a water allocation plan becomes a statutory document, and decisions by the relevant authority, for example, on the granting or transfer of water licences, must be consistent with the relevant water allocation plan. Where the prescribed resource in question lies within the catchment area of a catchment water management board, the water allocation plan becomes part of the board's catchment water management plan.

As a transitional measure this amendment will allow the Minister to vary a water allocation plan that started life as a management policy under the previous Act. Such a plan remains in force until it is superseded by a water allocation plan prepared and adopted under the 1997 Act.

I commend this Bill to honourable members.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Amendment of Schedule 3—Repeal and Transitional Provisions

Clause 2 amends Schedule 3 of the principal Act.

New subclause (15a) enables the Minister to vary a water allocation plan that has been preserved under subclause (15). Subclauses (15b) and (15c) ensure that applications made after 3 August 1999 in the South East wells area will be dealt with under the relevant plan as varied by the Minister under subclause (15a).

Mr HILL (Kaurna): I will not speak for very long, I know that many other matters are before the Parliament tonight. First, I congratulate the Government for readily accepting the recommendations of the select committee, especially in relation to this Bill. It is certainly a variation of the suggestion that the committee made, but I understand that it does the job that it is intended to do, that is, to give the Minister a power which she currently does not have, and that power allows her to stop the current system that is in place in the South-East.

The committee felt it was important that the Minister get on to this quickly because, if the general principles of the committee's report had been accepted but this legislation had not been passed, it would have allowed a range of people to take advantage of an interregnum, or a change in policy, and there may well have been another horse race for water in the South-East.

I am pleased that the Minister has said that she has prepared a response to all the recommendations and that, in general terms, she will accept the majority of those recommendations—although there may be some technical difficulties with some of them. The Minister raised a few of the points in her contribution and I think, if she reads the report more carefully, she will discover that the committee had considered and addressed those matters, particularly on the issue relating to rent.

The committee recommends that rent be established as a percentage of the value of the water in a particular area and the value to be determined from time to time by the Valuer-General. The water catchment board would determine the percentage of rent that would be paid in the same way that a local council determines land rates. The effect of that would be that, in areas where there is high demand for water, obviously the price of water would be higher. That would be determined by the Valuer-General. The percentage would be the same, but the effect would be that holders of water would pay a greater rate than they would in an area where there was little value of or demand for water. I think the report goes through that process and, if the Minister looks at the other issues that she raised as well, the report does deal with those issues.

The Opposition certainly supports this legislation. As I say, we congratulate the Government for moving on it quickly. I do say in passing that it really does get the Government off the hook: no longer will the South-East water issue be before the Government. I know it is pleased about that, and I wonder how long it will be before the member for MacKillop fills in the Liberal Party membership form.

Mr WILLIAMS (MacKillop): I support this Bill, the purpose of which is that the Water Resources Act 1997 (under which the water policies have been promulgated) does indeed prescribe the method by which water allocation policies and plans will be drawn up, and indeed prescribes a method for amending such water allocation plans and policies. That method, which is enshrined in the legislation, is a protracted method involving a certain number of steps which must be taken and which involve a great deal of community consultation.

It is thought that, using the provisions under the Water Resources Act, the minimum time to make any changes to an existing policy would be about 18 months. It would be untenable for the Government in any way to accept or adopt any of the recommendations of the committee and then take 18 months to implement them and to make the relevant changes to its policy.

I certainly commend the Minister and the Government. It appears that they are willing to adopt at least the majority, if not all, of the recommendations of the committee. In congratulating them on that, I think that is a wise move. The committee has done more than any other single person, group or organisation has done in the history of this policy development in the South-East. The committee has advertised widely and accepted evidence from anyone and everyone who chose to come before it to present their evidence in a written or oral fashion. I think the committee has received a broad amount of evidence and gained a better understanding of all the different ideas that might emanate from the South-East regarding how a policy could be set up to accommodate the most and have the greatest impetus for ongoing development and investment, particularly by existing landowners, as well as the least detrimental effect on future potential developers. It has done this by working through this process, taking account of all opinions and considering everything in a bipartisan way.

I reiterate my congratulations to the Minister and the Government for taking on board and recognising the role that the committee has played and recognising that the committee has probably come up with a document that no other organisation would be capable of doing in such a bipartisan way, having regard to all the various beliefs and wants of people in the South-East.

This Bill will allow the Government to proceed posthaste in adopting the recommendations of the committee. It will allow the Government to freeze any further water allocations as of now, and in the very near future, by a simple gazettal notice by the Minister, to change the existing plan. That will not prevent the current work of the catchment management board and the subcommittees set up under that board, but I have already commented on my feelings about the make-up of the board. I would hope that at some time in the not too distant future the Government can make that board truly representative of the people of the South-East and that the board will then become a community body and fulfil the desires and aspirations of the community it will then represent.

I would suggest that that could provide a template for the other catchment boards throughout the State. I am not too sure that the other catchment boards have had to grapple with the problems encountered in the South-East. I am not sure that the other boards have faced the odium of a community as has happened in the South-East, but certainly I would urge the Government to template the other boards throughout the State on the model that has been suggested by the committee so that the boards can indeed truly represent the communities which, after all, the boards are responsible for taxing. I use that word purposely.

I know that the Act provides for a levy. I have always called it a tax. I think it is a tax on water users. It may be justifiable to a certain level, but that is something boards should be mindful of. The boards will be definitely mindful of that if they are elected by the community and truly representative of the community. I commend this Bill to the House and hope it is processed through the House and the other place in a very speedy manner to allow the Minister to get on with this matter.

Mr McEWEN (Gordon): There are times when, if you legislate in haste, you will repent at leisure. It is too soon to go through what this select committee has found and the implications of its findings. I will not take the risk—

Members interjecting:

The DEPUTY SPEAKER: Order! The member for Gordon.

Mr McEWEN: A matter as significant as this ought take a few minutes of the House and not just some of the trite comments from opposite. At first glance, there are three issues that are not addressed. All I want to do at this stage is put them on the record because we will need to come back to them. Water is a subset of land use, and at the end of the day land use is the key to future development, future prosperity and wealth generation. If we actually still have some land use of which water is part anywhere in the water cycle, then it will impact on water allocations, because it will impact somewhere in the water cycle on water availability. I am not convinced that the committee has gone far enough in addressing the first order issue, which is land use.

Also, I do not think that the committee has addressed the fact that there are times when you cannot create a market. There are times when supply will outstrip demand forever. You have to remember that in the South-East at least 30 per cent of the water availability is allocated, and of that about half is being used. About 15 per cent of the 1 000 gigalitres available is being used. That says that in the foreseeable future, there will be water in the South-East that will never be needed. It will never be in demand, and therefore it will never be part of the market. In doing this, I hope we will not lock people into paying a penalty now for having a water allocation that they do not really want. We have to make sure that some people can choose at this stage to actually say, 'I do not want that water, even if you have given it to me, and I do not want to pay the holding costs for that water in perpetuity simply to create a market.' We just need to look at that.

The third issue that has not been addressed is the fact that we have only looked at one of the aquifers. This has only dealt with the unconfined aquifer. Underlying that are another whole lot of issues in terms of the confined aquifer. There are some people in the South-East who draw only from the confined aquifer, and actually may find themselves with an allocation from the unconfined aquifer which is of no use to them, whether or not it has some value in being traded. All I am saying at this stage is that I want to consult. I want to go back to my community in terms of the findings of the select committee. In the meantime, I want put on the record the fact that land use, no market-no value, and confined aquifer all still need to be debated.

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

The Hon. D.C. KOTZ (Minister for Environment and Heritage): I move:

That the time for moving the adjournment of the House be extended beyond 10 p.m.

Motion carried.

EMERGENCY SERVICES FUNDING (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 1969.)

Mr KOUTSANTONIS (Peake): As I was saying in my remarks earlier, there was only one bunny in the Liberal Party prepared to sell this tax. Only one person was game enough to stick up their hand to sell this tax, and that was the hapless member for Mawson. No-one else in the Liberal Party was silly enough to say, 'Yes, I will champion the Premier's cause; yes, I will be the one who does this. Yes please, sir, can I have some more?' It was the member for Mawson who thought that he would be the one to get up and sell this tax. And what does he do? He appears on prime time television and says, 'Well, ladies and gentlemen, not everyone will be worse off. If you own a $400 000 home in North Adelaide, you will be better off. You will pay less tax.' Well, thank you very much, Minister! I sleep well at night knowing that the good eggs at North Adelaide are better off because the member for Mawson has sold out his constituents and all those of South Australia.

This Government promised us an equitable tax system to ensure that the people of South Australia all paid evenly and fairly for the emergency services levy. Instead, we were sold a raw deal. Through the backdoor, this Government underhandedly sold a tax to its Party room members, and they accepted it. Every single member of the Liberal Party is guilty as charged for introducing the highest tax. So much for the Party of cutting taxes and cutting spending. This Government has increased taxes higher than any Labor Government would dream of. This is a Government of high taxes and high spending.

Mr Deputy Speaker, the reason we have this high taxing Government is that in a back-room deal your Premier signed a deal with Motorola that this State cannot afford. Who will pay for it? Not the Premier or the Government, but the people of South Australia. When you cannot get your way with the ETSA sale, what do you do? You blackmail. You bring in a tax—the ETSA levy—and when the legislation gets through you abolish it. Now you will not remove the emergency services levy, even though the problems of the world have been solved because you have sold ETSA. No; you need more cash, because the Premier did a dirty deal with Motorola and he has to pay for it. Talk about mismanagement and waste; talk about a Government that is directionless and has no real understanding of fiscal responsibility. The Premier made a deal to get a good news story about a call centre and a few jobs in South Australia and it will end up

costing taxpayers $250 million, because of an inept Premier. Shame on this Government; shame on the Premier!

In the end, had it not been for the Labor Party, pensioners would be paying more and there would have been no concessions on the emergency services levy. I know that there are members opposite who do not agree with the emergency services levy, who know it is unfair and inequitable, and who know that their constituents do not want or deserve to pay this tax, because they have been good citizens and have been paying the emergency services levy in other forms. Nevertheless, because of an inept Premier and a back-room deal he made, this Government has imposed this tax. My constituents will not forget.

Members interjecting:

Mr KOUTSANTONIS: May I have your protection, Sir?

The DEPUTY SPEAKER: Order! The member for Peake.

Mr KOUTSANTONIS: Thank you, Sir. My constituents—

The Hon. M.K. Brindal interjecting:

The DEPUTY SPEAKER: Order! The Minister will come to order.

Mr KOUTSANTONIS: My constituents will not forget what this Government has done, and neither will the constituents of Mawson, Unley and Waite, or those living in Port Lincoln and in the electorate of Light, represented by the Minister for Education, Children's Services and Training. The member for Colton will no doubt be reminded of his support for the emergency services levy, because this Government will pay a severe price for taxing South Australians nearly out of existence. The person who will pay the biggest price and carry the biggest burden and who is wearing the crown of thorns is the tax man, the member for Mawson; the man who will feature on every single one of our advertisements; the man who will be the star of the Labor Party campaign for Government. Robert Brokenshire will pay the highest price for being the Government's bunny.

Mr VENNING (Schubert): I note the findings of the select committee. I also wish to declare my interests as a land owner, a car owner and also a vintage car owner. All members of this House are affected somehow by this legislation, so in some way or another we can all declare our interests. I do that initially and up front. I do not resile at all from what I said in support of this Bill last July. The proviso was that it would be approximately revenue neutral to those who were already paying levies via their insurance levies.

Mr Hanna: You were wrong!

Mr VENNING: Just listen. I was under the impression that we were all about rounding up those who were not contributing; that is, about one-third of the community who were not contributing to that levy because they were either not insured or under insured; and also those who chose to insure outside the State or even overseas. What came out 12 months later has caused me concern. I pay tribute to the Minister (Hon. Robert Brokenshire) and the Premier, because many of my initial concerns have been addressed. I have certainly appreciated the ear given to me by both gentlemen. The issues addressed, including contiguous titles, farm registered vehicles and plant, concessional registration vehicles and vintage vehicles, have all been modified since the first draft of this measure.

The most important one has been valuation, in light of the Premier's promise to set up a full review of Valuer-General's valuations. Even before this emergency services issue came along, I was battling over the matter of valuations. I have taken great umbrage that people in my electorate who had a land use other than vineyard (in other words, graziers or croppers) because they lived near a vineyard were being valued as one. They had the income of a grazier but they were being valued as a grape grower. I found that iniquitous. That problem was magnified when it was initially used to proportion the emergency services levy. That is one of the wins of this measure. I am very pleased that the Premier has flagged that we will have a full review of land valuations and that they will probably reflect the actual use of land rather than a prospective use, in the event of a land sale.

However, I still have a major concern over the quantum of this levy. I share the concerns of the member for Stuart, who spoke earlier. I will continue to work with the Minister to further soften the impact of this levy. I will raise specific issues and after discussing this impact I will raise the issue of zoning. Certainly, I question why the Barossa and indeed the Minister's own electorate in McLaren Vale are treated the same as greater Adelaide. Why is the Barossa treated differently from, say, the Clare Valley?

The Hon. R.G. Kerin interjecting:

Mr VENNING: The member for the Clare Valley has just walked in and agreed with me. About 25 per cent of my electorate has a similar fire risk to your electorate, Sir, in the Adelaide Hills, but what about the other 75 per cent? I ask anybody in this House when they last saw a vineyard burn. They do not burn; they could not even burn them during the vine pull. You had to cut them, let them dry out, heat them up and then they would smoulder; so the vigneron has a great deal of difficulty in accepting any justification for the large increase in this levy, particularly because we are zoned the same as greater Adelaide.

Other concerns I have, on which I have had a good hearing from the Minister and the Premier, include the quantum of this levy and also the fact that it ignores the ability of people to pay. Having been involved in this place for nine years, I recall debating Federal issues, particularly in relation to means testing Austudy. We all said then that it was a very poor tax. It was unfair, because it took no consideration of the respondents' ability to pay and this situation is very similar to that one. Asset rich—income poor.

I am still concerned about the $50 levy on non-contiguous titles, given that the Minister and Premier have both moved that for contiguous titles—that is, those that join and are in the same name—you will pay that $50 only once in each council area not on each one as was in the draft legislation. I applaud that and am very pleased about it, but what about the case with many family farms, where the contiguous pieces are in the names of different members of the family? That was done some years ago for estate planning. I understand that, under that scenario, this new provision of one $50 payment will not apply. I will have further discussions on that; where contiguous pieces of land are used by one family unit (and I say 'one family' very definitely), I believe the same rules should apply. I am pleased that the Premier and Minister have largely addressed that issue and certainly have softened it. The big problem is still the quantum of this levy. I do not resile from what I said a year ago about that being my concern. I supported this principle, because we all thought at the time that people were not paying their way and that we would pick that up. But as I said, the concern relates to the quantum of the levy and, in particular, those people who will be impacted by it. As the member for Stuart said, many people are enduring some pretty difficult times right now not

only in terms of poor commodity prices but also with the weather, which is at the crossroads. We need rain badly in three-quarters of our State. Cash flows on farms are pretty poor; in fact, 62 per cent of farmers have some cash flow difficulty.

It is difficult for me to make comments such as this, but I stress, I still have problems with the quantum of the levy. However, in the weeks ahead I will continue to work with the Minister, who has my full support and admiration—and I know that for him it is not easy—because he has been most steadfast in relation to supporting the Government line in terms of his ministerial duties. I look forward to the weeks and the year ahead with the Minister and the Premier so that I can do what I can to soften the impact of this levy.

Mr HANNA (Mitchell): I have spoken before about the emergency services tax generally. It is an unwarranted and unfair tax grab which would not be necessary were it not for the colossal blunder in relation to the Government radio network contract, which caused problems for the Government to the tune of an additional $100 million. It is no coincidence that the additional amount of revenue to be collected by this tax is $100 million, an amount beyond what the levy previously collected. So, there are issues of injustice with which I have dealt before and with which many of the other speakers this evening have also dealt.

I focus on one particular point, and I am pleased to see that the Select Committee on the Emergency Services Levy dealt with this precise point. A number of my constituents have approached me in relation to their historic vehicles. These are old cars which have been recognised for special treatment according to Government policy of both Parties for many years in terms of their registration. These vehicles might be 40 or 50 years old and are driven only a few times a year. Accordingly, they have received concessional registration for many years.

However, the Government—because it was after every dollar it could get, and it did this fairly indiscriminately in terms of where the impost fell—policy was to charge this tax on historic vehicles at the same rate as a family vehicle car that somebody drives every day of the week. That was utterly unfair, and I am glad that the select committee's third recommendation (and, Madam Acting Speaker, you will find this in the summary of recommendations of the committee) is that the rating schedule for 'mobile' is amended so that conditionally registered historic and left-hand drive motor vehicles are allocated to tier 3 and therefore incur a levy of only $8.

I place on record that I am very pleased to see that recommendation. If the Government does not address that issue according to the committee's recommendation, it will be perpetuating an injustice. In the whole scheme of things, it is one minor aspect of the Bill, but those who own those vehicles and love and care for them very much do not want to see an increase many times over in terms of what they have to pay for their historic vehicle by way of registration and levies. I believe that the Government will take that into account. I am pleased to see that, and I will be happy to report that back to my constituents.

The Hon. D.C. WOTTON (Heysen): I want to speak briefly on this Bill, because I already have had the opportunity to speak previously and to make known some of my concerns regarding this legislation. At the outset, I commend the Minister for Emergency Services at least for having the guts to do something about what previous Governments pushed aside into the too-hard basket for decades.

The matter of funding of emergency services has been on the agenda for as long as I have been in this place, that is, 25 years this year. Previous Governments have refused to tackle this issue, so I commend the Minister for Emergency Services at least for tackling this problem and for providing a more equitable method of payment.

Having said that about the Minister, I express some of my concerns about this legislation on behalf of the significant number of constituents who, I can assure the House, contacted me and who made very strong representations. I am also concerned about the impact of this legislation on family budgets, small business, some councils and, in particular, the volunteers.

Members would appreciate that organisations such as the CFS in particular are vitally important in my electorate, as I am sure they are in the majority of members' electorates in this place. I would hate to see anything occur that would in any way interfere with the work done by those volunteers. I will return to that a little later, but I advise the House that some of the representations I received came from small business. I know that the Minister will respond to a number of these issues, and I also take this opportunity to commend the Minister for always being available and always listening when I have asked him to. On numerous occasions I have brought deputations of CFS representatives and others to see him, and the Minister has always at very short notice made himself available to listen to those concerns. I will leave it to the Minister to say whether he has responded to all those concerns.

I have received concerns from people, for example, in the earth moving business who are worried about the cost of registering earth moving machinery; from people who own farming equipment; from people in small business, as well as from bus operators and from others who will have to pay this considerable levy as part of their business. I am concerned about that. I am concerned also about some of the matters relating, for example, to current standards of fire equipment as far as the impact on local councils is concerned, and I refer particularly to the Adelaide Hills council. I have already made the Minister aware of that. I am pleased that the Minister has scrapped any proposal by the Government to claw back potential savings that the council may have made as a result of the introduction of funding changes to emergency services, although I will be interested to see what happens with local government now that it has been able to gain from that situation. I will be very keen to see whether the funds it has been able to retain will be appropriately put back into the community.

I was pleased with the recommendations that came out of the select committee. I will not go through all of them again, but I support them, particularly as far as the rating schedule is concerned. I refer to non-contiguous farming land in the same ownership to be aggregated and only charged once, which I am pleased to see has happened. I am pleased that the rating schedule for mobile property is amended so that conditionally registered historic and left-hand drive motor vehicles are allocated to tier 3 and therefore incur a levy of $8 only. I have received representation from constituents who are affected in that way. I am pleased to see that the Government will undertake detailed investigations into reducing the cost of collecting the levy because, in my opinion, it is far too costly.

I will close by referring specifically to matters concerning the CFS through the hills, particularly in my electorate. I was very pleased that the Minister was prepared to see three group officers who all have a part to play in my electorate and to have a lengthy discussion with them quite late in the evening to hear the concerns of those people. It will be no surprise to the Minister to know that a couple of them at least are still far from satisfied, but time will tell what the end result will be. Part of the discussions have centred around funding levels allocated to each emergency service involved.

While it has been said that no CFS brigade or group will be worse off financially, there is a major concern regarding long-term allocations made to each service, the flow on rationalisations within each service to compensate and, eventually, the inability of the service to provide the level of service to the community to which it is entitled. If I had the time I would refer specifically to the points that have been made by the group officers. The Minister is aware of those and has responded to many of those concerns.

I close by saying that I will do everything in my power to ensure that organisations like the CFS are adequately funded, particularly in high fire prone areas. It would be a disaster if funding was not adequate for organisations like the CFS. I would be seriously concerned if this legislation and this move by Government was in any way detrimental to retaining the volunteers that are so vitally important to organisations like the CFS. I am concerned because many people have said to me—people who have volunteered for many years and put their lives at risk during fire—that they will think twice about doing that in future when they are required themselves to pay a heavy levy. Other people in business have expressed a concern to me because of late they have been a little dissatisfied about the time taken by officers who attend fires and who expect to be paid during those periods. Some of those business people are saying to me that, if they have to pay excessively under this legislation, they will rethink whether they will be prepared to allow senior CFS officers to do their work. I am concerned about that because I believe the ramifications that could come out of it could affect all of us, particularly those of us who live in the hills and in high fire prone areas.

I am pleased that many of the recommendations that have come out of the select committee will be addressed by the Government. I will be watching this legislation very closely and will be interested in the debate that will take place during the Committee stages of this Bill, because I am sure a number of questions will need to be asked and I will be looking for the appropriate answers from the Minister. I commend the Minister for the way in which he has addressed this matter, an extremely difficult matter. He has shown tremendous commitment in so doing. I guess all of us are concerned, particularly about the quantum of the levy and time alone will tell whether this legislation and its provisions will prove to be the appropriate way to move as far as emergency services in this State are concerned.

Ms CICCARELLO (Norwood): I will be brief. Having been involved in local government for a long time and also having wrestled with the issue of the CFS and MFS for a long time, I certainly agree that something needs to be done. What has been put in place is quite unjust and fairly draconian. I speak particularly for the people in my constituency in Norwood. People living in the metropolitan area are constantly subsidising the people who choose to live in the hills, in many instances. We have seen this with both the water catchment levy and now the emergency services levy. The people in the lower reaches are now paying a water catchment levy to clean up the waterways, which is quite reasonable. However, because people in Norwood have the good fortune, or misfortune in this instance, to live in an area that is seen as quite desirable and their property values have increased over the past several years, they are paying much higher rates than people in other areas. This will now translate to the emergency services levy as well.

If people note the price of house sales in Norwood in the past couple of months they will see that average property sales are around $300 000. We have people living in those homes who have been there for many years and they are asset rich and income poor. Many will not qualify for pensioner discounts because they are not pensioners. They are people on very low wages and are seriously disadvantaged. I have had many people coming into my office in the past couple of months with their water rates and showing how they have increased. They are now waiting for their council rates to see how much more they will be paying. If we put on top of this the emergency services levy, they do not know where to turn.

Mr Deputy Speaker, you were mentioning that this is not just affecting families and their budgets but also affecting small businesses. I have many small businesses in my area that will be seriously disadvantaged. You mentioned, Mr Deputy Speaker, that you would like to see, now that local government is getting money back, what it will do with that money. I would like to see what the insurance companies will do with the money if they are reducing their premiums to people, discounting what the levy was to be.

In Committee, I will certainly be looking at various clauses to see that what we put in place is fair and equitable, although I reiterate that I think that most of my constituents will be seriously disadvantaged and in comparison with the insurance premiums they were paying previously, this will have a serious effect on their budgets.

Mrs GERAGHTY (Torrens): I will not revisit all the very grave concerns that my colleagues have raised because we all know that this levy, or this tax, is just a greedy grab at dollars. But I do want to follow on from something that the member for Mitchell raised about the rating schedule for mobile property in relation to historically registered vehicles. Recommendation R3 states that they should be allocated to tier three and that will mean they will incur a levy of $8 instead of $32.

I have quite a number of enthusiasts in my electorate of Torrens and they will be absolutely delighted to see this recommendation taken up. The registration for their vehicles is now $61, and the emergency services tax adds a further $32 onto that total. Many of these owners must have trailers on which to transport their motor vehicles and motor cycles and this adds another $32 to the trailer bill, bringing the total to $125. That is the case if they have one vehicle; if they have more than one vehicle, of course, they are greatly disadvantaged.

Given that the Government has imposed strict restrictions on how often vintage motor cycles can be used on the public highways, my constituents who own such vehicles found that as a result of the emergency services levy (if it stayed at its current rate) and the registration charges they were being treated quite unfairly. One constituent has a number of motor cycles and he is a great enthusiast, obviously, but these enthusiasts can only take their motor cycles onto the road for a quarter of the year and log books have to be completed to

show that they are adhering to the law. If they breach the regulation, they are then fined a considerable amount of money.

When I looked at that aspect of the levy or tax, I found it astonishing that these owners, who are allowed to take their vintage motor cycles or motor cars onto the road for just a quarter of the year, are charged a full year's registration and they were to be charged the full year's emergency services levy—which was $32 at that stage. Those who have more than one vintage vehicle were doubly disadvantaged because they could only ever use the one vehicle on the road at one time.

Colin, who is one of my electorate's great enthusiasts and who lives at Manningham, wrote to me about this (as he has done on numerous occasions) and suggested that, as he can use his vintage vehicle for only a quarter of the year, that is, just 90 days, the levy should be set at $8. I know that he will be absolutely delighted, as will his other friends. As I said, I have a great number of constituents who get much pleasure from owning, maintaining and exhibiting their motor vehicles and motor cycles. Many of them belong to the Federation of Historic Motoring Clubs—

Mr Clarke: Are the Gypsy Jokers in that club?

Mrs GERAGHTY: No; I do not think that the Gypsy Jokers would allow these bikes next to theirs—but they are absolutely beautiful machines. I know that the motoring club has taken a great interest in this charge. It is worth mentioning that these enthusiasts regularly exhibit their motor cycles in the Bay to Birdwood Rally and other such significant events. It brings a great deal of joy to our community and I certainly know that because, during the Bay to Birdwood, I sit on the roadside along with my constituents and a number of children and we enjoy watching the vehicles pass by.

Many of these owners are actually on age pensions or on low incomes because their retirement incomes have been severely affected by low interest rates and, quite contrary to belief, they do not lead lavish or wealthy lifestyles. We will be most delighted to see the recommendations of this report accepted, so that these people will not have to terminate their hobby. As I have not yet had time to read the whole of the select committee's report, I hope that I have time to do so this evening, but I know that many low income and age pensioners in Torrens are very concerned about the added impost that this tax will have upon them. Most of them are just managing to make ends meet now, and they often do that either by reducing food bills or by not taking medication that they need because to purchase their medication means they cannot pay their bills. We will monitor this matter very closely to see the impact that it is having on people in the community. I believe, as many people in my community believe, that the Government is completely out of touch with them.

Mr CLARKE (Ross Smith): I will not traverse all the points made by members on this side of the House. They are well made and, in particular, the application of this tax is harsh and regressive on people on low incomes for the reasons that have been stated. However, I want to respond to what the Minister has said earlier on the media and the like when this Bill which we are currently debating was originally scheduled a few weeks back—perhaps a few months back—and then was pulled from the Notice Paper. The Minister claimed that it was because of what I had said during an earlier debate on the first emergency services tax legislation last year.

The Hon. R.L. Brokenshire: That is right.

Mr CLARKE: Minister, let me say that I commend you and the Government with respect to this legislation, not because of the regressive nature of this taxation and the very valid points made by members on this side, but no matter how mealy-mouthed are those members of the Government who got up and spoke about it this evening and who said that they will closely look at the legislation and how they hope it will not be used as a wealth tax, the fact is that every Liberal member in this Parliament has voted for a wealth tax, even though it may be regressive in nature. However, just as it took an arch conservative Republican like Richard Nixon as President to open dialogue with the then feared Red China and the then Soviet Union of 1972, just as in that era no Liberal Democrat President could have ever countenanced opening up détente with those two then Communist nations or established formal diplomatic relations with mainland China, it has taken an arch conservative Liberal Government in South Australia to reintroduce a wealth tax in this State.

Had it been a State Labor Government which had sought to introduce this wealth tax, there would have been 15 000 to 20 000 cockies outside on the steps of Parliament House with their gum boots and cow pats all over the place protesting furiously against the imposition of such a tax. It has taken a conservative Liberal Government to start to bring back in this State a wealth tax that we have not seen since former Liberal Premier Tonkin abolished land tax on residential homes back in the early 1980s—at a time when you, Sir, were a Cabinet Minister. I should have thought that you, Sir, would see the irony of it, having been a Minister in that Government, to have thrown out a wealth tax during the Government of 1979-82 and now to be part of a Liberal State Government in 1998-99 which has reintroduced a wealth tax.

I commend the Government, from my point of view, for bringing in a wealth tax. It is an unfair tax in its application, as I said, for all the reasons that have been advanced, and I will not repeat them here. The point is not lost on any of us with respect to this matter, and it is something that no member of the Liberal Party in this Parliament, either in this House or in the Legislative Council, can avoid. They brought it in and they have voted for a wealth tax, and no amount of mealy-mouthed words will allow them to escape that fact.

Ms THOMPSON (Reynell): I, too, want to speak briefly on this matter just to record the issues that have been raised by my constituents and some of the intense feelings that I have had on this matter and as I have looked at the issue of the Government radio network. All my suspicions were confirmed in the report of the select committee, in that the Government radio network is one of the principal beneficiaries, although that is a very generous term, of the money that is being raised from poor people in my community.

This is a tax by stealth and it is inequitable. The member for Ross Smith has pointed out that it has some value in that some elements of it that relate to fixed property are a wealth tax. However, the family that has clubbed together to buy a bit of a tinny to go out and enjoy an afternoon's fishing, not necessarily from the fancy boat launching ramp at West Beach because in my case it would be from the O'Sullivan Beach boat ramp, will pay exactly the same amount of emergency services levy as someone from a more fortunate background who has a luxurious cabin cruiser.

Similarly, the family that manages to get together $600 for a second car to take the children to school when public transport in the area is so inadequate will also have to pay the same amount of tax as the person who has a very luxurious

car, possibly on a lease, the cost of which is deducted from their business tax account.

This is not an equitable tax. Indeed, it is far from equitable, and it will hurt families who have to find $100 often more deeply than those families who have to find $400, because the $400 family is already able to service a large mortgage, etc. However, I recognise the difficulties mentioned by the member for Norwood about people who have had for a long time homes which have increased in value. That is not an issue in my electorate, where many people will struggle to find the $100. Over the dinner break, I was privileged to have the School Council from Flaxmill Primary School present, and I asked those people how they would find an average of $100 to pay the yearly emergency services tax. Although they had heard about it, they had not really come to grips with the fact that somehow they would have to find this extra amount in their budget. Nobody had any real idea.

One woman said that, if the money were for hospitals, she would not mind scrimping and saving to ensure that she and her family had decent hospital care. However, if it is to be spent on fripperies such as the Government radio network—and I deliberately say 'fripperies' because what we are getting is not a good communication systems but an over-bloated system that will not provide the basic needs of police in remote localities—finding the extra $100 will be very difficult for her and her family.

I mentioned earlier my concern over the issue of the Government radio network and the silly arrangement which was entered into by various members of the Government who have not learnt a thing about problems in managing large contracts. They have not learnt a thing about playing games with the private sector, which can outplay them on so many planes. Instead, CFS operatives have written to us about their needs for trucks and safety equipment, rather than fancy radios that may or may not work in a real time of crisis. Police have raised with us the issue of their safety in remote localities where this highly expensive Government radio network will do them absolutely no good whatsoever.

I noticed that the report which was handed to us today mentions computer-aided dispatch facilities. I have heard these discussed throughout the Government radio network inquiry and in this House. I have noted in the last couple of weeks the response from the Minister for Emergency Services when asked about the concerns of people about lack of police attendance at incidents that have frightened them or affected them in some way. Consistently, the pattern has been for the Minister to blame the dispatch system. He is looking for another toy, it seems to me. He does not blame the fact that there are not enough police or that some of the police are so tired and worn out from being asked to do far more than they should that sometimes they do not respond in the way that they would like to. Now we are told that the answer is in yet another toy—that a computer-aided dispatch facility is needed.

So, families will have to scrimp and save. They will have to watch when the petrol is 77.1¢, as I am told it is in the south today, and when it is 69¢, and very carefully balance their budget, take on yet another worry, and find small ways of saving money so that the Minister can have his radio network and his computer-aided dispatch facility. This is about raising extra money for wasteful expenditure. It is not about ensuring that everyone in this community can be safe and can feel safe. That is why people will constantly resent having to find $100 every year. I note the concession for pensioners, but I point out that it is only there by regulation: it is not in the Bill. While Labor has been successful in pointing out the plight of pensioners for the time being, it is not guaranteed, unless I have not fully comprehended the report. I will therefore seek further information on how confident pensioners can be that they will not suddenly get a bill of $100 or thereabouts.

This is a tax by stealth. It is being spent on fripperies. It is not the equity measure that we were told it would be. People are saving only $8 or $12, which are the two amounts that people have told me they have saved on their insurance. They will have to put their hand in their pockets, suffer more stress, and take on more responsibility in trying to balance their budget, but not for the aim that we would all support, which is good emergency services.

Mr HILL (Kaurna): I have been a member of this place only a relatively short time but, in that 20 months or so, my office has been contacted by many constituents from time to time about issues of the day. However, none has caused more concern in my electorate or more phone calls, more letters and more representations to my office than the emergency services tax. It has caused great concern amongst many members of the public. When the Government introduced this measure it was able to convince the Opposition that it was a good one because it said that it was a fair system, that it would mean that everyone would pay a little bit to pay for emergency services, and that those people who pay more than the average now would pay less because it would be shared across all taxpayers. Now that seemed to us a sensible measure and was worthy of support. I think most people in the community would accept that. Certainly the ones to whom I have talked have accepted it when I have explained our position. What they object to is the extra money that is being raised through this measure—the extra taxes that are being raised. They recognise it as an unfair tax grab.

In the time that I have available to me I will briefly go through some of the complaints and concerns that have been put to me by people in my electorate. Ironically and interestingly, the majority of people who have contacted me about this have been traditional Liberal voters. They say to me, 'We are not going to vote Liberal again because of this measure.' Members of the Government are really bleeding on this issue and, if they have not worked it out yet, then it is a great surprise to me, because they will certainly work it out on election day—whenever that occurs.

One of the people who contacted me was a Mrs W from Sellicks Beach. She told me that she and her husband were both CFS volunteers. They told me that they need their cars kept in good condition so they can get to emergencies. Now they are being slugged by the emergency services levy on their vehicles as well as having to contribute to the cost of being members of the CFS. They think they are being charged twice. They say that volunteers for the CFS, the SES and the Surf Lifesaving Clubs should be exempted from this tax. They do not mind the emergency services levy on their home. They are a struggling family with a number of children. They are not in high paid employment and they really resent the Government taxing them on something which they believe is essential for them to provide a community service, which is the CFS. I am sure, as the member for Mawson knows, the CFS is vitally important on the edges of the city in covering areas such as Aldinga, Sellicks Beach, Maslins, Seaford, McLaren Vale and so on.

An honourable member: Port Willunga.

Mr HILL: Indeed, Port Willunga, as the honourable member says. I have also been contacted by a captain of the CFS in my area—I will not say which one—who has provided me with some information about the CFS's view on this. The CFS in its media release of 7 July stated:

In 1997-98 the CFS got $15.6 million. The CFS budget for 1999-2000 is only $13.5 million! The Government claims that its providing the CFS with $32 million but in fact more than half of this simply replaces what was previously funded by councils and includes the paying for the expensive Motorola radio network: a system the CFS did not ask for.

The Government promised that the emergency services levy would deliver a system of raising funds that was much more equitable and would more fairly raise extra funds by spreading the net wider. However, after all the talk of the CFS being better off with the ESL, we now know these words have been nothing more than empty promises.

No more than empty promises, Minister.

The Hon. R.L. Brokenshire interjecting:

Mr HILL: It says 'CFS funding crisis' at the top. It was certainly provided to me by the CFS in my area and I will put on the record that the Minister for Emergency Services says that it is not a CFS press release. I am sure the people who provided it to me will be very interested in his comments. They are absolutely furious about what the Minister and his Government are doing. The Minister can split hairs and say, 'It is not an official CFS press release'—and he may be right—but it is certainly the view of members of the CFS, the people on the ground who deliver the valuable services, which, day after day, he praises in this House. They are not praising you, Minister; you should know that.

I now refer to the South Australian Farmers Federation which has contacted me, and its support is not forthcoming for this service as well. Under the heading 'SAFF Emergency Services Levy Survey' in part it states:

Results of our member survey show that there is a wide range in what people will pay under the new system in total (fixed and mobile property). The range from our survey shows $2 058 to $157 with the median being $374.

The difference between what they used to pay and what they will now pay ranges between $1 109 and $239. The median is $150 with the average difference being $204. The extreme negative value ($239) relates to an example where the fire levy paid was well above the median of the others in the survey. . . The median levy for Adelaide residents will be $122. For this they will get a $2 million truck with professional firefighters to arrive within 10 minutes of their call to extinguish a fire.

Most rural residents will have a $50 000 truck with local volunteers (maybe themselves) ranging in age from 15 to 50 to attend the fire. The time taken for all of this to happen is considerably more than 10 minutes. Those same volunteers have contributed to the CFS through council rates, in time training and carrying out duties and in local fundraising.

You cannot escape this, Minister; this is from the South Australian Farmers Federation, one of the great stalwarts of your Party—or what used to be that Party.

I now refer to a letter I received from two of my constituents, Mr and Mrs B, from Maslin Beach. They have written to the Minister, so he can work out who they are. I will read the letter for the benefit of the House. This is a letter to Robert Brokenshire MP, Minister for Emergency Services. The letter states:

Dear Sir, We have been trying to assess the real situation with your Government's emergency services legislation. The last information we read was a full page in the July issue of *On The Coast*.

For the benefit of the House, that is a local newspaper. The letter continues:

Our old situation was approximately: home and contents cover for emergency services $23; two cars at $18 each, $36, total $59. Our new situation will be approximately: home value of $87 500—

these are not rich people—

$108 for the levy, less $40—

because they are pensioners—leaving a total of $68. The letter continues:

Two cars at $32 each comes to $64, a total of $132. This represents a 125 per cent increase or $73 which seems well out of proportion and we need to ask—how did the services ever function in the past?

A very good question, Mr and Mrs B. The letter continues:

Reports say that the emergency services will in real terms receive less than before being brought about by the very large outlay on a new Government radio system, said to be unnecessary. If the new radio system goes ahead we assume this will be a one off charge costing many millions of dollars and therefore will the ongoing yearly levies be reduced accordingly?

Another concern to us is that of the existing charges. Will you guarantee these will be deleted in full prior to the new levies being charged? We fear that organisations will increase other areas of costs to compensate, and we will be paying twice. As far as we are concerned it adds up to more costs on more costs to families and we feel you cannot justify continuing to escalate these charges which are nothing other than indirect taxes.

The result is that although we have both been Liberal supporters both State and Federal all our lives, we must start to question your Government's motives in the light of these issues and others where your Government has performed badly and without justification or credit. However, we feel justified in requesting answers and assurances.

Yours faithfully—

and I will not give their names. Your own supporters, Minister, are deserting you.

I now refer to a number of other residents in my area who have spoken to me about the conditionally registered historic motor vehicles. As the Minister would know, in the past certain classes of vehicles which were used for historic purposes have been able to get conditional or concessional rates for registration. I think they pay a quarter of the normal levy for 90 days. They then can drive the cars on 90 days in the year. So they pay considerably less. However, they will be slugged the whole $32 for the registration. They feel that is unfair and they would like to see a quarter of the cost applied in their cases. I understand the Opposition will be moving some amendments to support this, and indeed I understand the report that the select committee has produced may support this position. That certainly makes sense: it would be unfair to charge only quarter registration but the full emergency service levy on these vehicles.

Then I have another constituent, a Mrs M from Sellicks Beach, who rings me to tell me she is an aged pensioner who is not very well. She has a trailer which is not registered. She uses it to cart bins and so on around the place, but she will have to pay an emergency services levy on that. She asks 'Why? It is not registered.' Why should she have to pay that levy? I will be interested to hear what the Minister has to—

The Hon. R.L. Brokenshire interjecting:

Mr HILL: I am glad to hear the Minister say she will not have to—I will be able to reassure her of that. Then I come to a Mr C of Aldinga Beach who has written to me on—

Mr Clarke interjecting:

Mr HILL: I am, if need be. I know it is late and members want to go home and I apologise to the House for taking this time, but, as I say, this measure has caused more distress in my community than I think anything else that this incompetent and hopeless Government has introduced in the two years or so that I have been a member. I refer to Mr C, who has

written to me several times. He has written to the Minister as well and has asked for answers to a number of questions. He says:

> Dear Sir, I refer to my recent telephone conversations with you. Please find enclosed the letter I have sent to . . . Robert Brokenshire. I have spoken to the Minister and the Attorney-General's office several times and as yet no-one has been able to convince me that it is a fairer system or that it has been handled well. I have also enclosed additional material that may be of interest to you.

He then refers to a number of questions that he would like answered. I give the Minister notice of them and I hope in his responses that he can address them. Mr C says:

> I would appreciate your help in locating the following material or answers:
> 1. Copies of the budget submissions supplied by Emergency Services to calculate the levy.
> 2. The five different investigations noted by Mr Brokenshire in his letter.
> 3. The total registered vehicles in South Australia that attract the ESL broken down into separate vehicle groups.
> 4. The total cost of property in South Australia that attracts the ESL.
> 5. Any information about users comments on the communication system and any information on the Motorola detail itself. How much did we pay Motorola, and where has the money come from?

I look forward to the Minister's response to those very important questions from my constituent. The last item I come to is the one that gave me the greatest pleasure, I must say, and that was a fantastic letter from Anthony Toop, President of the Real Estate Employers' Federation. In fact, I was amazed by the amount of correspondence I had from the Real Estate Employers' Federation on this issue, and I have received any number of bits of correspondence. I understand that this letter may have been retracted but I do not think the sentiments expressed in the letter by Mr Toop have been retracted. For the benefit of the House, I will read it into *Hansard*. Mr Toop says:

> Dear Mr Hill,
> Further to my correspondence of 5 May 1999, I would again like to stress that the Real Estate Employers' Federation (REEF) strongly opposes the introduction of a new levy on households and in fact we believe this is in fact a new tax, not simply a household levy.
> We would like to further note your attack on the property sector and, although REEF won't be pursuing this matter any further, we strongly advise that neither REEF nor REEF's members support this levy in any way.
> In future, REEF would appreciate being involved during the consultancy process on any issues affecting the property sector.

Well, Sir, this is fantastic. We have the Real Estate Employers' Federation, not known as a Labor supporting group, attacking this measure as a tax. We have the CFS, which historically has not been known as a strong supporter of the Labor Party, attacking this tax. We have the South Australian Farmers' Federation attacking the tax, and we have ordinary members of the public who have voted Liberal consistently in the past attacking this tax, giving every indication that the Government is losing its support base because of the callous and greedy way it has pursued this tax.

The Government has sold it to us and it is trying to sell it to the people as a fair measure to cover emergency services. Members opposite should be honest and admit that this is a new taxing measure to gain more revenue for the Government. Emergency services is just a side issue. This is absolutely a tax grab. The Government will pay a very big price at the next election for this.

Ms WHITE (Taylor): All of my colleagues who have contributed to this debate on behalf of the Party so far have outlined the harshness with which this measure will impact on our constituents. My constituency is no different, and I have spoken on many occasions on the impact that this harsh measure will have on people in my electorate. Many of my constituents have difficulty in absorbing a $5 a year increase on taxes and charges. An increase of the size proposed here will have an enormous negative impact on their budgets.

Most of the points I would wish to raise in the debate on this Bill have been raised already by the shadow Minister and my colleagues, so I will not repeat them, other than to say that quite clearly the Government has not been honest in its portrayal of what this tax is. The very fact that it has refused to acknowledge that it is a new tax is evidence of that. This is a new tax. It raises more than the Government would lead us to believe, in that the Minister repeatedly stated that this was only replacing a current revenue measure, that is, the revenue put into the emergency services collectively.

As we know, last year's budget for those services was of the order of $80 million. This year, the combined emergency services budget is of the order of $102 million, but this tax is raising, as evidenced by the budget papers, $141.5 million. Obviously, the Government should come clean and admit to the people of South Australia that this is an increase in taxes and charges to them, because every constituent who has to reach into their pocket and pay this additional levy, this additional tax, on every residence or mobile vehicle they own, knows that that is exactly what it is.

I, like all my colleagues, have had a great amount of correspondence in opposition to this taxing measure by the Government. It has come from the CFS members who, like all my colleagues who have spoken previously have said, reject totally the Government's claim that it is increasing the emergency services budget because, as many CFS branches all over South Australia have put to Opposition members, in many cases their budgets have been decreased, not increased along with this taxing measure.

The Real Estate Employers' Federation, usually a body that is very supportive of the Government, has written to every member of the Opposition criticising in harshest terms this taxing measure. Various metropolitan councils have written to me expressing their problems with this legislation, and the South Australian Farmers' Federation also has identified many problems with the way this Government is levying this new tax.

I notice in the report of the Select Committee on the Emergency Services Levy, a committee that was forced upon the Government by the Opposition I might add, that the steering committee, consisting of a number of Ministers, which reported back in May 1998 on this emergency services tax, had as one of its recommendations or key tenets that the level of contribution towards this levy should be consistent with the potential to benefit. From the way I read it, that is in direct contradiction to what has actually eventuated. Rather than assessing people's potential to benefit, it seems that the Government has come up with this blanket application of what is essentially a wealth tax. It is curious, I might add, that it is a Liberal Government introducing a wealth tax, particularly at this stage.

One strong recommendation contained in the select committee report is that the Government review its commitment to the Government radio network because of the high cost that it is imposing on the taxpayers of South Australia. I sat on the Economic and Finance Committee myself when the Government radio network was discussed and when the emergency services personnel said that they did not ask for this Government radio network. Indeed, they spoke about the

problems they had identified with the Government's current commitment to this Motorola Government radio network. That has only reinforced to me that the Government has made a very expensive mistake for South Australian taxpayers, and I hope that the Government will now look at a lower cost option.

It is always pretty clear and obvious that, when you commit to a company before you understand the product that you are going to get as the outcome of the contract, you get a pretty bad deal. In my previous career I was exposed to contracts where my employer had committed to a company rather than a product. Out of that I have found from my own experience that you always get diddled. You always get the white elephant that the company that you choose wants to get rid of. You get old technology, and you get it at a high price, and that is exactly what the Government has ended up with for the taxpayers of South Australia.

This is not by any means the best system for South Australia, but it certainly is the most expensive. It is not Motorola's most modern system that will deliver exactly the same outcome that the Government wants, but it is an older system that I am sure the company wishes to get off its hands. Along comes come the suckers in the Government of South Australia and they are taken for a ride, at the expense of the taxpayers of this State.

A blow-out of $100 million cannot be defended easily by this Government, try as it might. I have received correspondence from councils that are concerned about the measures in this Bill. They have been raised by the shadow Minister and others, I believe, so I will not repeat them. I hope that this Bill will be amended to provide for greater relief from the levy for low income earners and pension recipients. In my constituency a lot of people certainly fall into that category.

Like many of my colleagues I have received a large amount of correspondence from owners of vehicles with historic plates or conditionally registered historic vehicles. They point out in their letters to me that they are allowed to use their vehicles for only 90 days in the year. I do not know whether that is common to all historic plates, but certainly for all the constituents who have contacted me that is the case. So, it would seem reasonable that, given that they do not have unlimited registration for the full 12 months but have it for only a quarter of the year, they should be levied for only one quarter of the $32 that will be levied on vehicles. I would therefore hope to see an amendment to this legislation to allow for a levy of $8 to be incurred on historic plated vehicles.

Another recommendation of the Select Committee on the Emergency Services Levy was that the Economic and Finance Committee, rather than the Emergency Services Funding Advisory Committee, be the body to review and comment on the levy. Given the role of the Economic and Finance Committee, I believe that is most appropriate, and I hope that that recommendation will be accepted and delivered in the end.

To summarise, this new tax—this impost on my constituents—will be felt very much and have a negative impact on the very tight budgets with which people living in the Salisbury, Elizabeth and Virginia areas have to cope. This tax is being imposed on them by a Government because of its incompetence in managing the contract for a Government radio network. It is because of the blow-out in that contract cost that my constituents are having to pay for the deficiencies of this Government.

So, with quite some resentment I stand here tonight to ask the Government to consider some of the recommendations that have been made through the select committee process for the emergency services tax and that, in all deliberations, Government members realise that it may not be their constituents who are hardest hit by this tax, but it certainly will be constituents such as mine who struggle to pay for this Government's incompetence.

Ms RANKINE (Wright): There is no doubt that when the original legislation in relation to the emergency services levy was introduced into this House my side of the House supported it. Labor supported very clearly a fairer system of funding our emergency services, and we do not in any way back away from that. As a member of the Salisbury CFS, I know only too well the magnificent job that our emergency services do on a daily basis.

Very recently we saw the involvement of voluntary emergency service organisations assisting our police and other organisations in relation to the serial murders, particularly out in the Salisbury area. Their job is often taxing, is emotionally draining and impacts clearly on their families, yet they do this, day in, day out to support their communities. They deserve support also. They deserve to be able to operate in safety and with the best equipment possible; there is no debate or question about that.

What we supported was a fairer system of collecting money to fund these emergency services, but that is not what we got. What we got was a major tax grab in order to pay for this Government's mismanagement—and red faced it should be. This Motorola contract is where the majority of the money from this tax grab is going. This Government is collecting approximately $40 million more than was collected under the previous system. Rather than sharing costs across a wider section of our community, we are all simply paying more.

In a previous address, I spoke to the House about circumstances facing a number of my constituents. Those concerns continue. Older people particularly have expressed concern about the real possibility of not being able to pay this impost. Many are suffering sleepless nights worrying about where the money will come from to pay this tax. Many are asset rich and income poor, and that has been verified by one of the findings of this report. Many will now have to forgo the very small niceties which make life worth living in order to pay this Government's tax grab. The Government has placated its guilt by advising that a concession of $40 will be available. That is all well and good, but a lot of my constituents were paying only $38 to start with. Some now face tax imposts in excess of $200. All of this would not be so bad if the emergency services themselves were to be better off, but that simply does not appear to be the case. This evening, the member for Kaurna referred to a particular instance; there have been media reports that verify all this. In looking for winners in this whole process, clearly it is not older people; it is not those who were previously paying the fire levy; it is not the Farmers Federation. The member for Kaurna referred to receiving correspondence from that organisation, and so did I. The Farmers Federation correspondence said that its expectation was that a majority of rural South Australians would now pay much more for emergency services under the new system. Its survey showed that the difference between what they used to pay and what they will pay now ranges between $1 109 and $239. So, clearly people in the rural sector are not winners.

The Real Estate Employers' Federation is not impressed and says that South Australia's property industry is just surfacing from being in the doldrums for 10 years, and that the viability of the industry would be seriously undermined by the introduction of this proposed tax. South Australians believe that the introduction of such a tax will inevitably force landlords to pass this tax onto their tenants. Those people not in a position to own their own home will still be paying this tax. What about small business operating in shopping centres? As retailing begins to come out of the doldrums, they will be hit, too. A huge amount of tax will be levied against these centres. They will not bear that: it will be passed onto the small traders and consumers. Clearly, the emergency services are not benefiting.

So, it looks to me as though it is the insurance industry. What has happened to administrative costs? The Government needs to be warned, and the insurance industry needs to take heed: this Opposition will be watching closely to ensure that savings are passed on. Clearly, the real winner in all this is the Government. Some $17 million from consolidated revenue that was allocated to the police budget will come out of the emergency services levy; $700 000 will go to the ambulance service. The report states:

> Treasury evidence confirmed that some of the additional funds raised are replacing former contributions to emergency services from the consolidated account. . . The net improvement to the consolidated account against the 1998-99 financial plan is estimated to be $9.6 million.

We believe that it is possibly more than that. The increased cost of administering this levy will be $17.6 million. I am pleased to see, as other members have mentioned, that the rating schedule for mobile property has been amended so that conditionally registered historic vehicles will be levied appropriately. I also hope that the Government takes up the recommendation that it review its commitment to the Government radio network due to its high cost and examines options for lower cost solutions to remedy the existing communication problems.

Clearly, this is another example of this Government being dishonest in its original intent. I well remember the Governor's speech at the opening of Parliament when I first entered this place. The Governor made a commitment to the people of South Australia of accountable Government. I can assure this Government that it will be held accountable for this tax.

Mr MEIER secured the adjournment of the debate.

INDEPENDENT INDUSTRY REGULATOR BILL

Returned from the Legislative Council with the following amendments:

No. 1. Page 3, line 16 (clause 8)—Leave out paragraph (a) and insert new paragraph as follows:

(a) for a term of office of—

(i) in the case of the first appointment of a person to the office—six years;

(ii) in the case of any subsequent appointment of a person to the office—five years; and

No. 2. Page 17, line 25 (clause 33)—After 'report' insert the following:

(excluding any information identified under subsection (3) as confidential information)

No. 3. Page 17, line 28 (clause 33)—After 'copies' insert:

(excluding any information identified under subsection (3) as confidential information)

No. 4. Page 17 (clause 33)—After line 28 insert new subclause as follows:

(7) If information is excluded from a report as being confidential information, a note to that effect must be included in the report at the place in the report from which the information is excluded.

No. 5. Page 19—After line 38 insert new clause as follows:

Review of Act

44.(1) The Minister is to review this Act to determine the effectiveness of the work of the Industry Regulator and the attainment of the objects of this Act.

(2) The review is to be undertaken as soon as possible after the period of three years from the date of assent to this Act and a report on the outcome of the review is to be completed within six months after that period of three years.

(3) The Minister must cause a copy of the report on the outcome of the review to be tabled in each House of Parliament within 12 sitting days after its completion.

Consideration in Committee.

The Hon. J.W. OLSEN: I move:

That the Legislative Council's amendments be agreed to.

Mr FOLEY: In respect of the first appointment of a person to the Office of Industry Regulator for a period of six years, will the Premier give an absolute, unequivocal guarantee that the process to select the Industry Regulator will be proper, that there will not be, to be quite blunt, a political appointment, that this will be done as a proper process to ensure that we get the properly credentialled person?

The Hon. J.W. OLSEN: We consider the appointment to be important as it relates to the operation of the various regulations of the industry, which will be particularly important. Naturally, we would want the Industry Regulator to operate professionally and efficiently. To that end, it will be handled appropriately. I am not quite sure what the thrust of the honourable member's question is, but due process will be followed.

Mr FOLEY: It is just that some of the Premier's colleagues are running around this place at present thinking that it will be a very good job for them in retirement. I did say that tongue-in-cheek. It is an important job, and there is a temptation occasionally for any Government of any persuasion to slot somebody in.

On the issue of the review of the industry regulator, which obviously will be done when I am Minister in three years time (I have raised this issue from time to time in other places), in terms of the future framework for industry regulation of electricity, one of the interesting dynamics is that we generate a national market for electricity and each State is having its own industry regulator with its own set of regulations and framework. There is the potential to have a disjointed national market in years to come. Has there been any thought in the medium to longer term to look at some uniform national regulation of the market as distinct from having individual regulators in each State?

The Hon. J.W. OLSEN: We have NECA and NEMMCO, bodies whose task and responsibility is to get a degree of uniformity and competition throughout a grid system for the electricity industry in eastern Australia. The suggestion put forward by the member for Hart would effectively neuter that objective and, certainly from the South Australian Government's viewpoint, we would want to actively participate in a market and for that reason we need to have a degree of uniformity between the markets. There might well be particular circumstances applying in a particular jurisdiction that do not detract from the concept of a national market but meet the industry requirements of a particular State. I cannot give chapter and verse on those because these are the sorts of issues that an independent

industry regulator will consider as the process unfolds, as with the establishment of the office within the parameters of the legislation put down and agreed to by this Parliament. NECA and NEMMCO are bodies that are designed to bring uniformity to a degree in a national electricity market.

Motion carried.

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

A quorum having been formed:

LOCAL GOVERNMENT BILL

Consideration in Committee of the Legislative Council's amendments:

No. 1. Page 2 (clause 3)—After line 2 insert the following:

(a) to encourage local government to manage the natural and built environment in an ecologically sustainable manner; and

No. 2. Page 4, lines 20 and 21 (clause 4)—Leave out '(but not one excluded by the regulations from the ambit of this definition)'.

No. 3. Page 11, line 9 (clause 6)—After 'just and' insert:

ecologically

No. 4. Page 11, line 28 (clause 7)—After 'environment' insert:

in an ecologically sustainable manner

No. 5. Page 12, line 8 (clause 8)—Leave out 'sensitive' and insert:

responsive

No. 6. Page 12, line 17 (clause 8)—After 'seek' insert:

to facilitate sustainable development and the protection of the environment and

No. 7. Page 16 (clause 12)—After line 30 insert the following:

· The council must also publish a copy of the notice in a newspaper circulating within its area.

No. 8. Page 17 (clause 12)—After line 13 insert the following:

· The council must also publish a copy of the notice in a newspaper circulating within its area.

No. 9. Page 19 (clause 13)—After line 27 insert the following:

· The council must also publish a copy of the notice in a newspaper circulating within its area.

No. 10. Page 21 (clause 18)—After line 33 insert the following:

(3) A member of the Panel must not, without the approval of the Panel, divulge information that—

(a) the member knows to be commercially sensitive; or

(b) the Panel classifies as confidential information.

Maximum penalty: $20 000 or imprisonment for 4 years.

No. 11. Page 23, line 12 (clause 22)—After 'councils' insert:

and members of the public

No. 12. Page 23, line 12 (clause 22)—After 'proposals' insert:

and submissions

No. 13. Page 25, lines 28 and 29 (clause 26)—Leave out 'the management of environmental issues' and insert:

sustainable development, the protection of the environment

No. 14. Page 26, lines 33 and 34 (clause 27)—Leave out all words in these lines after 'substance of the proposal' in line 33.

No. 15. Page 26 (clause 27)—After line 34 insert the following:

· The Panel must also publish a copy of the notice in a newspaper circulating within the area or areas of the council or councils.

No. 16. Page 27, line 30 (clause 28)—Leave out 'who' and insert:

, body corporate or group who or which

No. 17. Page 28, line 1 (clause 28)—Leave out 'An eligible elector or' and insert:

A group of at least 20

No. 18. Page 28, line 7 (clause 28)—Leave out 'the' and insert:

a

No. 19. Page 28, line 12 (clause 28)—Leave out 'three' and insert:

five

No. 20. Page 28, line 15 (clause 28)—Leave out 'elector or electors' and insert:

electors making the submission

No. 21. Page 28, line 23 (clause 28)—Leave out 'elector or'.

No. 22. Page 28, line 26 (clause 28)—Leave out 'An eligible elector' and insert:

A group of eligible electors

No. 23. Page 28, line 26 (clause 28)—Leave out 'is' and insert:

are

No. 24. Page 28, line 33 (clause 28)—Leave out 'three' and insert:

five

No. 25. Page 29, line 14 (clause 28)—Leave out 'person or'.

No. 26. Page 29, lines 18 and 19 (clause 28)—Leave out ', unless satisfied that the proposal relates to a matter or matters of only minor significance that will attract little community interest,'.

No. 27. Page 29 (clause 28)—After line 24 insert the following:

· The Panel must also publish a copy of the notice in a newspaper circulating within the area or areas of the relevant council or councils.

No. 28. Page 29, line 25 (clause 28)—Leave out 'If public notice is given under subsection (11), the' and insert:

The

No. 29. Page 29, line 27 (clause 28)—After 'on the matter' insert:

or that a hearing is otherwise not warranted in the circumstances of the particular case

No. 30. Page 30 (clause 28)—After line 26 insert the following:

· The Panel must also publish a copy of the notice in a newspaper circulating within the area or areas of the relevant council or councils

No. 31. Page 42 (clause 44)—After line 32 insert the following:

(6a) A person is entitled to inspect (without charge) the record of delegations under subsection (6) at the principal office of the council during ordinary office hours.

(6b) A person is entitled, on payment of a fee fixed by the council, to an extract from the record of delegations under subsection (6).

No. 32. Page 43 (clause 45)—After line 3 insert the following:

(la) Subject to subsection (2), the principal office of a council must be open to the public for the transaction of business during hours determined by the council.

No. 33. Page 46 (clause 48)—After line 3 insert the following:

(3a) A report under subsection (1) must be prepared by a person whom the council reasonably believes to be qualified to address the prudential issues set out in subsection (2).

No. 34. Page 47, lines 21 and 22 (clause 49)—Leave out subclause (4).

No. 35. Page 48 (clause 50)—After line 14 insert the following:

(3a) However, a public consultation policy for a case referred to in subsection (2)(a) must at least provide for—

(a) the publication in a newspaper circulating within the area of the council a notice describing the matter under consideration and inviting interested persons to make submissions in relation to the matter within a period (which must be at least 21 days) stated in the notice; and

(b) the consideration by the council of any submissions made in response to an invitation under paragraph (a).

No. 36. Page 48, line 22 (clause 50)—After 'State' insert:

and in a newspaper circulating within the area of the council

No. 37. Page 48, lines 29 and 30 (clause 50)—Leave out subclause (7).

No. 38. Page 49, line 7 (clause 51)—Leave out 'appointed' and insert:

appointed[1.]

No. 39. Page 49 (clause 51)—After line 11 insert the following:

[1.] An appointment may occur under section 10 of this Act or section 8 of the *Local Government (Elections) Act 1999.*

No. 40. Page 49, line 36 (clause 52)—Leave out 'appointed' and insert:

appointed[1.]

No. 41. Page 50, line 1 (clause 52)—Leave out 'appointed' and insert:

appointed[1.]

No. 42. Page 50 (clause 52)—After line 2 insert the following:

[1.] An appointment may occur under section 10 of this Act or section 8 of the *Local Government (Elections) Act 1999*

No. 43. Page 50, lines 3 to 5 (clause 52)—Leave out subclause (3).

No. 44. Page 52, line 26 (clause 55)—Leave out 'section 270' and insert:

sections 62 or 270

No. 45. Page 52, line 29 (clause 55)—Leave out 'or 270' and insert:

, 62 or 270

No. 46. Page 57 (clause 62)—After line 6 insert the following:

Maximum penalty: $10 000 or imprisonment for two years.

No. 47. Page 57 (clause 62)—After line 8 insert the following:

Maximum penalty: $10 000 or imprisonment for two years.

No. 48. Page 57 (clause 62)—After line 12 insert the following:

Maximum penalty: $10 000 or imprisonment for two years.

No. 49. Page 57 (clause 62)—After line 15 insert the following:

Maximum penalty: $10 000 or imprisonment for two years.

(5) If a person is convicted of an offence against this section, the court by which the person is convicted may, if it thinks that action under this subsection is warranted, in addition to (or in substitution of) any penalty that may be imposed under a preceding subsection, by order do one or more of the following:

(a) require the person to attend a specified course of training or instruction, or to take other steps;

(b) suspend the person from any office under this Act for a period not exceeding two months;

(c) disqualify the person from any office under this Act;

(d) disqualify the person from becoming a member of a council, a committee of a council or a subsidiary of a council for a period not exceeding five years.

(6) If a person is disqualified under subsection (5)(c), the office immediately becomes vacant but proceedings for a supplementary election to fill the vacancy (if required) must not be commenced until the period for appealing against the conviction of an offence against this section has expired or, if there is an appeal, until the appeal has been determined.

(7) The provisions of this section extend—

(a) to committees and to members of committees established by councils as if—

(i) a committee were a council; and

(ii) a member of a committee were a member of a council; and

(b) to subsidiaries and to board members of subsidiaries as if—

(i) a subsidiary were a council; and

(ii) a board member of a subsidiary were a member of a council.

No. 50. Page 57, lines 22 and 23 (clause 63)—Leave out subclause (4).

No. 51. Page 58, line 5 (clause 65)—After 'primary return' insert:

in accordance with schedule 2A

No. 52. Page 58, line 8 (clause 66)—After 'ordinary return' insert:

in accordance with schedule 2A

No. 53. Page 58, line 10 (clause 67)—Leave out subclause (1).

No. 54. Page 58, line 13 (clause 67)—Leave out 'member of his or her family' and insert:

person related to the member within the meaning of schedule 2A.

No. 55. Page 58, line 16 (clause 68)—After 'Division' insert:

and schedule 2A

No. 56. Page 58, line 25 (clause 69)—After 'this Division' insert:

and schedule 2A

No. 57. Page 58 (clause 70)—After line 32 insert the following:

(3) However, an application to inspect the Register or to obtain a copy of the Register (other than by a member of the council) must be made in writing to the chief executive officer.

(4) A member of the council is entitled at any reasonable time to inspect an application made under subsection (3).

No. 58. Page 63, line 4 (clause 76)—Leave out 'will' and insert:

is entitled to

No. 59. Page 63, line 21 (clause 76)—After 'regulations' insert:

(unless the member declines to accept payment of an allowance)

No. 60. Page 63, line 31 (clause 77)—Leave out 'will' and insert:

is entitled to

No. 61. Page 64 (clause 77)—After line 5 insert the following:

(3) A person is entitled to inspect (without charge) a policy of a council under subsection (l)(b) at the principal office of the council during ordinary office hours.

(4) A person is entitled, on payment of a fee fixed by the council, to a copy of a policy under subsection (1)(b).

No. 62. Page 66, line 6 (clause 81)—Leave out 'Ordinary' and insert:

Subject to this section, ordinary

No. 63. Page 66, lines 8 and 9 (clause 81)—Leave out subclause (2).

No. 64. Page 66, lines 19 and 20 (clause 81)—Leave out subclause (7) and insert new subclauses as follow:

(7) In the case of a municipal council, ordinary meetings of the council may not be held before 5 p.m. unless the council resolves otherwise by a resolution supported unanimously by all members of the council.

(8) A resolution under subsection (7) does not operate in relation to a meeting held after the conclusion of the general election next held following the making of the resolution.

No. 65. Page 67, lines 34 and 35 (clause 83)—Leave out subclause (9) and insert new subclause as follows:

(9) The fact that a notice of a meeting has not been given to a member of a council in accordance with this section does not, of itself, invalidate the holding of the meeting or a resolution or decision passed or made at the meeting but the District Court may, on the application of the Minister or a member of the council, annul a resolution or decision passed or made at the meeting and make such ancillary or consequential orders as it thinks fit if satisfied that such action is warranted in the circumstances of the particular case.

No. 66. Page 69, line 15 (clause 86)—After 'Each member' insert:

(including the presiding member)

No. 67. Page 69, lines 17 to 22 (clause 86)—Leave out subclauses (6) and (7) and insert new subclause as follows:

(6) In the event of an equality of votes on a question arising for decision at a meeting of a council, the member presiding at the meeting has a second or casting vote.

No. 68. Page 70, line 13 (clause 87)—Leave out 'give each member of a council committee' and insert:

ensure that each member of a council committee is given

No. 69. Page 70, line 20 (clause 87)—Leave out 'give each member of a council committee' and insert:

ensure that each member of a council committee is given

No. 70. Page 70, line 25 (clause 87)—Leave out paragraph (c).

No. 71. Page 70, line 30 (clause 87)—Leave out all words in this line and insert:

ensure that each member of the committee at the time that notice of a meeting is given is supplied with a

No. 72. Page 71, lines 20 and 21 (clause 87)—Leave out subclause (13) and insert new subclause as follows:

(13) The chief executive officer must ensure that a record of all notices of meetings given under this section is maintained.

No. 73. Page 71, lines 22 and 23 (clause 87)—Leave out subclause (14) and insert new subclause as follows:

(14) The fact that a notice of a meeting has not been given to a member of a committee in accordance with this section does not, of itself, invalidate the holding of the meeting or a resolution or decision passed or made at the meeting but the District Court may, on the application of the Minister or a member of the committee, annul a resolution or decision passed or made at the meeting and make such ancillary or consequential orders as it thinks if satisfied that such action is warranted in the circumstances of the particular case.

No. 74. Page 71, line 27 (clause 88)—Leave out 'give notice' and insert:

ensure that notice is given

No. 75. Page 73, lines 6 to 35 and page 74, lines 1 to 13 (clause 90)—Leave out subclauses (2) and (3) and insert new subclauses as follow:

(2) A council or council committee may order that the public be excluded from attendance at so much of a meeting as is necessary to receive, discuss or consider in confidence any information or matter listed in subsection (3).

(3) The following information and matters are listed for the purposes of subsection (2):

(a) a personnel matter concerning a particular member of the staff of the council;

(b) the personal hardship of any resident or ratepayer;

(c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business, or prejudice the commercial position of the council;

(d) commercial information of a confidential nature that would, if disclosed—

(i) prejudice the commercial position of the person who supplied it; or

(ii) confer a commercial advantage on a third party; or

(iii) reveal a trade secret;

(e) matters affecting the security of the council, members or employees of the council, or council property;
(f) information that would, if disclosed, prejudice the maintenance of law;
(g) matters that must be considered in confidence in order to ensure that the council does not breach any law, order or direction of a court or tribunal constituted by law, any duty of confidence, or other legal obligation or duty;
(h) legal advice, or advice from a person employed or engaged by the council to provide specialist professional advice;
(i) information relating to actual or possible litigation involving the council or an employee of the council:
(j) information provided by a public official or authority (not being an employee of the council, or a person engaged by the council) with a request or direction by that public official or authority that it be treated as confidential;
(k) tenders for the supply of goods, the provision of services or the carrying out of works;
(l) information relating to the health or financial position of a person, or information relevant to the safety of a person;
(m) information relating to a proposed amendment to a Development Plan under the *Development Act 1993* before a Plan Amendment Report relating to the amendment is released for public consultation under that Act;
(n) information relevant to the review of a determination of a council under the *Freedom of Information Act 1991*.

(3a) A council or council committee may also order that the public be excluded from attendance at so much of its meeting as is necessary to consider a motion to close another part of the meeting under subsection (2)[1].

1. In this case, the consideration of the motion must not include any consideration of the information or matter to be discussed in the other part of the meeting (other than consideration of whether the information or matter falls within the ambit of subsection (3)).

(3b) In considering whether an order should be made under subsection (2), it is irrelevant that discussion of a matter in public may—
(a) cause embarrassment to the council or council committee concerned, or to members or employees of the council; or
(b) cause a loss of confidence in the council or council committee.

No. 76. Page 74, line 14 (clause 90)—After 'subsection (2)' insert:

or (3a)

No. 77. Page 76, line 16 (clause 91)—After 'publication' insert:

under this section

No. 78. Page 77, lines 10 and 11 (clause 92)—Leave out the following:

be consistent with any principle or requirement prescribed by the regulations and

No. 79. Page 77 (clause 92)—After line 11 insert new subclause as follows:

(4a) Before a council adopts, alters or substitutes a code of practice under this section it must—
(a) make copies of the proposed code, alterations or substitute code (as the case may be) available for inspection or purchase at the council's principal office; and
(b) follow the relevant steps set out in its public consultation policy.

No. 80. Page 78, line 32 (clause 93)—Leave out 'electors present' and insert:

persons present and lawfully voting

No. 81. Page 80, line 2 (Heading)—Leave out 'MATTER' and insert:

'MATTERS'

No. 82. Page 80—After line 2 insert new clause as follows:

Investigation by Ombudsman

93A.(1) The Ombudsman may, on receipt of a complaint, carry out an investigation under this section if it appears to the Ombudsman that a council may have unreasonably excluded members of the public from its meetings under Part 3 or unreasonably prevented access to documents under Part 4.

(2) The Ombudsman may, in carrying out an investigation under this section, exercise the powers of the Ombudsman under the *Ombudsman Act 1972* as if carrying out an investigation under that Act.

(3) At the conclusion of an investigation under this section, the Ombudsman must prepare a written report on the matter.

(4) The Ombudsman must supply the Minister and the council with a copy of the report.

(5) If the Minister, after taking into account the report of the Ombudsman under this section, believes that the council has unreasonably excluded members of the public from its meetings under Part 3 or unreasonably prevented access to documents under Part 4, the Minister may give directions to the council with respect to the future exercise of its powers under either or both of those sections, or to release information that should, in the opinion of the Minister, be available to the public.

(6) The Minister must, before taking action under subsection (5), give the council a reasonable opportunity to make submissions to the Minister in relation to the matter.

(7) A council must comply with a direction under subsection (5).

(8) This section does not limit other powers of investigation under other provisions of this or another Act.

No. 83. Page 80—After line 6 insert new clause as follows:

Right of reply

94A.(1) A person who has been referred to during the proceedings at a meeting of a council or council committee by name, or in another way so as to be readily identified, may make a submission in writing to the council or council committee—
(a) claiming that he or she has been adversely affected in reputation or in respect of dealings or associations with others, or injured in profession, occupation or trade or in the holding of an office, or in respect of financial credit or other status, or that his or her privacy has been unreasonably invaded; and
(b) requesting that he or she be permitted to make a response that is incorporated into the minutes of the proceedings of the council or council committee (as the case may be).

(2) Unless otherwise determined by the council or council committee, a submission under subsection (1) will be considered by the council or council committee on a confidential basis under Part 3.

(3) In considering a submission under subsection (1), the council or council committee—
(a) may appoint a member of the council or council committee to confer with the person who made the submission and then to report back to the council or council committee; and
(b) may confer with the person who made the reference to which the submission relates; but
(c) may not judge the truth of any statement made by a member of the council or council committee

(4) Subject to subsection (5), the council or council committee may then, if it considers it appropriate and equitable to do so, resolve that a response be incorporated into the minutes of the proceedings of the council or council committee (as the case may be).

(5) A response incorporated into minutes under subsection (4)—
(a) must be succinct and strictly relevant to the question in issue; and
(b) must not contain anything offensive in character; and
(c) must not contain any matter the publication of which would have the effect of—
(i) unreasonably adversely affecting or injuring a person, or unreasonably invading a person's privacy, in the manner referred to in subsection (l)(a); or
(ii) unreasonably aggravating any situation or circumstance; and
(d) must not contain any matter the publication of which might prejudice—
(i) the investigation of an alleged criminal offence; or
(ii) the fair trial of any current or pending criminal proceedings; or

(iii) the conduct of any civil proceedings in a court or tribunal.

(6) A council or council committee may at any time cease to consider a submission under this section if of the opinion that—

(a) the submission is trivial, frivolous, vexatious or offensive in character; or

(b) the submission is not made in good faith; or

(c) there is some other good reason why not to grant a request to incorporate a response in relation to the matter into the minutes of the proceedings of the council or council committee.

No. 84. Page 81, lines 8 to 21 (clause 96)—Leave out this clause.

No. 85. Page 81, line 30 (clause 97)—Leave out 'the performance standards specified in the' and insert:

any performance standards specified by the council or in any contract

No. 86. Page 81, line 32 (clause 97)—Leave out 'the contract' and insert:

any contract

No. 87. Page 81, line 34 (clause 97)—Leave out 'the contract' and insert:

any contract

No. 88. Page 85, lines 12 to 27 (clause 104)—Leave out this clause.

No. 89. Page 88 (clause 108)—After line 19 insert the following:

and

(h) that there is no unlawful discrimination against employees or persons seeking employment in the administration of the council on the ground of sex, sexuality, marital status, pregnancy, race, physical or intellectual impairment, age or any other ground and that there is no other form of unjustifiable discrimination exercised against employees or persons seeking employment.

No. 90. Page 89, lines 22 and 23 (clause 111)—Leave out subclause (5).

No. 91. Page 90, line 31 (clause 117)—After 'Division applies' insert:

(other than the chief executive officer)

No. 92. Page 91 (clause 120)—After line 15 insert the following:

(2) Despite any other provision of this Act—

(a) the public must be excluded from attendance at any part of a meeting of the council, a council committee or a subsidiary of the council where information is disclosed under subsection (l)(b); and

(b) any part of the minutes of a meeting of the council, a council committee or a subsidiary of the council which contains information disclosed under subsection (l)(b) is not available for public inspection under this Act.

No. 93. Page 99, line 22 (clause 130)—Leave out 'and principles'.

No. 94. Page 102 (clause 133)—After line 8 insert the following:

(la) A council may make a document available in electronic form for the purposes of subsection

(lb) A council should also, so far as is reasonably practicable, make the following documents available for inspection on the Internet within a reasonable time after they are available at the principal office of the council:

(a) agendas for meetings of the council or council committees;

(b) minutes of meetings of the council or council committees;

(c) codes of conduct or codes of practice adopted by the council under this Act or the Local Government (Elections) Act 1999;

(d) the council's contract and tenders policies, public consultation policy, rating policy and order-making policies;

(e) a list of fees and charges imposed by the council under this Act;

(f) by-laws made by the council;

(g) procedures for the review of decisions established by the council under Part 2 of Chapter 13.

No. 95. Page 102, line 12 (clause 133)—After 'this Act' insert:

or the *Local Government (Elections) Act 1999*

No. 96. Page 104, line 6 (clause 135)—Leave out 'a bank' and insert:

an

No. 97. Page 109, line 17 (clause 143)—After 'civil liabilities' and insert:

at least

No. 98. Page 114, line 19 (clause 153)—Leave out 'the' and insert:

two

No. 99. Page 126, line 6 (clause 168)—After 'made' insert:

, or caused to be made,

No. 100. Page 126, line 7 (clause 168)—After 'council' insert:

, or by a firm or consortium of valuers engaged by the council

No. 101. Page 126, line 11 (clause 168)—Leave out 'of the Valuer-General'.

No. 102. Page 126, lines 15 and 16 (clause 168)—Leave out 'of a valuer employed or engaged by the council'.

No. 103. Page 126, lines 17 and 18 (clause 168)—Leave out 'made by the Valuer-General and valuations made by a valuer employed or engaged by the council' and insert:

under subsection (2)(a) and (b)

No. 104. Page 126, line 19 (clause 168)—After 'guidelines' insert:

, policies

No. 105. Page 126 (clause 168)—After line 25 insert the following:

(4a) Subsection (3)(c) does not apply in a case where the land use category attributed to a particular piece of land is changed following the declaration of a rate or rates for a particular financial year.

No. 106. Page 129, line 19 (clause 172)—Before 'reflect' insert:

in so far as may be relevant,

No. 107. Page 129, line 19 (clause 172)—Leave out 'its' and insert:

the council's

No. 108. Page 129, line 21 (clause 172)—Leave out 'its' and insert:

the council's

No. 109. Page 129, line 24 (clause 172)—Leave out 'it' and insert:

the council

No. 110. Page 129 (clause 172)—After line 32 insert the following:

(va) issues of equity arising from circumstances where ratepayers provide or maintain infrastructure that might otherwise be provided or maintained by the council;

No. 111. Page 136, line 24 (clause 182)—Leave out '5 per cent' and insert:

2 per cent

No. 112. Page 136, lines 26 and 27 (clause 182)—Leave out 'and interest) is payable' and insert:

but excluding interest from any previous month) accrues

No. 113. Page 153, lines 15 to 34 (clause 207)—Leave out subclauses (2), (3), (4) and (5) and insert new subclauses as follow:

(2) However, before the Council grants or renews a lease or licence over land in the Adelaide Park Lands for a term of 21 years or more, the Council must submit copies of the lease or licence to the Presiding Members of both Houses of Parliament.

(3) The Presiding Members of the Houses of Parliament must, within six sitting days after receiving a copy of a lease or licence under subsection (2), lay the copy before their respective Houses.

(4) A House of Parliament may resolve to disallow the grant or renewal of a lease or licence pursuant to a notice of motion given in the House within 14 sitting days after a copy of the lease or licence is laid before the House under subsection (3).

(5) The Council may only grant or renew the lease or licence if—

(a) no notice of motion for disallowance of its grant or renewal is given in either House of Parliament within 14 sitting days after a copy of the lease or licence is laid before the Houses; or

(b) neither House of Parliament passes a resolution disallowing its grant or renewal on the basis of a motion of which notice was given within 14 sitting days after a copy of the lease or licence was laid before the House under subsection (3).

No. 114. Page 154 (clause 208)—After line 3 insert the following:

'Capital City Committee' means the Committee of that name established under the City of Adelaide Act 1998;

No. 115. Page 154, line 4 (clause 208)—Leave out '"land bank" means land' and insert:

'land trust' means the land (being in the nature of open space)

No. 116. Page 154, line 7 (clause 208)—Leave out '1.0 credit units for every 1.1' and insert:

1 credit unit for every 2

No. 117. Page 154, line 8 (clause 208)—Leave out 'bank' and insert:

trust

No. 118. Page 154, line 9 (clause 208)—Leave out '1.0 credit units for every 1.1' and insert:

1 credit unit for every 2

No. 119. Page 154, line 10 (clause 208)—Leave out 'land bank' and insert:

land trust (including by the return, surrender or redelineation of land so as to add land to the Adelaide Park Lands)

No. 120. Page 154 (clause 208)—After line 11 insert the following:

(2a) Before the Council, or the Crown or an agency or instrumentality of the Crown, adds land to the land trust under this section—

(a) in the case of the Council—the Council must—

(i) take reasonable steps to consult with the Crown; and

(ii) ensure that the land is suitable for public use and enjoyment as open space;

(b) in the case of the Crown or an agency or instrumentality of the Crown—the Crown or the agency or instrumentality of the Crown must—

(i) take reasonable steps to consult with the Council; and

(ii) ensure that the land is suitable for public use and enjoyment as open space.

(2b) Any dispute between the Council and the Crown as to whether subsection (2a) has been complied with in a particular case will be referred to the Capital City Committee.

No. 121. Page 154, lines 12 to 15 (clause 208)—Leave out subclause (3) and insert new subclause as follows:

(3) The Council may only grant a lease or licence over land that forms part of the Adelaide Park Lands, or take other action to remove land from the land trust, if—

(a) the Council is acting—

(i) with the concurrence of the Crown; or

(ii) in pursuance of a resolution passed by both Houses of Parliament; and

(b) the Council holds credit units equal to or exceeding the number of square metres of land to be subject to the lease or licence or to he otherwise so removed

No. 122. Page 154, line 16 (clause 208)—Leave out 'bank' and insert:

trust

No. 123. Page 154, lines 21 and 22 (clause 208)—Leave out 'one month' and insert:

three months

No. 124. Page 154 (clause 208)—After line 22 insert the following:

(ab) to the extension or renewal of a lease or licence, or to the granting of a lease or licence in place of an existing lease or licence or a lease or licence that has expired, in a case where section 207 applies; or

(ac) to the extension or renewal of a licence, or to the granting of a licence in place of an existing licence or a licence that has expired, for a term not exceeding 12 months if the grant of the licence is authorised in an approved management plan for the Adelaide Park Lands (to the extent that land is not added to the area of the licence); or

No. 125. Page 154, line 24 (clause 208)—Leave out 'bank' and insert:

trust

No. 126. Page 154 (clause 208)—After line 26 insert the following:

[3.] This subsection does not in itself confer a right on the Council to remove land from the land trust.

No. 127. Page 154, lines 27 to 29 (clause 208)—Leave out subclause (4) and insert new subclause as follows:

(4) The Crown, or an agency or instrumentality of the Crown, may only take action to remove land from the land trust if—

(a) the Crown, or the agency or instrumentality, is acting—

(i) with the concurrence of the Council; or

(ii) in pursuance of a resolution passed by both Houses of Parliament; and

(b) the Crown holds credit units equal to or exceeding the number of square metres of land to be so removed.

No. 128. Page 154, line 30 (clause 208)—Leave out 'bank' and insert:

trust

No. 129. Page 154, line 33 (clause 208)—Leave out 'bank' and insert:

trust

No. 130. Page 154 (clause 208)—After line 34 insert the following:

[3.] This subsection does not in itself confer a right on the Crown, or an agency or instrumentality of the Crown, to remove land from the land trust

No. 131. Page 154, lines 35 and 36 (clause 208)—Leave out subclause (5) and insert new subclause as follows:

(5) The Crown may (by instrument executed by the Minister) assign credit units held by the Crown to the Council and the Council may assign credit units held by the Council to the Crown.

No. 132. Page 154, line 38 (clause 209)—Leave out 'There will be a fund at the Treasury' and insert:

The Council must establish a fund

No. 133. Page 155, line 8 (clause 209)—Leave out paragraph (a) and insert new paragraphs as follow:

(a) development undertaken by the Council to maintain the Adelaide Park Lands; or

(ab) development undertaken by a public authority to increase or improve the use or enjoyment of the Adelaide Park Lands by the general public; or

No. 134. Page 155, line 13 (clause 209)—Leave out 'Treasurer' and insert:

Council

No. 135. Page 155, lines 14 to 20 (clause 209)—Leave out subclause (6) and insert new subclause as follows:

(6) The money standing to the credit of the fund may be applied by the Council for the beautification or improvement of the Adelaide Park Lands.

No. 136. Page 155, lines 22 and 23 (clause 209)—Leave out 'Capital City Committee' and insert:

Council

No. 137. Page 155, line 25 (clause 209)—Leave out 'Minister' and insert:

Council

No. 138. Page 155, line 28 (clause 209)—Leave out 'Minister' and insert:

Council

No. 139. Page 155, line 29 (clause 209)—Leave out 'Minister' and insert:

Council

No. 140. Page 155, line 30 (clause 209)—Leave out 'Minister' and insert:

Council

No. 141. Page 156 (clause 209)—After line 4 insert the following:

(lOa) The Council must, on or before 30 September in each year, prepare a report relating to the application of money from the fund during the financial year ending on the preceding 30 June.

(lOb) The Minister must, within six sitting days after receiving a report under subsection (lOa), have copies of the report laid before both Houses of Parliament.

(lOc) The Council must ensure that copies of a report under subsection (lOa) are available for inspection (without charge) and purchase (on payment of a fee fixed by the Council) by the public at the principal office of the Council.

No. 142. Page 156, lines 6 and 7 (clause 209)—Leave out definition of 'Capital City Committee'.

No. 143. Page 156, lines 10 to 14 (clause 209)—Leave out paragraphs (a) and (b) and insert new paragraphs as follow:

(a) if the total anticipated development cost does not exceed $5 000—$50;

(b) if the total anticipated development cost exceeds $5 000—$50 plus $25 for each $1 000 over $5 000 (and where the total anticipated development cost is not exactly divisible into multiples of $1 000, any remainder is to be treated as if it were a further multiple of $1 000), up to a maximum amount (ie., maximum prescribed amount) of $150 000;[1]

No. 144. Page 159, line 2 (clause 215)—After 'highway' insert:

(and that may have an effect on the users of that highway)

No. 145. Page 161, lines 2 and 3 (clause 220)—Leave out 'if the Technical Regulator' and insert:

or public lighting infrastructure if the Industry Regulator

No. 146. Page 161, line 6 (clause 220)—Leave out 'and "Technical Regulator" have the same meanings' and insert:

has the same meaning

No. 147. Page 161 (clause 220)—After line 7 insert the following:

'Industry Regulator' means the South Australian Independent Industry Regulator established under the *Independent Industry Regulator Act 1999;*

No. 148. Page 161 (clause 220)—After line 8 insert the following:

'public lighting infrastructure' has the same meaning as in the *Electricity Corporations (Restructuring and Disposal) Act 1999.*

No. 149. Page 171, line 28 (clause 242)—Leave out 'preaching, public addresses or'.

No. 150. Page 177, line 24 (clause 252)—After 'council' insert:

, and so far as is reasonably practicable on the Internet

No. 151. Page 192, lines 6 to 13 (clause 266)—Leave out subclause (1) and insert new subclause as follows:

(1) There are grounds for complaint under this Part against a member of a council if the member has contravened or failed to comply with section 74.

No. 152. Page 192 (clause 267)—After line 19 insert the following:

(la) However, a person other than a public official cannot lodge a complaint without the written approval of the Minister.

(lb) An apparently genuine document purporting to be an approval of the Minister under subsection (la) will be accepted in any legal proceedings, in the absence of proof to the contrary, as proof that the Minister has given the approval.

No. 153. Page 212—After line 11 insert new clause as follows:

Vegetation clearance

300A.(1) A council may, on the application of the owner or occupier of the land (the 'relevant land'), by order under this section, require the owner or occupier of adjoining land to remove or cut back vegetation encroaching on to the relevant land.

(2) An order must specify a reasonable period within which compliance with the order is required.

(3) If the requirements of an order are not complied with within the period specified in the order—

(a) the council may itself have the work required by the order carried out and recover the cost of the work as a debt from the person to whom the order was directed; and

(b) the person to whom the order was directed is guilty of an offence.

Maximum penalty: $750.

Expiation fee: $105.

No. 154. Page 214, line 23, clause 2 (Schedule 1)—After 'councils' insert:

(including their subsidiaries)

No. 155. Page 220, line 29, clause 5 (Schedule 2)—Leave out 'Subject to an exemption by the Minister by notice in the *Gazette*' and insert:

Unless otherwise determined by the charter of the subsidiary

No. 156. Page 220, lines 33 to 39, clause 5 (Schedule 2)—Leave out subclauses (8), (9) and (10).

No. 157. Page 221, line 29, clause 7 (Schedule 2)—Leave out 'his or her' and insert:

official

No. 158. Page 224, lines 3 to 12, clause 15 (Schedule 2)—Leave out this clause and insert new clause as follows:

Principles of competitive neutrality

15. If a subsidiary is declared by its charter to be involved in a significant business activity, the charter must also specify the extent to which the principles of competitive neutrality[1] are to be applied to the activities of the subsidiary and, to the extent that may be relevant, the reasons for any non-application of these principles.

[1.] See Part 4 of the *Government Business Enterprises Competition) Act 1996.*

No. 159. Page 224, lines 13 to 40 and page 225, lines 1 to 19, clause 16 (Schedule 2)—Leave out this clause.

No. 160. Page 225, line 23, clause 17 (Schedule 2)—Leave out 'request' and insert:

requirement

No. 161. Page 229, line 6, clause 22 (Schedule 2)—Leave out 'Subject to an exemption by the Minister by notice in the *Gazette*' and insert:

Unless otherwise determined by the charter of the subsidiary

No. 162. Page 229, lines 10 to 16, clause 22 (Schedule 2)—Leave out subclauses (8), (9) and (10).

No. 163. Page 230, line 8, clause 24 (Schedule 2)—Leave out 'his or her' and insert:

official

No. 164. Page 232, line 23 to 33 (Schedule 2)—Leave out this clause and insert new clause as follows:

Principles of competitive neutrality

33. If a regional subsidiary is declared by its charter to be involved in a significant business activity, the charter must also specify the extent to which the principles of competitive neutrality[1] are to be applied to the activities of the subsidiary and, to the extent that may be relevant, the reasons for any non-application of these principles.

[1.] See Part 4 of the *Government Business Enterprises (Competition) Act 1996.*

No. 165. Page 232, lines 34 to 39 and page 233, lines 1 to 39 and page 234, lines 1 and 2, clause 34 (Schedule 2)—Leave out this clause.

No. 166. Page 234, line 6, clause 35 (Schedule 2)—Leave out 'request' and insert:

requirement

No. 167. Page 235—After line 33 insert new Schedule 2A as follows:

SCHEDULE 2A

Register of Interests—Form of returns

Interpretation

1.(1) In this schedule, unless the contrary intention appears—

'beneficial interest' in property includes a right to re-acquire the property;

'family', in relation to a member, means—

(a) a spouse of the member; and

(b) a child of the member who is under the age of 18 years and normally resides with the member;

'family company' of a member means a proprietary company—

(a) in which the member or a member of the member's family is a shareholder; and

(b) in respect of which the member or a member of the member's family, or any such persons together, are in a position to cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of the company;

'family trust' of a member means a trust (other than a testamentary trust)—

(a) of which the member or a member of the member's family is a beneficiary; and

(b) which is established or administered wholly or substantially in the interests of the member or a member of the member's family, or any such persons together;

'financial benefit', in relation to a person, means—

(a) any remuneration, fee or other pecuniary sum exceeding $1 000 received by the person in respect of a contract of service entered into, or paid office held by, the person; and

(b) the total of all remuneration, fees or other pecuniary sums received by the person in respect of a trade, profession, business or vocation engaged in by the person where that total exceeds $1 000,

but does not include an annual allowance, fees, expenses or other financial benefit payable to the person under this Act;

'gift' means a transaction in which a benefit of pecuniary value is conferred without consideration or for less than adequate consideration, but does not include an ordinary commercial transaction or a transaction in the ordinary course of business;

'income source', in relation to a person, means—

(a) any person or body of persons with whom the person entered into a contract of service or held any paid office; and

(b) any trade, vocation, business or profession engaged in by the person;

'a person related to a member' means—

(a) a member of the member's family;

(b) a family company of the member;
(c) a trustee of a family trust of the member;

'return period', in relation to an ordinary return of a member, means—

(a) in the case of a member whose last return was a primary return the period between the date of the primary return and 30 June next following; and
(b) in the case of any other member the period of 12 months expiring on 30 June on or within 60 days after which the ordinary return is required to be submitted.

'trade or professional organisation' means a body, corporate or unincorporate, of—

(a) employers or employees; or
(b) persons engaged in a profession, trade or other occupation,

being a body of which the object, or one of the objects, is the furtherance of its own professional, industrial or economic interests or those of any of its members.

(2) For the purposes of this schedule, a person who is an object of a discretionary trust is to be taken to be a beneficiary of that trust.

(3) For the purpose of this schedule, a person is an investor in a body if—

(a) the person has deposited money with, or lent money to, the body that has not been repaid and the amount not repaid equals or exceeds $10 000; or
(b) the person holds, or has a beneficial interest in, shares in, or debentures of, the body or a policy of life insurance issued by the body.

(4) For the purposes of the schedule, in relation to a return by a member—

(a) two or more separate contributions made by the same person for or towards the cost of travel undertaken by the member or a member of the member's family during the return period are to be treated as one contribution for or towards the cost of travel undertaken by the member;
(b) two or more separate gifts received by the member or a person related to the member from the same person during the return period are to be treated as one gift received by the member;
(c) two or more separate transactions to which the member or a person related to the member is a party with the same person during the return period under which the member or a person related to the member has had the use of property of the other person (whether or not being the same property) during the return period are to be treated as one transaction under which the member has had the use of property of the other person during the return period.

Contents of return

2.(1) For the purposes of this Act, a primary return must be in the prescribed form and contain the following information:

(a) a statement of any income source that the member required to submit the return or a person related to the member has or expects to have in the period of 12 months after the date of the primary return; and
(b) the name of any company, or other body, corporate or unincorporate, in which the member or a member of his or her family holds any office whether as director or otherwise; and
(c) the information required by subclause (3).

(2) For the purposes of this Act, an ordinary return must be in the prescribed form and contain the following information:

(a) if the member required to submit the return or a person related to the member received, or was entitled to receive, a financial benefit during any part of the return period—the income source of the financial benefit; and
(b) if the member or a member of his or her family held an office whether as director or otherwise in any company or other body, corporate or unincorporate, during the return period—the name of the company or other body; and
(c) the source of any contribution made in cash or in kind of or above the amount or value of $750 (other than any contribution by the council, by the State, by an employer or by a person related by blood or marriage) for or towards the cost of any travel beyond the limits of South Australia undertaken by the member or a member of his or her family during the return period, and for the purposes of this paragraph 'cost of travel' includes accommodation costs and other costs and expenses associated with the travel; and
(d) particulars (including the name of the donor) of any gift of or above the amount or value of $750 received by the member or a person related to the member during the return period from a person other than a person related by blood or marriage to the member or to a member of the member's family; and
(e) if the member or a person related to the member has been a party to a transaction under which the member or person related to the member has had the use of property of the other person during the return period and—
    (i) the use of the property was not acquired for adequate consideration or through an ordinary commercial transaction or in the ordinary course of business; and
    (ii) the market price for acquiring a right to such use of the property would be $750 or more; and
    (iii) the person granting the use of the property was not related by blood or marriage to the member or to a member of the member's family,

the name and address of that person; and
(f) the information required by subclause (3).

(3) For the purposes of this Act, a return (whether primary or ordinary) must contain the following information:

(a) the name or description of any company, partnership, association or other body in which the member required to submit the return or a person related to the member is an investor; and
(b) the name of any political party, any body or association formed for political purposes or any trade or professional organisation of which the member is a member; and
(c) a concise description of any trust (other than a testamentary trust) of which the member or a person related to the member is a beneficiary or trustee (including the name and address of each trustee); and
(d) the address or description of any land in which the member or a person related to the member has any beneficial interest other than by way of security for any debt; and
(e) any fund in which the member or a person related to the member has an actual or prospective interest to which contributions are made by a person other than the member or a person related to the member; and
(f) if the member or a person related to the member is indebted to another person (not being related by blood or marriage to the member or to a member of the member's family) in an amount of or exceeding $7 500—the name and address of that other person; and
(g) if the member or a person related to the member is owed money by a natural person (not being related to the member or a member of the member's family by blood or marriage) in an amount of or exceeding $10 000—the name and address of that person; and
(h) any other substantial interest whether of a pecuniary nature or not of the member or of a person related to the member of which the member is aware and which he or she considers might appear to raise a material conflict between his or her private interest and the public duty that he or she has or may subsequently have as a member.

(4) A member is required by this clause only to disclose information that is known to the member or ascertainable by the member by the exercise of reasonable diligence.

(5) Nothing in this clause requires a member to disclose information relating to a person as trustee of a trust unless the information relates to the person in the person's capacity as trustee of a trust by reason of which the person is related to the member.

(6) A member may include in a return such additional information as the member thinks fit.

(7) Nothing in this clause will be taken to prevent a member from disclosing information required by this clause in such a way that no distinction is made between information relating to the member personally and information relating to a person related to the member.

(8) Nothing in this clause requires disclosure of the actual amount or extent of a financial benefit, gift, contribution or interest.

No. 168. Page 238, line 8 (Schedule 4)—After 'Registers' insert:

and Returns

No. 169. Page 238 (Schedule 4)—After line 9 insert the following:

· Campaign donations returns under the *Local Government (Elections) Act 1999*

No. 170. Page 238 (Schedule 4)—After line 20 insert the following:

· Policy for the reimbursement of members' expenses

No. 171. Page 238 (Schedule 4)—After line 32 insert the following:

By-laws

· By-laws made by the council

Amendments Nos 1 to 17:

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

That the Legislative Council's amendments Nos 1 to 17 be agreed to.

Motion carried.

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

That the House of Assembly agrees with amendment No.17 made by the Legislative Council and makes the following consequential amendment to the Bill:

Clause 28, page 28, after line 7—Insert:

(2a) However, a submission cannot be made under subsection (2) if the council has, within the period of two years immediately preceding the making of the submission, been newly constituted (including through an amalgamation) or otherwise subject to a chang e through the implementation of a structural reform proposal (unless the submission is being made with a view to addressing a matter recommended by the panel that the council has failed to implement).

Motion carried.

Amendments Nos 18 to 43:

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

That the Legislative Council's amendments Nos 18 to 43 be agreed to.

Motion carried.

Amendment No. 44:

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

That the Legislative Council's amendment No.44 be agreed to.

Mr CONLON: I oppose this amendment. I have a number of consequential amendments standing in my name to Nos 44 and 49 which I expect to lose but which I will move.

The CHAIRMAN: The Chair will put amendment No. 44 as a test case. If the Committee agrees, the member for Elder will not have the opportunity to put forward the other amendments that he has proposed.

The Committee divided on the motion:

AYES (24)

Armitage, M. H.	Brindal, M. K. (teller)
Brokenshire, R. L.	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.
Oswald, J. K. G.	Penfold, E. M.
Scalzi, G.	Such, R. B.
Venning, I. H.	Williams, M. R.

NOES (20)

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

PAIR(S)

Brown, D. C.	Hurley, A. K.

Majority of 4 for the Ayes.

Motion thus carried

Progress reported; Committee to sit again.

ADJOURNMENT

At 11.38 p.m. the House adjourned until Wednesday 4 August at 2 p.m.