HOUSE OF ASSEMBLY

Wednesday 4 August 1999

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

RADIOACTIVE WASTE

A petition signed by 415 residents of South Australia requesting that the House urge the Government not to proceed with the proposed radioactive waste dump was presented by Ms Breuer.

Petition received.

THE GROVE WAY

A petition signed by 20 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.

LEGISLATIVE REVIEW COMMITTEE

Mr CONDOUS (Colton): I bring up the eighteenth report of the committee and move:

That the report be received.

Motion carried.

QUESTION TIME

FLINDERS MEDICAL CENTRE

The Hon. M.D. RANN (Leader of the Opposition): Given the Premier's claims yesterday that the request from the Nursing Federation for a meeting with the Premier about the Flinders Medical Centre crisis was 'politically based and politically motivated', does the Premier have the same view about warnings by the Salaried Medical Officers Association? If the Premier will not meet the nurses, will he meet the doctors?

The Hon. J.W. Olsen interjecting:

The Hon. M.D. RANN: Perhaps the Premier thinks that the doctors are Labor stooges as well.

The SPEAKER: Order! The Leader will give his explanation.

The Hon. M.D. RANN: The Salaried Medical Officers Association has said that ongoing cuts were taking the public health system over the edge. The President of the association, Dr John Norman, warned today that budget stresses could lead to a tired doctor making a serious error; that cuts to services do not stick at the coalface where doctors have to cope with human suffering; and that any mistake could lead to a patient's death.

The Hon. J.W. OLSEN: First, to put in context my comments yesterday, I did refer to Ms Gail Gago as a twice-failed Labor Party candidate, and I also—

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The Leader has asked his question.

The Hon. J.W. OLSEN: —indicated to the House that Ms Gago, in writing to me, had actually given the letter to the Leader of the Opposition prior to Question Time and prior to giving it to me. If that is not a clear indication of political tactics, I do not know what is. Let us put that into context as it relates to Ms Gago, because they are the facts.

Let us go onto the question in relation to the provision of health services. This is not about one hospital in isolation: this is about an entire health system which is clearly not adequate for our needs.

The Hon. M.D. Rann interjecting:

The Hon. J.W. OLSEN: Every single Leader, both Liberal and Labor, recognises this issue about the health system, not about one hospital in one State. I invite the Leader of the Opposition to speak to his counterparts, Premier Bob Carr or Premier Peter Beattie, who are going through the same difficulties that South Australia is, in fact, facing. The so-called crisis has been going on for years—

Mr Koutsantonis interjecting:

The Hon. J.W. OLSEN: If the member for Peake paused and listened for a moment—which he finds very difficult to do—

The Hon. M.D. Rann interjecting:

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

An honourable member interjecting:

The Hon. J.W. OLSEN: If you listen, I will answer the question. This so-called crisis has been going on for a number of years. Members opposite faced it when they were in government. What is the difference now? Well, the difference is that we are addressing it, that is, the cause of the hospital difficulties in this country, and we are actually doing something about the matter—not trying to score points but trying to get some fundamentals right for the provision of health services in the longer term.

This is a real issue that we will tackle at the level that can achieve some results in the longer term. We are addressing the core of the problem, that is, that we have a health system designed for the 1970s which cannot cope with the demands of the 1990s—and neither will it be able to cope with the demands of the next millennium. It is a bit like the Opposition's harking back to the so-called good old days but not having any interest in moving on.

Ms Stevens interjecting:

The Hon. J.W. OLSEN: Let us take an historic look at the issue, bearing in mind the member for Elizabeth's constant carping interjections across the table. Let us tackle some of the issues for the benefit of the member for Elizabeth. Back in 1989, 10 years ago, the Royal Adelaide Hospital had to cancel surgery. Why? Because the Labor Government refused to front up to the issue of the hospital system and the funding at that time. Members opposite are quiet now; the member for Peake has shut up all of a sudden. Back in 1989, when I was Opposition Leader, I visited the Royal Adelaide Hospital—

Mr Foley interjecting:

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

The Hon. J.W. OLSEN: —and the issues we are facing now were emerging then. The fundamental point that I am trying to put, and indeed have consistently put, in this Chamber is that the problems we are facing today are exactly the same as those which made headlines that we faced 10 years ago. Unless we front up to this issue, in 10 years' time we will have the same headlines on the provision of health services. We are trying to recognise that simple fact. I understand that the member for Elizabeth wants to score some political points but she cannot deny the fundamental

fact that the headlines today are the same as the headlines during the time of the last Labor Government.

In the 1989 period, the Royal Adelaide Hospital stated that it would cancel up to 50 per cent of scheduled elective surgery to address a budget problem and blow-out. In 1990—10 years ago—Flinders Medical Centre acted by shifting patients to other hospitals. The then Health Minister Don Hopgood, Labor's Health Minister, said that any so-called crisis was utterly ridiculous. My point is simply to demonstrate that, in a period of 10 years, the headlines have not changed.

Mr FOLEY: I rise on a point of order. Was the Premier misleading the House yesterday when he said, 'I am not interested in going back into a time warp'?

The SPEAKER: Order!

Mr FOLEY: 'I am only interested in moving forward—'

The SPEAKER: Order!

Mr FOLEY: '—and finding a solution to this problem.'

The SPEAKER: Order! I warn the member for Hart. If he shouts me down again he will be named instantly. I remind the member of the implications of being named twice in one session. There is no point of order.

The Hon. J.W. OLSEN: We know why the point of order was raised: because of the embarrassment to the Opposition. It underscores my fundamental point. If we want to do something constructive in the long-term provision of adequate health services for all South Australians, it is about time we tackled the core of the problem, not the symptoms. That is exactly what we are attempting to do. It is not a partisan approach: it is bipartisan. I do not know how many times I have to say it in this Chamber, but the fact is that Liberal and Labor Premiers from every State and Territory in this country are unanimous in what we need to do to tackle the health difficulties faced in Australia. South Australia is no different from that.

I want to ensure that, in 10 years' time, nobody can stand up in this Chamber and say, 'We had the same problem in 1999 as there was in 1989.' That is what we have to do. We are constructively doing something about correcting the core of the problem, not playing around at the edges, which will not get an outcome for this State. Opposition members who constantly carp on the issue do so on the basis of not achieving any outcomes. They do not want to achieve any outcomes in relation to correcting the difficulties for these people. It is about time that the member for Elizabeth got above the petty politics and addressed the core of the problem. We will, and I invite her yet again to pick up the phone and speak to Bob Carr, Peter Beattie and Jim Bacon.

Ms Stevens interjecting:

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

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! I warn the Leader of the Opposition.

The Hon. J.W. OLSEN: If the member for Elizabeth picked up the phone and spoke to her interstate Labor colleagues, she would get the same message over the phone as I am delivering in the Chamber today. There is just one other aspect to which I want to make reference. I asked Treasury to draw up some figures for the period 1993-94 to 1999-2000 to look at expenditure across the board. Let us look at the figures for total growth in nominal percentage terms and in real percentage terms. The fact is that, in recurrent outlays in that period, our health expenditure has increased 35.1 per cent in nominal terms or 22.4 per cent in real terms. That is under this Administration.

In addition, capital outlays in health have increased in nominal terms by 66.2 per cent or 50 per cent in real terms. Those figures indicate that in nominal and real terms for both recurrent and capital outlays on infrastructure there have been substantial increases in the provision of health services. However, despite that fact, the needs of South Australians are not being met and addressed: I acknowledge that, and I have consistently said so. That is why we have taken up this issue with the Productivity Commission review. If the Opposition wants to assist, I invite them in a bipartisan way to join the Government in arguing for a Productivity Commission review so that we can enjoin the Commonwealth Government. We can then bring the Commonwealth Government to the table through a Productivity Commission review and the doctors, nurses and other medical professionals can, in the full glare of public light, clearly demonstrate the relevant factors to the Productivity Commission. That is the way to get fundamental reform. That is the way to get things changed. That is the way to get the improvement which we all want for health services for South Australians.

SITTINGS AND BUSINESS

The SPEAKER: I inform the House that questions for the Minister for Industry and Trade this afternoon will be taken by the Minister for Education, Children's Services and Training.

SUBMARINE CORPORATION

Mr HAMILTON-SMITH (Waite): Will the Premier inform the House of the importance of the Australian Submarine Corporation to the South Australian economy? This ambitious project, in terms of the breadth of advanced technology and engineering involved, has been compared in the media to the space shuttle, yet a number of unresolved problems are yet to be re-engineered. There has also been speculation in the media about the future of the Submarine Corporation in Adelaide for refit and ongoing work associated with maintaining the submarine.

The Hon. J.W. OLSEN: I thank the member for his question and his interest in defence matters, in particular how we might grow the defence industry in South Australia. Recently, I visited the Osborne site and, at the invitation of the shop stewards at the Submarine Corporation, spoke with the workers, the people who have helped contribute enormously to this State's economy and to upgrading the skills base of this State. Since the contract to construct the six Collins class submarines was awarded by the Federal Government in 1986 to the Australian Submarine Corporation, undoubtedly the benefits to the South Australian economy of assembling the submarines at Osborne have been real and tangible.

The economic benefit to the community is twofold: first, through direct economic benefit; and, secondly, through flow-on and indirect benefits. A report by the South Australian Centre for Economic Studies has highlighted these benefits. When I was at the site the work force asked whether I could get some economic data that might support and back their case in championing the cause for the Submarine Corporation and the work force here to ensure that we retain in South Australia the refits which will be part of an assessment undertaken by the newly designated officer to look at this matter on behalf of the Federal Minister for Defence.

The report estimated that the regional impact (both direct and indirect) of the submarine project in 1995-96 was $100 million per annum on gross State product and, in turn, supported something like 1 700 jobs. These figures can be broken down to just the direct impact which is equally impressive. Essentially, the direct economic impact associated with the Australian Submarine Corporation at Osborne is in the order of $41.3 million in terms of GSP and some 874 jobs. These figures are indicative of the successful nature of the program in South Australia and, in particular, bring up to speed a whole raft of small-medium supplier companies that, as a result of the submarine contract, had to seek and obtain IS9002 international qualifications which they otherwise might not have done. In doing so, this opened up those companies then to further international contracts.

Flow-on benefits of the submarine contract have been the establishment of a new welding training course at Panorama TAFE, an increase in the number of defence recognised quality assurance assessed firms in South Australia (to which I have referred), and numerous South Australian companies diversifying into the defence business—for example, the Hill Equipment and Refrigeration Company now fulfils defence contracts.

We now see the introduction of international standards for manufacturing, increased project management skills and improved systems engineering and systems integration skills in South Australia. At present South Australia is experiencing a shortage of trained people in these areas, and that shortage will continue in the future.

An industry such as this has significant flow-on effects to a wide range of industry sectors, such as the electrical industry and residential construction. As well, 12 additional firms have been involved in key significant subcontracts arising out of the project over the past 10 years. The total value of their involvement is estimated at about $2.147 billion, and a further 30 South Australian companies have been involved in the project, with an estimated work value of $14.98 million. The figures therefore speak for themselves. The benefits accruing to South Australia out of this project are substantial.

The Hon. M.D. Rann: It is a great project.

The Hon. J.W. OLSEN: I acknowledge that it is. The project has provided economic stimulus to a great many sectors of the South Australian economy, and this Government, I can assure the House, is keen to work in a bipartisan way, or with the work force and ASC, to ensure its continued success. This means that we must present South Australia as distinct from and ahead of Western Australia as the logical location for refitting these submarines.

I have taken up the matter with the Federal Minister for Defence, and he has acknowledged in the past week my representations. Following a request from the shop stewards at the submarine site, I have also provided them with some of these economic analyses and data which they wanted to use in representations that they wanted to make to further their cause, and I am clearly happy to do so. This is a common cause with a common benefit for South Australia.

HEALTH FUNDING

Ms STEVENS (Elizabeth): My question is directed to the Premier. Will the Government accept South Australia's share of about 8 per cent or $12 million of the Commonwealth's offer to the States of an additional $150 million over two years for funding unmet need and disability services? The Federal Minister for Family and Community Services has today announced that the Commonwealth offer is subject to the States also increasing expenditure on disability services. On 29 June 1999, the Minister for Disability Services told the Estimates Committee that South Australia was negotiating with the Commonwealth with a track record and a financial willingness to meet unmet need. Will the Premier put in his share?

The Hon. J.W. OLSEN: Of course we want to meet needs like that within the community, and I even think that the member for Elizabeth would acknowledge that we have attempted to meet those needs in the community. Where Commonwealth funds are made available to the State of South Australia for the provision of services and where there are matching funds that have not, in effect, been factored into the budget, we look at those offers as they are made and attempt to source the funds.

As a result of the offer from the Federal Minister, clearly the State Minister responsible would be preparing a submission for the Government to look at matching funding to attract the Commonwealth funds. It is a further indication of where the Commonwealth is shifting very significant demands onto the States—a Commonwealth which has had a very substantial surplus, and where the States do not have the same. One just has to look at dental health care, where the Commonwealth introduced the program, ran it for two years and said to the States, 'It is over to you.' That clearly is an indication of where, without warning, States are left to pick up a very significant shortfall by the Commonwealth without notice exiting the provision of what I consider an essential human service to be provided. We have our constraints and our limits, but where there are matching Commonwealth funds we do our best to match those funds to maximise the benefit for South Australia. In this case, it will be absolutely no different.

STATE ECONOMY

Mr LEWIS (Hammond): My question is directed to the Minister for Government Enterprises. What is the present level of confidence in South Australia as measured by any traditional indicators or conventional yardsticks, and to what extent does it reflect on Government policy that may have influenced it?

The Hon. M.H. ARMITAGE: Everyone recalls perhaps somewhat in a bitter sweet fashion the Labor excesses of the late 1980s and the early 1990s, and those excesses threatened to condemn this State to a very bleak debt-ridden future. So, when it was first elected, this Government worked creatively to address the financial maladministration of the Bannon and Arnold Labor Governments, but frankly, as we have said in the House on a number of occasions, that debt did weigh us down. Indeed, it weighed down the whole of South Australia. If the representations that have been made to me are any guide, it weighed down a lot of business people as well.

The challenge for the Government in the second term has been to rid South Australia of the debt—to get the debt monkey off the back of our children for the future. Faced with that market risk, the Government decided to divest itself of ETSA because ETSA in itself was a threat to our State's finances, as big as the State Bank debacle. In spite of the fact that Labor had destroyed the confidence of this State through the State Bank problems, it had the gall to oppose the thing which would have led to a solution of that problem, and that only led in fact to months of self-centred, self-interested

political bickering which did nothing for the confidence of this State. It was again evidence that the confidence was being undermined.

However, thankfully, the State has been given a lease of life, a circuit breaker from the debt cycle, by independent thinking Labor members putting the future of this State first. So, it is with great pleasure that I advise the House that the South Australian community is recovering from the pessimism brought about by the Labor Party maladministration. I have recently been provided with some details from market research undertaken for the Australian Retailers Association (SA Division), which is formerly the Retail Traders Association. The research was carried out by Harrison Market Research from April to June this year with at least 400 persons being surveyed, so it is very statistically valid.

From the research, it is absolutely evident that confidence in South Australia's future has soared. Obviously, all members of the Chamber would know this as they go around their electorates and talk with business people and their constituents. I guess, however, the simple fact is that people on the other side of the Chamber would not be prepared to acknowledge it.

Confidence is at its highest level for two years, having increased 16 percentage points in the latest quarter. It has increased by 16 percentage points in one quarter. In the under 30s group—the group upon which factually, I believe, our future depends, as the entrepreneurs, the go getters, the employers and the future of our society—there has been a 26 percentage point increase in confidence in South Australia's future. There has been a 10 per cent increase in the number of persons who believe they will be financially better off. That means that those are the sort of people who are prepared to put their nose to the grindstone, take risks and make South Australia work.

The Hon. D.C. Kotz interjecting:

The Hon. M.H. ARMITAGE: Indeed, as the Minister for the Environment says, they will further stimulate the economy. That then has a snowball effect on these great figures, and it is not at all unreasonable to expect that, as that snowball gains momentum, there might be a bigger increase in confidence in South Australia as the economy continues to generate its own momentum.

The future of South Australia is its people, and the energy those people can exhibit is directly related to the level of confidence in the community. I believe that the future of this State is there to build, as the Government works with the community to seize the exciting opportunities. The pleasing thing about the increase in confidence among the youth of today—the under-30s—is that their confidence in South Australia's future has gone up by 26 percentage points, so they will be willing to work with us to make the future of South Australia even better.

I call on members of the Opposition to look and listen and appreciate the fact that six years of negative opposition, carping and undermining has not achieved one jot for our economy or the South Australian community. It may have led to their being able to flex some muscle in factional deals; it may have made them feel pretty powerful at the State Convention—which unfortunately they cannot hold at the moment, but I guess when the judge says they can hold their convention they will be able to say they have done certain things for South Australia—but, factually, in their heart of hearts they know that negative, carping criticism undermines confidence in South Australia. We are happy to work with the Opposition in building the future. However, we will have no part of negative, confidence sapping and undermining behaviour from the Opposition, because the people of South Australia are demonstrating in the market research that they will have no part of it; they want our future to be rosy and they are confident that that will be the case.

MOUNT BARKER FOUNDRY

Mr HILL (Kaurna): Given the Minister for Environment and Heritage's statement that she was being briefed last night on emissions from the Mount Barker foundry, is she satisfied that the tests conducted by the EPA were adequate; and will the Minister now explain to the House the results of those tests? Yesterday the Minister told the House that she was to be briefed last night by the EPA and the Health Commission on the scientific interpretation of the results of tests on stack emissions. The Mount Barker Clean Air Group states that stack emissions testing carried out by the EPA was inadequate because the EPA did not test emissions from the stack above the melting furnaces where the most hazardous emissions occur, and that the foundry was notified prior to tests being conducted.

The Hon. D.C. KOTZ: I appreciate the follow-up question from the member for Kaurna, knowing that we all feel that this is a very serious situation that we are working through at the moment. The EPA did meet with me last night and brought me up to date on the latest aspects of this issue. The Health Commission was not available, because it is still assessing the information that has been received. As I indicated, a community consultation meeting would also be held today, and the information that I received was given to those people this morning.

The community consultation committee met at 7.30 this morning at the Mount Barker council chambers. I am advised by the EPA that it presented to that committee the preliminary results of the recent testing. The results show that Mount Barker Products is emitting levels of metal fume that exceed levels permitted by the environment protection air quality policy. The EPA has advised the company that it will be required to comply with that air quality policy. In addition, I am told that modelling results show that the maximum odour levels near the school and residences can reach six to seven odour units when one odour unit is considered to be detectable and when the EPA's preferred level is one odour unit.

I am also advised that the potential health effects of the known emissions are continuing to be evaluated by the Health Commission. The Environment Protection Authority has also advised me that it will meet tomorrow, Thursday 5 August, and will consider the information and the options available. It will bear in mind the results of all the investigations to date and take into account advice that it will receive from the Health Commission. I am further advised that the authority will announce a decision on this matter on Friday.

STATE EXPORTS

Mr CONDOUS (Colton): Will the Premier inform the House of South Australia's recent export performance?

The Hon. J.W. OLSEN: I thank the honourable member for his question. We have seen some very good economic statistics emerge in the past few days. These build on a range of economic statistics to which we have referred over the past few months.

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The Premier has the call.

The Hon. J.W. OLSEN: I assume that the honourable member is referring to some of the ABS figures for building approvals which were released last Friday. These figures again show something of which we have seen a fair bit recently, that is, South Australia's outperforming other States in economic indicators. These figures can be volatile from month to month. Importantly, trend dwelling approvals rose by 2.3 per cent over the past month. Our export figures have also shown very good indicators recently, and those trend lines for export figures are also outstanding. Dwelling approvals have risen by 2.3 per cent over the past month. That compared with a .8 per cent increase nationally, so we are outperforming the national base. In addition, trend dwelling approvals since June 1998 have risen 4.3 per cent in South Australia but have fallen .5 per cent nationally. This follows a similar rise in May, indicating continued growth in this State.

Importantly, the current number of private house approvals is 10 per cent above the level of one year ago. We are also seeing some growth in the value of non-residential building approvals. The value of these approvals is again approaching the levels of this time last year, which were the highest we had seen since 1990. Also, BIS Shrapnel building industry forecasts show that non-residential building commencements are expected to increase by 8 per cent for the next two years, that is, 8 per cent plus 8 per cent, despite falls of 11 and 12 per cent nationally over the same period.

So, we are seeing a trend forecast of construction industry improvement for two years in a row, and nationally we are getting a contraction of 12 per cent and 11 per cent over the two year period. More activity in building business premises, offices, factories and so on, is a clear indication of business confidence being high in South Australia at the moment. The positive news of the ABS figures was mirrored recently by James Lang Lasalle; figures on the Adelaide real estate market indicated that the Adelaide market for both office and industrial space has, again, outperformed the national average. For industrial space we outperform all capital cities with the exception of Sydney. This also demonstrates the robust state of our economy and the confidence that South Australian businesses are currently experiencing.

As you would expect with positive building approval figures, dwelling commencements in South Australia are also growing. In the year to March, dwelling commencements increased by 6 per cent in South Australia, whereas they decreased by 4 per cent nationally—quite a contrast. We are increasing 6 per cent, whereas nationally they decreased by 4 per cent. As I have indicated to the House on a number of occasions, these positive economic indicators keep on coming. These building approval figures can be seen in the context of increased exports for South Australian businesses—again, in this indicator South Australia has outperformed the national average.

Earlier this year I talked about trend lines and the signposts were looking good. What we have seen now, month after month, is consistency in advancement of our economic indicators. We have seen 12 consecutive months of increasing trend employment; 13 consecutive months of falling trend unemployment; and 22 300 more people are taking home a pay packet today than a year ago—and that is significant. We also have the lowest unemployment rate in South Australia since July 1990. We have a lower unemployment rate than Queensland. If one asks most people out there in the community, they say, 'Queensland is an expanding economy.' Well, we have better statistics in South Australia on economic indicators than most other States and certainly ahead of the national average, not in one sector but in a whole raft of sectors, and we have not seen that in this State for decades.

That demonstrates that the policy thrust we have is right and that the direction is right, and I can give an absolute commitment that we will keep on keeping on so we can build on those economic indicators; so we can create extra jobs over the next 12 months; so we get more exports in place over the next 12 months; and so at the end we have population growth, not population decline. We have seen a 35 per cent increase in migration to South Australia—a far cry from when we took over Government. It is that direction and that thrust that is the confidence underpinning new investment by South Australian companies. That is the confidence to which the Minister for Government Enterprises referred, where people have again established confidence. Their debt-equity ratio is now re-established. With the debt-equity ratio of their business re-established, with the confidence about more economic activity, with the trend line estimates from about five or six different major economic analysts and forecasters, they are investing again in our future—and that means jobs for our kids.

MOUNT BARKER FOUNDRY

Mr HILL (Kaurna): My question is directed to the Minister for Government Enterprises. Given that the contract to supply more than 400 000 water metres to SA Water required the French company Schlumberger to establish a water meter manufacturing business within six months from the date of signing last August, what due diligence did SA Water undertake to satisfy itself that Mount Barker Products was in a position to safely manufacture water meter bodies in a 'light industrial' zone that does not allow an industry to create dust, fumes, vapours, smells or gases? Mount Barker Products sought and was granted planning approval by Mount Barker Council's planning officer as a Level 1 'Light Industry, non-ferrous foundry' in April 1996—nearly three years before the Schlumberger contract was awarded. The 1996 planning application stated that there were no plans by Mount Barker Products to change the nature of its existing business operation.

The Hon. M.H. ARMITAGE: My understanding of this (and I am more than happy to provide detail later) is that the EPA was asked for its opinion as to whether this was an appropriate usage of the land and that, as regards Mount Barker Council, approval was given. I know that the EPA was consulted by the Mount Barker Council in relation to the approval to relocate the foundry to the industrial estate, and I am informed that at that stage it advised that it did not see any objection, provided the foundry met all the requirements of schedule 22. That may not be the issue that is being investigated at the moment, but the appropriate matters were looked at. One of the other things that I find particularly interesting, because I am delighted that Schlumberger—

Mr Atkinson interjecting:

The Hon. M.H. ARMITAGE: I am delighted that Schlumberger has set up this contract in South Australia because it moves us into the international market, although I know that the member for Spence does not like that. It is factually great for South Australia and it is particularly great for the workers. What is interesting about all this from the perspective of Mount Barker Products, which is making the

water components and that is so good for our economy, is that it has complied with all the development requirements of Mount Barker Council. It is important to note that that company employs approximately 40 people from the Mount Barker district who are, I would guess, justifiably concerned about their future.

That would not be a single concern of the member for Kaurna, who would like to see 40 jobs go. I know that because of the glum look on their faces when, during my answer and in one from the Premier, we pointed out how well things are going in South Australia. I am not sure which faction the 40 metal workers from this factory belong to but, whichever member opposite is the head honcho for that group, he or she might like to telephone those 40 workers and ask them what they say about the threats to their jobs and about the emissions. I am informed that the workers in the factory, some of whom have been working in the previous, poorly ventilated premises for years, have not shown any of the symptoms of nausea and dizziness which the residents' action group is claiming.

Mr Foley: You're making it up.

The Hon. M.H. ARMITAGE: No. I am not sure what that means other than the fact that people who work immediately where these emissions are expected to be at their highest are not reporting—

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: No, I am not saying that for a moment. I am suggesting that the factional heavy who sits opposite should ring them up and ask them what the effect of the foundry fumes is on them, because my advice is that they have not shown any of the symptoms of nausea and dizziness that the residents' action group is claiming. There is obviously a need to ensure that the regulations are being observed, and everyone acknowledges that. That is no big deal; we would expect all of that. At the same time, from the perspective of Schlumberger and SA Water, we are extraordinarily keen that this contract continue under the regulations, which we would expect to be observed.

Members interjecting:

The SPEAKER: Order!

LOXTON IRRIGATION SCHEME

Mrs MAYWALD (Chaffey): Will the Deputy Premier advise the House of any recent developments in the State Government's attempts to gain Commonwealth funding for the rehabilitation of the Loxton irrigation scheme? The Loxton irrigation scheme was established in the 1940s and is the last Commonwealth owned irrigation system in existence in Australia. Over recent years, the standard of irrigation infrastructure has deteriorated, resulting in less than efficient water use, rising saline ground water and the contribution of saline water back into the Murray. The rehabilitation scheme would lead to greater productivity and therefore huge economic benefits. The Premier and the Deputy Premier have made strong efforts and have led the way over the past two years to try to convince the Federal Government to match the $16 million committed by this State.

The SPEAKER: Order! The member is now commenting.

The Hon. R.G. KERIN: I thank the member for Chaffey for the question and for her support of the project. This morning I was joined by the honourable member at Loxton, where the new Federal Minister for Primary Industries, Warren Truss, made what is a long awaited announcement. Fifty years ago, on the same site, Premier Playford announced the establishment of the Loxton irrigation scheme, which has done an enormous job over the years but which has now become outdated, and there are some real environmental and infrastructure problems with that system.

This morning the Federal Government committed to pay its share of the rehabilitation. It is a $40 million project, so we are talking a lot of money. It will be funded on a 40-40-20 Federal-State and industry basis. The State Government committed to this project a couple of years ago, and it has required a big effort. The member for the Federal seat of Wakefield, Neil Andrew, has done a fantastic job of lobbying his Federal colleagues constantly to make them aware of the benefits of funding this scheme, and it was extremely well greeted by the Loxton community this morning. Three Federal Ministers have been involved, and the Environment Minister, Robert Hill, has been very supportive in latter years.

Mr Clarke interjecting:

The Hon. R.G. KERIN: The current member for Chaffey, the past member for Chaffey and Bill Wilson from the Loxton Irrigation Board Advisory Committee has done a terrific job. This has not been an easy task, and many people have put a lot of time and effort into it. The $40 million project is not just for economic benefit: some enormous environmental benefits will flow from this project. It is the last of our major irrigation schemes in the Riverland to be updated.

To give members some idea, this scheme is pumping 120 tonnes of salt back into the river each day, and that is the same as tipping about 50 semitrailer loads of salt into the river per week. The rehabilitation will allow us to put in place a salt deception scheme to run that salt away and to stop it from going back into the river. That is not the total answer, but any one of these schemes which we can put in place certainly helps as far as the health of the river is concerned. As the member mentioned, the amount of ground water mounding due to leaking drains is resulting in the level of ground water getting very close to the surface and killing off productive land, and this has been an enormous worry.

On the economic side of the matter, the Riverland has been undergoing a major transformation. The Premier, in answer to a previous question, mentioned the five exports out of South Australia defying the national trend. There is no doubt that the Riverland is making a major contribution to that, and the 30 per cent increase in value in the area last year shows just how it is going.

The extra development that can occur because of this rehabilitation—that is, basically taking away the drains and putting water through pipes to develop much more efficient irrigation—can create extra development and a lot of savings in water. One new development which we visited this morning and which is reliant on an early commitment to this project is Century Orchards. Three square kilometres of what was previously wheat country, with returns of, say, $100 to $150 a hectare, will now deliver between $10 000 and $15 000 per hectare, creating an enormous number of jobs. Whether they be direct jobs, contractors, nurseries, suppliers, wineries, packaging, transport or marketing jobs, this really will give the Loxton economy a good shot in the arm.

I again thank the honourable member for his question and support. I congratulate the Federal member for Wakefield, Neil Andrew. His championing this cause so vigorously, with the help of Bill Wilson from the board, really turned around the situation and allowed us to work with the Federal Government to pull it off. The announcement will have not

only a major effect on the Riverland but also on nearly every member in this House since they rely on Murray River water for at least their domestic use. The announcement will make a major difference. We thanked and congratulated Minister Truss on his announcement. It is very good that the decision has finally been made.

I also took the opportunity of reminding the Minister that, in his new job, one of his tasks is to chair the Murray-Darling Basin Ministerial Council. I cautioned him that one of his big challenges will be to get a higher level of commitment from both Queensland and New South Wales to the ideals of that council and for them to become better guardians of the upper river systems for which they have responsibility. In terms of the Loxton announcement, it is once again South Australia doing its bit and we hope that, farther up the river, others will follow our lead.

MOUNT BARKER FOUNDRY

Mr HILL (Kaurna): My question is directed to the Minister for Government Enterprises. Given that the Government created a cast metals precinct at Wingfield specifically to attract foundries away from residential urban areas and into greenfield sites, and given that Schlumberger already has a manufacturing plant at Wingfield, did the Government grant any incentives to Mount Barker Products to help it change the nature of its manufacturing business on its existing site, and did SA Water ever inspect the foundry during its contract negotiations with Schlumberger?

The Hon. M.H. ARMITAGE: My understanding is that absolutely no incentive was offered by the Government. I am happy to check that, but the member for Kaurna seems to be ignoring the fact that the contract has nothing to do with the Government: it is between Schlumberger and Mount Barker Foundry.

An honourable member interjecting:

The Hon. M.H. ARMITAGE: Of course we are the beneficiary of the contract—so are the 40 workers and so is the water industry but we are not signatories to the contract. We are signatories to the contract between Schlumberger and South Australia (SA Water), but they have subcontracted. I am happy to find out but I believe that we are in no way 'associated' with the intricacies of the contract. Again, I come back to the fact that the member for Kaurna has yet to acknowledge in any of his questioning that, as I identified in a previous question, the Mount Barker Council consulted with the EPA in relation to the approval for relocating the foundry to the industrial estate.

Mount Barker Foundry is called Mount Barker Foundry because it has been there for years. It is not as though some foundry was relocated from the plains to Mount Barker instead of to a cast metals precinct. This is a business which has been there forever and for which the council gave approval to operate in an industrial estate. It would be interesting if the member for Kaurna would acknowledge that both the EPA and the Mount Barker Council were involved in the decision in relation to the approval for relocating the foundry to the industrial estate.

It would be nice if that was acknowledged in the member for Kaurna's questioning. It does not fit the political agenda so, I guess, it will not be acknowledged at any stage. The other aspect I identify is that, as the Minister for Environment has said, we would expect that the relevant regulations, and so on, would be met, as indeed was the agreement with the EPA where it did not see any objection to the foundry's moving to the industrial estate provided it met the requirements of schedule 22 of the Development Act. That is the bottom line in this matter. I do not believe that there was any incentive, so I think that the implication that we were intending, in some way, to influence this unnecessarily or underhandedly is wrong.

EMPLOYMENT COUNCIL

Mr SCALZI: My question is directed to the Minister for Employment. What role will the Employment Council play in increasing employment opportunities for South Australians?

The Hon. M.K. BRINDAL: I do not know whether or not the honourable member is aware, but the Employment Council has its inaugural meeting tonight. This is a great step forward and an accomplishment of which the South Australian Government is particularly proud. It comes about on an initiative fostered by the Premier: to go out and do the jobs workshops. The single most important message to emerge from the jobs workshops was that better coordination of Government services was required, and the Government is confident that the members of the Employment Council will deliver improved outcomes and service standards.

This model is unashamedly based on the Premier's very successful Food for the Future Council which has worked so well in the food sector, and we are hoping it will do equally well in the employment sector. The council has a range of people, details of whom I am most pleased to share with the House; but, rather than prolong the answer to this question, I would prefer to report to the House later on how successful this new Government initiative is.

MOUNT BARKER FOUNDRY

Mr HILL (Kaurna): Has the Premier been briefed by a member of his staff who attended a meeting this morning involving the Mount Barker Council, residents, the EPA, South Australian Health Commission, Mount Barker Foundry and the Waldorf school? In the light of advice that the school may be forced to close within weeks and that local food producers may be forced to close or relocate, will the Premier meet with the foundry directors to discuss the urgent relocation of the manufacturing plant?

The Hon. J.W. OLSEN: As the honourable member knows, this foundry is in part of my electorate. I have indicated to the people I have met on a number of occasions that the health provisions of people locally will not be compromised at all. We have sought EPA and Health Commission assessments, and we are awaiting those. My advice is that the Health Commission will not be in a position until either the end of this week or early next week to give us advice. We have sought expeditious assessment but the professionals have to make a judgment. I do not intend to interfere with the professionals.

In the meantime, I do not wish to put at risk any businesses in the region. It is my full intention to monitor this matter closely, to ensure that the outcome is a win for all the parties concerned. The way to achieve that is constructively and quietly. I will use my best endeavours to represent the people of that district exceptionally well, but I will not stand in the way of the professionals' due process to make a good, proper value judgment upon which we can then make clear and concise decisions.

STATE ECONOMY

Mr MEIER (Goyder): Following on from the member for Colton's earlier question, can the Premier provide further examples of positive economic indicators for South Australia?

The Hon. J.W. OLSEN: I am more than delighted to respond to this question from the member for Goyder, because he represents a district that is contributing substantially to the export effort of South Australia. A few weeks ago I was able to tell the House that South Australia's exports in the first 10 months of the financial year were worth $4.4 billion. Last week the Australian Bureau of Statistics released results that showed that those exports have since grown by almost half a billion dollars more. South Australia's exports for the 1998-99 financial year, with figures for the month of June still to come, have been a whacking $4.8 billion. The value of our State's exports has risen nearly 6 per cent over the past financial year.

Mr Koutsantonis interjecting:

The SPEAKER: Order, the member for Peake.

The Hon. J.W. OLSEN: The only thing that the member for Peake wants to export is those anonymous members who signed up at his sub-branch meeting.

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

The Hon. J.W. OLSEN: I also thought it was unruly to interject out of one's seat.

Members interjecting:

The Hon. J.W. OLSEN: No; I am just making an observation about the member for Peake; he interjects anywhere in the House, including out of his seat. I understand the sensitivity of the member for Peake. He is sitting next to the member for Ross Smith. I understand, too, the collaboration that might be going on. It might go something like this: 'Ralph, can you give me some information on the new members?' or, 'Ralph, have you got any indication—

Mr HANNA: I rise on a point of order, Sir. The Premier is not replying to the substance of the question.

Members interjecting:

The SPEAKER: Order! I uphold the point of order and ask the Premier to return to his reply.

The Hon. J.W. OLSEN: As great as the temptation is, I will certainly comply with your ruling, Mr Speaker. The member for Peake goads me.

An honourable member interjecting:

The SPEAKER: Order! The Premier will come back to the point.

The Hon. J.W. OLSEN: No, he does not get under my skin; I think his interjections are so inane that they need highlighting to the House on the odd occasion. The Labor Party is highly sensitive on some issues at the moment. The member for Mitchell has read a novel through most of Question Time. When does he wake up and join the discussion in the Chamber? He does so when I talk about the member for Peake's extra members and he is surprised. We highlighted in the Chamber how someone had got a notice saying, 'Welcome as a member of the Australian Labor Party.'

The SPEAKER: Order! I ask the Premier to return to the substance of his reply.

The Hon. J.W. OLSEN: Exports are something about which we can be really pleased. The value of our State's exports has risen nearly 6 per cent over the past financial year, whereas the national figures have dropped by 2.5 per cent. While they have been falling, our export of road vehicles, cars and accessories has grown by 23 per cent. Just think about the jobs in Elizabeth: exports to the Middle East and Brazil from General-Motors Holden's are up 23 per cent. Our wine exports are up 20 per cent, our exports of machinery and equipment have grown by 12 per cent, and our exports of fish and crustaceans have grown 9 per cent. That is a sign of a dynamic economy. It is a sign of a State which is on the move and which is emerging from the darkness of the late 1980s. Most of all, it is yet another sign of the right policy direction that this Government is pursuing.

As I have indicated, our unemployment rate currently stands at 8.1 per cent. That is the lowest rate since July 1990. Back in 1992, under Employment Minister Mike Rann, now Leader of the Opposition, we had two months where the unemployment rate was 12 per cent.

An honourable member: Where is he?

The Hon. J.W. OLSEN: Absent yet again. As I have mentioned previously, we have a lower unemployment rate than Queensland. According to the recruitment firm Drake there will be up to 5 000 jobs between now and September in South Australia, with almost one fifth of firms planning to take on staff.

An honourable member interjecting:

The Hon. J.W. OLSEN: I can understand the interjection of the honourable member: you do not like the good news stories, do you? You do not like the policy settings for six years starting to deliver a good, positive outcome. Even the honourable member's constituents have greater job security and more overtime than they did at any time throughout the Bannon Labor Government. What you do not like is a comparison between what is being delivered now and your track record in government, because the two are chalk and cheese. This is not just one single economic indicator that is looking good but a raft of economic indicators that are looking good. We can go on to the ANZ job advertisement survey showing continuous growth in trend terms with the number of advertised positions vacant almost 9 per cent higher than at this time last year. Last year was okay, but now we have 9 per cent growth on last year. In the first 10 months we have had not only export figures but an investment program which has brought in some $170 million in investment, creating 3 562 direct jobs and another 4 105 indirect jobs. That has added something like $2.5 billion to gross State product.

The cost in incentives of attracting the 1998-99 investment has been some $20.8 million. That is less than one seventh of the additional State taxes that the investments will generate. Our investment attraction cost us one seventh of what they will generate in taxes. They are indicators of growth and confidence, which a number of Ministers have referred to today. I point out that 90 per cent of the support we give is to existing South Australian based firms, a far cry from what the Leader and the member for Hart say publicly. The majority—90 per cent—of support goes to existing South Australian small and medium size businesses. We can go on to look at sales growth, profits growth and at manufacturing industry growth. I will not continue in detail to the House, but every one of those indicators, like the export figures and the building figures, is up, indicating a more prospective South Australia in the future for all South Australians, with continuity of the policy decisions we put in place that are now starting to deliver for all South Australians.

PARTNERSHIPS 21

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: Yesterday the member for Taylor asked a question about the trial schools under Partnerships 21, and the member for Wright asked me on 23 June about which schools might be undertaking this trial in the third term. I am advised that as of week 3, term 3, 10 schools are currently trialing various aspects. The 10 schools are: Ashbourne Primary; Langhorne Creek Primary; Strathalbyn Primary; Milang Primary; Strathalbyn High; Unley High; Urrbrae Agricultural High; Mitcham Girls High; Taperoo High; and, Stradbroke Primary.

GRIEVANCE DEBATE

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

Mr WRIGHT (Lee): When will this Government do something for the racing industry? Yesterday the Minister for racing announced policy on the run about proprietary racing, about Teletrack. No other State in Australia will even consider it, but South Australia is too smart for that. This is the State that after 18 months cannot come forward with its preferred position on the sale of the TAB. This is the State that after three years cannot finalise its recommendation on venue rationalisation. This is the State that is going backwards in its profit distribution to the racing codes. Here, out of the blue, we have a deal being struck on proprietary racing, a deal being struck on Teletrack.

No one decision could be any more damaging to the racing industry. No one decision could be any more destructive and damaging to the racing industry. We, because of this Government's lack of recognition, refusal to make decisions, inability to provide leadership, were the laughing stock but now this Government has scooped the pool and this Minister has lost the total confidence of the racing industry. What is Teletrack? Its foundation is based on Internet gambling, particularly from overseas and more so the Asian market. Proprietary racing, Teletrack (and this is what this is all about—Teletrack for a couple of Independents) involves straight tracks popping up in the country, racing under lights with no crowds. Teletrack's proposal, its business plan, is based on penetrating some 7 per cent of the world gambling market, with no detail of how it will do it, where it will take it from but just a cute figure out there in its business plan.

What did the former Minister, the member for Bragg, say about Teletrack? He was dead against it and he was dead right. The former Minister said in a press release:

> In South Australia the State Government is not contemplating amending current legislation—

unlike what the new Minister said yesterday—

> to allow the introduction of proprietary racing. In the meantime I am writing to South Australian racing codes and local councils recommending they not commit themselves contractually or financially to the establishment of proprietary racing.

Dead correct! What about the Racing Industry Development Authority (RIDA), the key body, the lead body for the Government in regard to racing? It is also dead against Teletrack. On this occasion RIDA happens to be correct.

We also now have night racing and pay TV. We have not heard about Teletrack for some two years, but out of the blue, all of a sudden for some strange cute reason, Teletrack pops up. For two years there has been no discussion, no announcements, no dialogue: Teletrack falls off the map in every State in Australia except for good old South Australia. Where is its business plan? RIDA has no confidence in its business plan estimates. What we have here is the timing of this decision, which is completely astounding.

There is debate out in the industry about genuine reform. The Government has talked about a racing commission, about putting the codes together, and about reforming SATRA to have a broader representation. While these key discussion areas are going on out in the industry, out of the blue all of a sudden for no good reason we have a deal struck with respect to giving the green light to Teletrack. No other State in Australia will give it any consideration. No other State will give it any consideration, any thought whatsoever. We will be the absolute laughing stock of Australian racing because of a decision by an incompetent Minister who has struck a deal with a couple of Independents. I guess I will no longer get their support for my private member's Bill to reform SATRA.

The Hon. G.M. GUNN (Stuart): I was particularly interested in the comments made by the honourable member in relation to this new form of racing, having had some attention paid to me by certain individuals who are proponents of this concept and who I do not believe would pass any probity or scrutiny by any organisation that would be required to examine them. I also would say that up to this stage they have not provided any adequate information that would allow them to obtain the necessary funds that they are seeking from the public. It has always been my attitude that, if these people have the money, let them build the track. However, I look forward to this concept being put forward to see how the i's are dotted and the t's crossed. I always believe that what goes around comes around, and with these people I am looking forward to scrutinising their operations closely.

Ms Breuer interjecting:

The Hon. G.M. GUNN: I did not hear the honourable member, but I think that she ought to concentrate on getting the ship-breaking project up at Whyalla. She should put all her endeavours there; get the dredges up there to dredge the harbor, because with that project she will have my total support.

I have been slightly sidetracked, because I was very interested in the comments of the honourable member in relation to Teletrack. I want to make one or two comments about bureaucracy and the skills that certain sections of our bureaucracy have in an ongoing effort to make life as difficult as they possibly can for my long-suffering constituents. On a regular basis I visit my electorate. Last Friday, I called into the council office and had a discussion with the officers there. One officer informed me that enlightened characters within the bureaucracy had informed him that pipes had to be laid under a new road being constructed so that the pygmy bluetongue lizards could cross under the road, not over it.

I thought that in all my long experience dealing with bureaucracy this would nearly have to go to the top of the list, because it was really too good a story not to be told. How do the lizards know the pipe is there? What sign language will one use? What happens if the lizards attempt to negotiate the pipe and then become the victim of snakes? What a load of nonsense and poppycock! But these are the sort of people

being hoisted around the country, obviously with not enough to do, overpaid and over-resourced, when many more constructive things ought to be done, such as the long-suffering constituent now in the member for Giles's electorate who has been harassed by people endeavouring to organise his pastoral lease—and I am looking forward to some responses in relation to that matter. It has taken about four years, and still the bureaucracy and other vindictive people have an ongoing vendetta against this poor fellow to ensure that he is unsuccessful, when all he wants to do is exercise his right to make a living. Then, of course, we have some of those officers in the Native Vegetation Council who have taken a particular interest in my constituents at Burra. They set out to make life unbearable for the school. All I say to the officer concerned—

Mr Clarke interjecting:

The Hon. G.M. GUNN: Don't worry; I know they are very keen on me, and I am pleased about that. Let me say that I will stick up for the welfare of my constituent in this matter and that the day is not far off when I will have to move a motion on the floor of this House to ensure that these people get the recognition and attention they deserve.

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

Ms RANKINE (Wright): Members will recall that last week I asked the Minister for Human Services whether he would instigate an urgent investigation into the treatment of elderly patients at Modbury Hospital. This was as a result of personal experience with my father who had been admitted to the hospital, which then made arrangements to transfer my father, a 79-year-old man with communication problems, to the Repatriation General Hospital, knowing full well that that hospital had no beds available. I appreciated the Minister's response that he would initiate an investigation. However, I want to ensure that there is an understanding in this House and by the Minister that this is not about my father (although I used those circumstances as an example) but that I want an investigation into the treatment of all elderly people at that hospital. They all have a right to be treated with decency and have their health care treated as a priority. This week I received a letter from the General Manager of Modbury Public Hospital, Jill Michelson, which states:

> Jennifer, I would once again like to apologise for the difficulties you and your family experienced during your father's stay here at Modbury Public Hospital. Unfortunately, it appears that sometimes, despite good intentions, procedural mistakes occur whereby poor communication can cause distressful situations. I would like to reiterate that there were no requirements to move Mr Buckley to the repatriation hospital because of bed number issues. I believe these circumstances arose out of misunderstanding in communications.

I want to stress the point that Jill Michelson reiterates what I have been telling this House: there was not a crisis of beds at Modbury Hospital. They took this elderly man out of his bed and were going to transfer him to a hospital with no beds. The letter continues:

> We have certainly had considerable discussions with the staff involved and they truly regret any distress caused. Much has been learnt from the chain of events which occurred. Once again, please accept this as a sincere apology. I trust your father is progressing well.

I accept Modbury Hospital's apology in relation to the treatment of my father, and I look forward to the investigation undertaken by the Minister for Human Services in relation to all elderly patients being treated at that hospital.

Also in this House I have raised concern about a particular intersection in my electorate, the intersection of The Grove Way and Bridge Road. Indeed, to date I have presented to this House petitions containing more than 1 800 signatures. In September I requested the Minister to look at installing lights at this intersection, and I have extended an invitation for her to come out and view at first hand the situation confronting motorists. I received a response from the Minister dated 18 July which states:

> In view of [a range of concerns] Transport SA intends to permanently ban right turn movements from Bridge Road onto The Grove Way. Those motorists wishing to travel up The Grove Way from Bridge Road will be required to turn left at this junction and then perform a U-turn from within the safety of a sheltered right turn lane further down The Grove Way.

I was absolutely astounded to receive that response. These are two major commercial roads. The Grove Way was constructed to provide access between Salisbury and Golden Grove. The Minister did not accept my invitation to come out to this location, but an officer from Transport SA did and he met with me on site on Monday morning with about 15 to 20 residents. While we were there a collision nearly occurred right in front of us. We saw a near rear end collision involving a vehicle effecting exactly the manoeuvre the Minister is suggesting. At times up to 30 cars were banked up along The Grove Way, which was a strong indication to the officer that, in fact, the proposal put by the Minister just would not work. The Minister has clearly received some very bad advice. It is my understanding that there has been no consultation with the community about this proposal, no consultation with the council, and certainly no consultation with local industry.

The Hon. J. HALL (Minister for Tourism): Much has been made in recent times of a decline in sense of community. However, I believe that sense of community is still alive and well, although sometimes it just needs a prod into action. Several months ago I was approached by the Rotary Club of Magill Sunrise to sponsor and open a fundraising day it had planned. In my view, its plan was absolutely unique in that it brought together many groups of our community. It included the residents, primary schools, local clubs such as Scouts and Guides and, importantly, many local businesses.

It was also unique in that the day was going to be offered as a pre-packaged unit and fundraising event for these schools and clubs. The idea was to stage an annual community event under the umbrella title of the Spirit of Magill. Each year a different style of event was to be held and, for the first event, it was decided to hold a walk through many of the magnificent historical sites in the suburb of Magill, so the occasion became the Spirit of Magill Stroll Through History and a very special event was born.

Working with the Campbelltown Historical Society, the Rotary Club of Magill Sunrise designed a five kilometre walk past the many sites of historical significance remaining within the suburb. A marketing plan was developed featuring local media, outdoor banners and a blanketed poster campaign, which was offered to the many retail outlets involved. Magill and Stradbroke Primary Schools, together with the Magill scouts and guides, were supplied with a very comprehensive package that was personalised right down to the individual classrooms to help them sell tickets to raise money. The money from the ticket sales was split, with most going to the schools and the clubs and, in addition, the schools and the clubs were able to retain all the sponsorship money involved.

The Rotary Club raised funds for its ongoing redevelopment of the historic Nightingale Park by offering special sponsorship packages to local businesses. These sponsorship arrangements were from about $40 to $1 000, and all the people involved in sponsorship were offered in a very serious way exposure to the local community and to local customers. The publicity was well in place and enthusiasm was being built across all the local clubs and schools. However, one thing that we all agreed was needed was decent weather. It had rained on the previous three consecutive weekends, so it was generally decided that there could not possibly be four weekends of rain in the wonderful suburb of Magill. However, as members have no doubt guessed, not only was that Sunday misty and cold but also it bucketed down with rain. Nevertheless, I am pleased to report to the House that hundreds of hardy souls braved the mist and rain and came out to take part in the walk.

The schools and clubs, very bravely I thought, staffed their stalls and the Rotary Club did a roaring trade on a very hot barbecue. I was there in a proud way to wave off the event itself. The wonderful response from those who participated was very important because, essentially, they all said that they had walked past a number of these historical sites hundreds of times but had never realised their significance. For example, St George's Anglican Church was built almost entirely from pebbles that had been brought by parishioners from Fourth Creek, not that we would do that now. More than $5 000 was raised by the people involved, and everyone is looking forward to a much bigger and better event with the Spirit of Magill next year, and hopefully we will have a clear blue sky and perhaps even some sun.

It is important to put on record that the service clubs within our communities have the connections and skills necessary to make wonderful events such as the Spirit of Magill happen, and I thank the Rotary Club of Magill Sunrise for organising such a wonderful event. I also put on the record my thanks for the extraordinary, good work that the service clubs of our State perform. More than 250 000 volunteers operate actively across the State through organisations such as Rotary, Lions, Kiwanis, Apex and Zonta, and they play an enormously important role in our communities because so many people benefit. They deserve our thanks.

Ms BREUER (Giles): I have been asked by one of my colleagues not to talk about the power station, so I will not do so. However, we would like a power station in Whyalla. I refer to the comments made by the Minister for Education about the AEU in Question Time yesterday. The Minister slammed the AEU, and consequently the teachers involved, regarding their attitude towards Partnerships 21, saying that they were sabotaging the process and that this is the traditional way in which this union counters educational progress.

I am concerned about the Minister's attitude to teachers, particularly country teachers. The Minister would have us believe that this is a perfect world and that our teachers have perfect conditions, so I would like to point out a few issues that concern country teachers. During Country Education Week, wide consultations were held with school communities throughout South Australia and many issues emerged regarding country communities. Among those issues were class sizes, excursions, resources, information technology and school buses. These are pressing issues for parents in the country.

Country communities feel under threat from this Government, and they are tired of fighting for their rights and feeling like poor cousins compared to people in Adelaide. Country communities no longer believe, despite the messages continually put out by this Government, that we have the best resourced education system in Australia. Every child in Australia has the right to decent and proper access to public education, whether they live in a small rural community or in Plympton or Burnside.

At a recent Labor Listens meeting in my electorate, a number of concerns were expressed, particularly about the lack of support for new teachers in country schools. They are often not supported in the process of settling in; there is no support for poor behaviour in classes; there is very little induction process; and there is a lack of support when they become involved in conflict with parents. Teachers are often made to feel inadequate in such situations. There is very often a lack of adequately trained staff such as counsellors in schools, Aboriginal education workers and staff with behaviour management skills, and there are very high staff turnovers and inexperienced staff.

Training and development are very difficult to access in country locations because of transport costs, accommodation costs and lack of TRTs. Study leave is also very rare. Often housing is inadequate and substandard, and country teachers' living expenses are very much higher than those of their city cousins. There is a lack of country incentives for teachers to go out into the bush, and more and more is expected of country teachers, both within and outside school hours. Yet this Minister tells us that Partnerships 21 is the perfect system and that we have a wonderful system. Will it help with these issues? Does the Minister really believe that these teachers are carping, and would he care to work under those conditions?

Country students, particularly those in remote areas, are disadvantaged. I am interested in the progress of a submission by the South Australian Dental Service for a mobile dental clinic for the Far North of the State. I have been approached by a number of communities in the north, particularly the Mintabie School community, which is concerned at the lack of dental services in that region. Many of these communities have clinics in their health centres but the equipment is old, unserviced and inadequate, causing a likelihood of cross infection, among other problems. Upgrading all these clinics would cost hundreds of thousands of dollars.

This week is Dental Health Week in South Australia, and every South Australian child should have access to dental health services, particularly as we approach the new millennium. We are not a Third World country. A mobile dental service operates very well in the west of the State. An investment of real money in that mobile service could enable students in remote schools and other people in those communities to have some equity in health issues with their city cousins. The Mintabie school has its own problems. The Principal has been waging a battle to secure dental checks for the students, but the dental surgery at Mintabie is unsuitable and the equipment old and outdated. They have tried to get a contract for a dental surgeon to visit the outback to provide the service, but it has been suggested they take their children on a six hour round trip to Coober Pedy.

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

Mr VENNING (Schubert): Today I will speak about a Bill we passed through this House last week. It was the Australia Acts (Requests) Bill which was introduced to commence the legislative change process moving towards a

republic, if the referendum is successful. I understand it has passed through the Upper House now as well, so I am able to speak about it. I listened to the debate and made a contribution to it. I understand that the Bill will preserve our State sovereignty, irrespective of the Commonwealth referendum in November. This leads me to a question raised by a certain section of the community. A lawyer has examined this Bill and has suggested that it could have the effect of not allowing States to decide whether or not to sever connections with the Crown, but could also allow individual States to secede from the Commonwealth.

Western Australia tried to do that about 65 years ago and had 70 per cent support from the voters, but this was blocked under the Commonwealth Constitution. I have also been advised that the South Australian Constitution does not normally require a referendum to change it, merely a Bill passed by the Parliament. I know that these questions are an interpretation of a Bill, but they do raise concerns from the community as to the validity of this legislation. I know the Government has sought expert advice when framing this Bill, and the Premier and Attorney-General have given assurances that it does protect the State's rights and interests, irrespective of the outcome of the November referendum.

I supported the Bill believing it will achieve what it is meant to achieve, but I acknowledge those questions raised and will pass them on to the Minister for his advice and comment. I also put on the public record that I am a constitutional monarchist and I hope the 'No' vote will be successful. The Hon. Peter Reith (a republican) announced the other day that he believed the result would not be to their liking and the option they were promoting was wrong, and he would be supporting the 'No' case as well. I think all their options are wrong. The cost of holding another full national election to vote for a president is just an abhorrent waste of taxpayers' money. We cop enough flack about that now, let alone holding more elections. Some say that three levels of Government is one too many. This would add an extra—we would then have four. If it is not broken, do not fix it.

Mr Koutsantonis interjecting:

The DEPUTY SPEAKER: Order!

Mr VENNING: Our constitution is envied the world over. Australia is a most cherished place to live. Confidence in Australia is strong the world over. Why put it in jeopardy? Why risk division? Why risk insecurity? I will not, and I am confident that the people of Australia will not, either. I will vote 'No.' Certainly I say with some pride, 'God save the Queen of Australia.'

I also want to briefly speak about an interesting art exhibition I viewed a couple of weeks ago. The exhibition is being held in the State Library on North Terrace and is called 'Wine in Focus'. It is a photographic exhibition by Mr Andrew Dunbar, an Adelaide artist of some note. He has exhibited his work at one of the most prestigious photographic galleries in the United States, that is, the G. Ray Hawkins Gallery in Los Angeles.

Mr Dunbar has won many awards both in Australia and overseas—over 40 since 1996. The exhibition puts the wine industry in a different perspective. It features quite evocative black and white images, including some examples of wine-making equipment from years gone by. It captures the soul of wine and the human characters, toil and sweat behind our famous wine industry. There are 32 photographs in total, being quite diverse in their illustration of the wine industry. The manner in which the different images are photographed portrays real art form and certainly communicates a message.

I will not go into detail but I wish to commend the exhibition to my fellow members. If members are walking past, I suggest that they call in and view the exhibition with pleasure because it closes on 8 August.

LOCAL GOVERNMENT BILL

Consideration in Committee of the Legislative Council's amendments.

(Continued from 3 August. Page 1994.)

Amendment No. 45:

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

That the Legislative Council's amendment No. 45 be agreed to.

Motion carried.

Amendment Nos 46 and 47:

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

That the Legislative Council's amendments Nos 46 and 47 be disagreed to.

Motion carried.

Amendment Nos 48 to 64:

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

That the Legislative Council's amendments Nos 48 to 64 be agreed to.

Motion carried.

Amendment No. 65:

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

That the Legislative Council's amendment No. 65 be agreed to.

Mr McEWEN: I move:

That the House of Assembly agrees with the amendment made by the Legislative Council with the following amendment:
Leave out 'or a member of the council'.

The Committee divided on the amendment:

AYES (22)

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

NOES (20)

Armitage, M. H.	Brindal, M. K. (teller)
Brokenshire, R. L.	Buckby, M. R.
Condous, S. G.	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.	Meier, E. J.
Olsen, J. W.	Oswald, J. K. G.
Penfold, E. M.	Scalzi, G.
Such, R. B.	Venning, I. H.

PAIR(S)

Hurley, A. K.	Brown, D. C.
Stevens, L.	Evans, I. F.

Majority of 2 for the Ayes.

Amendment thus carried; motion carried.

Amendments Nos 66 and 67:

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

That the Legislative Council's amendments Nos 66 and 67 be disagreed to.

Motion carried.

Amendments Nos 68 to 72:

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

That the Legislative Council's amendments Nos 68 to 72 be agreed to.

Motion carried.

Amendment No. 73:

Mr McEWEN: I move:

That the Legislative Council's amendment No. 73 be agreed to with the following amendment:
Leave out 'or a member of the committee'.

Amendment carried; motion carried.

Amendment No. 74:

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

That the Legislative Council's amendment No. 74 be agreed to.

Motion carried.

Amendment No. 75:

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

That the Legislative Council's amendment No. 75 be agreed to with the following amendment:
Leave out proposed subclause (3a) and the associated note.

Amendment carried; motion carried.

Amendment No. 76:

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

That the Legislative Council's amendment No. 76 be disagreed to.

Motion carried.

Amendments Nos 77 to 82:

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

That the Legislative Council's amendments Nos 77 to 82 be agreed to.

Motion carried.

Amendment No. 83:

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

That the Legislative Council's amendment No. 83 be disagreed to.

Motion carried.

Amendments Nos 84 to 113:

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

That the Legislative Council's amendments Nos 84 to 113 be agreed to.

Motion carried.

Amendments Nos 114 to 131:

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

That the Legislative Council's amendments Nos 114 to 131 be agreed to.

The CHAIRMAN: These amendments relate to clause 208 of the Bill. The member for Elder has expressed his view that he wishes to oppose the Minister's motion.

Mr CONLON: In brief explanation, the Opposition will oppose the amendments made by the Legislative Council and the motion of the Minister. This is the matter of the much talked about land bank or, as I understand it, land trust, as it would be called were the Minister to have his way. The Opposition has opposed the creation of the land bank or land trust from day one. It continues in that regard. It is necessary for us to disagree with these amendments in order to move a further amendment to remove the remaining words from clause 208, and I indicate our opposition to the Minister's motion.

Mr HANNA: Because I feel very strongly about this proposal of the Government, I will speak to it briefly. It is a disgusting planning proposal. It is an offence to anyone who values open space in the city or in the metropolitan area generally. To start at the beginning, what a travesty and what an abuse of the English language it is to describe this clause as a land bank 'to protect the area of Adelaide parklands available for public use'. That is the description given to the clause in the Bill. Of course, the very purpose of it is not to protect the area which is now known as the Adelaide parklands: its very purpose is to allow the Adelaide parklands to be the subject of commercial development and to have built form placed on it for profit. How much of that profit and gain goes back to the Liberal Government, I do not know.

One thing that the Government should do if it wants to put forward this proposal is to spell out very clearly every one of the developments that it has in mind, whether they are blocks of flats at North Adelaide or whatever. I would be very interested to hear what they are. Everybody has heard of the expression, 'Two wrongs don't make a right.' It is equally true that if there is the opportunity to commit a wrong and do something right, it is actually usually better not to commit a wrong in the first place. This ridiculous proposal of a so-called land bank means that for allowing certain land to be preserved as parklands the Government will have a free hand to put built form on those parklands and alienate the parklands from community use. They are an asset of the whole community.

To call it a land trust is another misnomer and another abuse of the English language, because it is not a trust in the sense of providing a shelter for assets for the sake of certain beneficiaries in the sense that we would normally understand that, because the beneficiaries here should be the whole community of Adelaide and South Australia, the people who can presently enjoy the parklands. However, the people who are to benefit from this proposal are commercial developers, who might be able to get away with car parks, shops, retail centres, residential developments, etc., on the parklands. It is a travesty of planning concepts. It is an abuse of the vision of the parklands as they were originally proposed for Adelaide, and it is a disgrace the way the Government has put this forward in such a misleading manner, trying to sell this proposal as innocuous when it is really a ticket for commercial development on the parklands. That is why I am very proud that the Labor Party is taking a very strong stand on this and will not let it pass.

There being a disturbance in the gallery:

The CHAIRMAN: Order! Members will be asked to leave the Chamber if that persists.

Mr CONDOUS: There are two things that I am always very proud of: one is that I am a home grown product, born in Adelaide at the top end of Hindley Street; and the other is that I have a great passion for my city, because I am not a Johnny come lately: I am the real McCoy, the Adelaide boy.

Members interjecting:

Mr CONLON: That's all right: you have a passion for Port and I have a passion for Adelaide.

The CHAIRMAN: Order! The member for Colton.

Mr CONDOUS: Since my youth I have watched successively, year after year, the Adelaide parklands continue to decrease in size. The graph has not taken a curve up and down or around: it is has been only one way, a continual decrease; down is the only way it has gone. Living right in

the heart of the city, my first disappointment was to see Sir Thomas Playford develop Adelaide High School on the corner of West Terrace. If members can remember back far enough (as I can), it replaced the weather bureau on the corner, and the conservatory in another part of the parklands. Apart from that, it was an uninterrupted landscape right through from West Terrace down to the Mile End railway yards. So, Sir Thomas can bear that blame on his shoulders.

Then we saw Don Dunstan make a decision when, in selecting from six sites, he chose to cut away my favourite part of the parklands, Elder Park, which had those wonderful tea rooms in the park and the City Baths. When that was developed we ripped off about 20 acres to put the Festival Centre there. Then, I was part of the council led at that time by Mayor Wendy Chapman, who put in a strong protest to the Bannon Government, because it wanted to take more parklands for the ASER development and proceeded to put the Hyatt Hotel, the Convention Centre and the Exhibition Centre on that part of the parklands. Now I have seen my own Government today—

An honourable member interjecting:

Mr CONDOUS: —(I am honest) with the tennis centre and the wine centre, and I thought to myself that enough is enough. I have not been a champion for the parklands only in the past couple of months since this Bill came up. It is well documented on the Adelaide City Council minutes that back in 1968, in my first year on the council, the council made a decision to demolish a small pavilion that now stands in the west side of the parklands on West Terrace opposite the Shell service station. That small rotunda is there only because Steve Condous fought the rest of the members of the Adelaide City Council who at that time did not want to spend $10 000 but wanted to demolish it. It now stands there in perpetuity. I also took on the Bannon Government when it wanted to put a car park for the Royal Adelaide Hospital right on parklands property. A deal was done with the council of the day to buy the Union Street car park and give that to the nurses to alleviate the problem in lieu of handing back the Hackney Bus Depot, and that was all because we fought for it.

The council has also been guilty because, when the Festival Centre was developed and we had no City Baths it decided to replace them. But it did not go and buy commercial land. Governments have been blatantly obvious: councils have done it only periodically. It intruded, totally against what the people of Adelaide wanted, and took up a massive piece of the parklands to build the Adelaide Aquatic Centre. Because the Bannon Labor Government was under pressure to provide an undercover aquatic centre, it did a deal with the council to put the top on it free of charge. Prior to my time, the council also developed the restaurant at the weir and also the restaurant in Veale Gardens, alienating parklands for a commercial use.

Mr Atkinson interjecting:

Mr CONDOUS: Yes, and we could pick out many examples of it. We have not been sympathetic to our parklands in the past. I honestly believe that, because there is a feeling that Armitage and Condous have done this, it has now become a Lomax-Smith versus Armitage and Condous exercise. The reason I say that—

Members interjecting:

The CHAIRMAN: Order!

Mr CONDOUS: And you don't in mine, either.

Members interjecting:

The CHAIRMAN: Order! The member for Colton.

Mr CONDOUS: You'd be the last on my list.

The CHAIRMAN: Order!

Mr Foley interjecting:

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

Mr Foley interjecting:

The CHAIRMAN: Order! I warn the member for Hart.

Mr CONDOUS: I would have expected the Lord Mayor to request me as a former Lord Mayor to be a spokesman on her behalf to try to achieve the preservation of the parklands of Adelaide, and to be able to come to an outcome that was acceptable to the two parties in achieving what we are trying to achieve today. You might ask why she should talk to me. The council was not afraid to talk to me when it was trying to save the Wingfield dump. I came in here and got an absolute pasting in this House, not only from members opposite but also from my own people. I have to admire Johanna McLuskey, the Mayor of Port Adelaide Enfield, because on the day the vote was being taken she was in the trenches with a rifle over her shoulder and dirt on her hands. She fought like hell and was very convincing in making members opposite support her proposal—and good luck to her. I admire the woman for that; that is what politics is all about.

It is well documented in Derek Whitelock's historical account of the parklands that Colonel Light left us with 920 hectares of parklands. Today there are 729.1 hectares of unalienated parklands left in this city. I do not want to achieve anything for myself. The reason I supported the member for Adelaide on this was that I wanted to know that in 100 years' time there would be at least 729.1 hectares still left; in other words, that down-spiralling—

Members interjecting:

The CHAIRMAN: Order!

Mr CONDOUS: —you wouldn't know—of the graph might at least have taken a straight line for the next 100 years. That is what we are all trying to achieve. But, in the latest land bank, land trust whatever it is, on giving back two acres for every acre taken, what would have happened is that within the next 100 years that figure might have been up to about 800 hectares and we would all have gained a victory. In the past 160 years not one Government has made any attempt to introduce legislation to protect the parklands. This is the first time it has come forward; it has been passed by the Upper House, and it is intended that the acreage continue to increase on an annual basis from the time this legislation is passed.

The statement that the Lord Mayor made warning that there will be offices in the parklands was adequately covered by the *Advertiser*, as follows:

> The wrangle has been taken a stage further by the Lord Mayor, Dr Jane Lomax-Smith, who claims there was a loophole in the Bill, now soon to be an Act. She says this loophole could see parklands developed for offices and other buildings.

I said that that was an insult to the intelligence of the people living in Adelaide. The *Advertiser* saw it differently and the article continued:

> Dr Lomax-Smith is too intelligent and versed in matters political not to realise that such an event is exceedingly unlikely.

The other thing I would like to know is this: the Minister for Local Government conducted an exercise for the member for Adelaide. The member for Adelaide, decently and out of his own pocket, obtained a legal opinion from Brian Hayes, QC, and asked whether there was anything in that suggestion that there would be additional development on the parklands. That opinion was handed to the Lord Mayor, but the members of the Adelaide City Council did not receive it until last Monday

evening. I wonder why that piece of legal opinion was held back.

The thing I am disappointed in is that, if this legislation falls over, we will not get anything through probably for another few years and in that time Governments of any persuasion will continue to take that little bit of parklands on an ongoing basis. The rumour circulating at the moment is that the shadow Minister for Local Government is trying to do a deal for the opening of Barton Road in exchange for a deal concerning the parklands. I am hoping that the Adelaide City Council is not so obsessed with this piece of legislation that it is prepared to sell out the residents of North Adelaide by opening up Barton Road in exchange for that bit of the parklands. I am bitterly disappointed with the member for Gordon, and I have told him so in no uncertain fashion, because I believe—

Members interjecting:

Mr CONDOUS: You do not know. The member for Gordon should be looking at the history of the carnage of the parklands over the past 50 years and realise that there is an enormous urgency to do something about this, and he should support the Bill.

Mr McEWEN: The important thing is that the debate we are having today is not about the merits of clauses 208 and 209: it is about the fact that it is totally inappropriate to try to address a matter of this nature under a Bill such as this. It has taken 65 years for us to get this far. I am disappointed that we have got only this far. We have not reached the stage we should have reached in terms of local government/State Government relations. No competency powers are given to local government. All of that notwithstanding, at least we are moving forward.

This was seen as a window of opportunity. Somebody squeezed open a window; we are simply slamming it shut again and sending a message to this Government to legislate within the appropriate framework and in the appropriate manner. Do not try sneaking these amendments into the broad generic Local Government Bill. This matter does not relate to local government around South Australia. You can imagine what the councils in the bush think about trying to use their Bill to address a matter specifically involving the parklands. They think it is an absolute hoot. That is why we are getting it out. The member for Colton should have been advised by the Government that both amendments are coming back tomorrow. Tomorrow he can have his debate about the merits of clauses 208 and 209. Today we are simply saying loud and clear: do it properly, do it in a City of Adelaide Bill, do it in a Land Trust Bill and do not try to do it through the back door with the Local Government Bill. That is the message: I think the Minister has it loud and clear.

The Hon. M.H. ARMITAGE: I am interested in a number of things in relation to this debate, particularly these amendments which, despite the protestations of members opposite, do protect the parklands—end of story. The other thing in which I will be particularly interested is the way in which the member for Spence votes on this clause. The reason I will have a particular interest is that, when the amendments were first moved in this House and when the members for Gordon, MacKillop and Chaffey supported the Liberal Party's position in relation to the amendments, the member for Spence indicated that these were splendid amendments. Clearly, he will not vote for them today, which means that as the shadow first legal officer of the State either he did not understand the amendments when they were first brought to the House or he judges things precipitously. Either version is dangerous for the law.

A number of years ago when I was in Opposition the ALP brought to this Chamber legislation that would see parking meters put into Botanic Park. I fought rigorously against that proposition. In Opposition I spoke against it loud and long. I called for a division on the issue. There were, I think, four people who supported me. One of those people was Minister Brindal, the then member for Unley in the Opposition. I was then member for Adelaide in the Opposition. Every member of the Labor Party supported putting parking meters into Botanic Park. Every single member supported that, so for ALP members now to claim that they are supporters of the parklands goes against the facts.

When the amendments were moved originally, I became aware of a petition being taken in my electorate. Since then I have spoken to the people who were collecting the signatures, who I am told said to people, 'Would you like to sign this petition to protect the parklands?' Every sensible person in Adelaide would support that. I asked the people who were collecting the signatures, 'What do the amendments do?' They had no idea. Since then I have spoken to endless people who have come through the doors of my office, as I regard this as one of the most important issues I have addressed as a member of Parliament in the past decade.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: The member for Hart says that this will guarantee that I will lose the seat. That is why the ALP is against this issue: because they are playing Party politics. They do not care one jot about the parklands. In speaking one on one to the many people who have come into my electorate office, they have said, 'Now I understand what you are doing', and the vast majority have said, 'I wish I had not signed the petition.'

As the member for Colton has identified, I did pay for a legal opinion in relation to the amendments. I went to Mr Brian Hayes, QC, who I believe would be identified as Adelaide's leading planning QC. Certainly the Adelaide City Council believes he is, because he has been retained by them on frequent occasions in the past. Indeed, that is why I paid for Mr Hayes' opinion: because I believed his opinion would be respected by the council. I asked Mr Hayes two questions: first, do these amendments facilitate development on the parklands in any way; and, secondly, if they do so, please take your red pen to the amendments and alter them such that they protect the parklands to your satisfaction. Mr Hayes' opinion has been read in the Upper House, and I am sure that everybody here has it and have probably read it. However, Mr Hayes said quite clearly two things: first, the amendments are not pro-development; and, secondly, they produce another hurdle to developments in the parklands because—and this is something the opponents of these amendments, including the Adelaide City Council, have failed to address—these amendments in no way derogate from the present laws. Quite clearly, that is stated in Mr Hayes' opinion, but, indeed, the members for Mitchell and Elder (who are lawyers) would realise that these amendments in no way derogate from the present law. If any development were to be proposed it would have to jump through all the hoops of the Development Act, and so on.

Also, I tackled the Adelaide Parklands Preservation Association. I wanted to speak with its members, given that it was speaking so vehemently against the amendments and, indeed, circulating its opposition rigorously within Adelaide and, certainly, within its membership. I spoke with two

people from the association, one of whom was its Secretary. I asked what was its legal opinion about the amendments because, factually, the amendments will be law if they are passed. I asked the Adelaide Parklands Preservation Association, 'What is your legal opinion because, if your legal opinion varies from mine, I am happy to work with you to change the legal opinion to protect the parklands?'

As I mentioned, there were two representatives from the Adelaide Parklands Preservation Association. With a little bit of jumping from seat to seat and side to side, the response came back, 'We have a number of lawyers who are members of our association.' I asked, 'Who then gave their opinion and what was it?' There was a lot of coughing and, again, shifting from side to side, and I was finally told by the Secretary of the Adelaide Parklands Preservation Association, 'Well, I looked at the amendments in my kitchen and it looked as if they were pro development'. So, we have a public debate, a furore, being kicked up around someone who is a non-lawyer and who looked at technically drawn up amendments to protect Adelaide's parklands heritage. We have someone who looked at these in their kitchen in a non-legally trained way versus the opinion of Adelaide's leading planning QC, yet people are choosing to accept the view of the non-lawyer. I would think that is certainly not the way to go, because in any amendment that I would wish to have drawn up in relation to protection of the parklands I would want to ensure that there was no legal loophole. I would not be interested in the emotion of the debate: I would want to ensure that the amendments were as watertight as possible—as the Government's amendments were.

I wish briefly to address what has occurred in relation to the Adelaide City Council. In September 1996, then City Councillor Jane Lomax-Smith resigned—quit from the council—and accused her colleagues of self-interest and naked ambition. As a keen supporter of then Councillor Jane Lomax-Smith, I was terribly disappointed about that.

Mr Atkinson interjecting:

The Hon. M.H. ARMITAGE: As I said, I am a supporter of Councillor Jane Lomax-Smith and, indeed, of Lord Mayor Jane Lomax-Smith. I have been looking for the exact words of Jane Lomax-Smith's speech—which I have been unable to find; all I have is the media assessment of it. However, then Councillor Lomax-Smith told the council that she found it demeaning to be part of such a dysfunctional body. Among other things, Councillor Lomax-Smith said that the councillors in no way addressed the relevance of the issue. She actually identified that one of her reasons for getting off the council was that the council voted on emotion and on personality rather than on the strength of the argument of the issue which it was addressing.

Mr Conlon interjecting:

The Hon. M.H. ARMITAGE: No, as I have said, I am a keen supporter of Jane Lomax-Smith. I have always been known as such; indeed, it has been to my personal political detriment on a number of occasions.

Mr Conlon: I wish I said that last time.

The Hon. M.H. ARMITAGE: It is true. Accordingly, I was keen for the Minister for Local Government to give the Adelaide City Council a copy of Brian Hayes' opinion, which he did, I am informed, in the second or third of six or seven meetings that he had with the council. That would have been perhaps two months ago. I was then very surprised when the council voted seven-zero against support for our amendments. I actually rang three of the councillors, one of whom was the councillor who had proposed the motion that our amendments be opposed.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: Well, I am happy to name her: it was Anne Moran; everyone can look that up; I am not too fazed about that. I asked Councillor Moran, and at least two other councillors whom I rang, the same sort of question that I asked the Adelaide Parklands Preservation Association. I asked them, 'Why have we got this conflict because I have a legal opinion which says that the amendments are strictly anti development in the parklands. Therefore, if your legal opinion is such that it varies from mine, please let me know and I am more than happy to change. All I want to do is protect the parklands'. All councillors said to me that they did not have a legal opinion. I asked them, 'What was your view of Brian Hayes QC's legal opinion which I paid for?' And they said, 'We have not seen it'. I am amazed—

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: Indeed I do get it.

Mr Foley interjecting:

The CHAIRMAN: Order!

The Hon. M.H. ARMITAGE: What I get is the fact that the council debate in relation to this important matter was held in an atmosphere where the councillors were not provided with all the information which had been given to the City Council. I find that very sad because Brian Hayes' opinion was given to the council in good faith, fully expecting that it would be provided. I could have said it to each of the councillors, but I did not believe it was necessary.

At the end of the day, I contend that this issue was an historic vote on behalf of the council. It is my view—and I emphasise that it is my view—that it is the first time in 160 years that a City Council has been given two choices, one pro development in the parklands (for example, the status quo), in comparison with one which is anti development, and where the council has voted for the more pro development one. I understand why it did it: it did not have the legal advice. But, it points out to me that similar things are happening in the council now as were happening in 1996, because I have been told—

The Hon. M.D. Rann interjecting:

The Hon. M.H. ARMITAGE: Yes, that is right; I am very happy to do so. It is the first opportunity I have had to put the facts on the record, and I am prepared to be judged on the facts.

The Hon. M.D. Rann: You will be.

The Hon. M.H. ARMITAGE: I am sure I will be; I am confident that I will be. I am always happy to be judged on the facts—not emotion, but facts. I have been informed by people with whom I have had a lot to do in the past few weeks that the City Council made its vote on the emotion, not the facts, of the issue. I think that is very sad. As people would know, I have lived in North Adelaide—

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: Well, they probably will not, but that does not matter. At the end of the day, I have for 20 years been a keen supporter of the City Council and the role it has played. I have been intimately involved in supporting people, and so on, but I have never felt so disappointed that the council would not consider relevant legal advice in making such an important decision. I have been provided with legal advice which the city council now has, dated 2 August. I do not think that advice derogates in any way from Brian Hayes' opinion and I will—

An honourable member interjecting:

The Hon. M.H. ARMITAGE: That was two days ago, Brian Hayes' opinion was given three months ago and the council vote was one month ago. I find it disappointing that that is the case. However, I understand that agendae are being run.

Mr Foley: Agendae?

The Hon. M.H. ARMITAGE: Agendae, yes. I understand that because I have been around long enough to know that that is often the case. It is certainly the case in this instance and I accept it. I do not like it a lot but I accept it. I can see what is happening. There is one thing on which I am at even greater variance than I have indicated already with the city council, and that is because a number of city councillors have said to me, 'We have our different constituencies.' In this instance we have only one constituency and that is the parklands, and these amendments protect them.

Mr ATKINSON: Members would be disappointed if I did not say a few words.

The Hon. M.K. Brindal interjecting:

The CHAIRMAN: Order! The Chair will have some say in that.

Mr ATKINSON: Let us not forget a small, quite recent, alienation of parkland. On the deposited plan of parkland in the Lands Titles Office, there is in the north-western sector a road reserve over parkland. This road reserve has been there for more than a century to carry Barton Road. In 1987, the road infrastructure was torn up without any legal authority and a new road constructed in the form of a chicane for buses. This road was partly on road reserve and partly on parkland. Owing to its being on parkland, prosecution of motorists for using the bus lane failed in court. To ensure that fines issued were valid, the member for Adelaide lobbied the then Minister responsible for lands to have enough parkland annexed to road reserve to have all the road infrastructure on road reserve. The Liberal Government used the roads opening section of the Roads (Opening and Closing) Act 1991 to achieve this annexation of parkland. It is puzzling to me that some of the people most horrified by the Government's land bank proposal were and are zealots for the annexation of parkland to road reserve at Barton Road.

The Hon. M.K. BRINDAL: While I accept where the member for Gordon is coming from, I draw his attention to several matters which have been in this Bill since it was introduced. I draw his attention to the original Local Government Bill 1999, at page 152, division 7, which deals with the Adelaide parklands. It was always so constructed from clause 204 to the proposed insertion of clauses 208 and 209. If the member for Gordon is consistent in his interpretation, and I put this only as a debating point, he should have struck out the whole of division 7. If it is not cognisant for this Parliament to deal as it always has with the governance of the Adelaide parklands in the Local Government Act, rather than seek to strike down the land bank provision he should in all conscience strike out the whole lot. I invite the member for Gordon to consider that because, if that is what he wants, that is what the Corporation of the City of Adelaide can have.

I also draw the member for Gordon's attention to schedule 7. Schedule 7 deals with provisions affecting the Corporation of the City of Adelaide. It deals with certain reserves and parklands not under the control of the ACC, the River Torrens waters and fishing on the River Torrens waters. I point out to the member for Gordon, because we have to be careful of this, that it also contains provisions for Beaumont Common, Glenelg Amusement Park and Klemzig Memorial Gardens. They also are the preserve of this Parliament, which this Parliament safeguards on behalf of individual corporations. If the member for Gordon's argument is consistent, then we lose division 7 of the parklands Bill and we lose schedule 7 with absolutely horrendous consequences for the Corporation of the City of Adelaide. I invite him to consider that.

Nonetheless, if the member for Gordon chooses to pursue this course, aided and abetted for spurious reasons by members opposite, this Government is not so negligent as to put in doubt or jeopardy the future of the Adelaide parklands. This Government is the first Government in 150 years to attempt to strike a flag in the sand for the preservation of the parklands. I am bitterly disappointed. Indeed, I was quoted in the Messenger newspaper as being appalled. I am bitterly disappointed that a Liberal Government seeking to preserve the parklands should have been so grossly misrepresented, so grossly maligned, unfairly, for base political motives on an issue in which it has honour and integrity.

This may well go down in this Chamber today but, mark my words, if this amendment goes down here today, the Upper House may well reinstate the amendment, and so on. If it is the will of the Corporation of the City of Adelaide to put this entire Local Government Bill and all its work in jeopardy for selfish and self-seeking reasons, so be it. We will not jeopardise this Bill, because I as Minister for Local Government feel it is too important. If this is defeated today, as the member for Gordon has requested we will put it in a vehicle more suited to it. If this amendment is defeated, I will seek the immediate concurrence of the Upper House to move an amendment within a statutes repeal and amendment Bill to put this where it belongs, namely, in the City of Adelaide Act.

Mr LEWIS: It might be better if everyone cooled down a tad. My position on the parklands of Adelaide has not altered since I was at primary school: they are not for commercial development. I am disgusted at the massage parlour that is being erected on Memorial Drive and that does not do any of us any credit. The time is coming when we need to do sufficient to ensure that everybody understands that we mean the parklands ought not to be alienated. This proposition does not. For instance, it enables open space parkland area that is used at present for car parking to be aggregated and then turned into a smaller allotment to build a meccano set car park on high rise in some location. There is no impediment to such development.

If anybody in this Parliament is entitled to be cynical about some matters, I am, because I remind all members, regardless of whom they represent, that I have spent thousands upon thousands of dollars seeking legal opinion at my own expense about matters that I consider to be important, only to be ignored by people from all sides of politics. Yet those brains were the best brains available. I did not give them a brief, I just asked them for an opinion. In this instance then I remind the Committee and the Minister that, right now under the terms of the Parliamentary Committees Act, he has a recommendation from the Public Works Committee for an additional provision to which the Government has not yet responded.

It is all very well for us to have a land trust in the parklands—and I do not suggest for a moment that it is in this current intention anything other than honourable, although in law it is capable of gross abuse and it is flawed to that extent—but if we added to that the proposition that no change can be made, no building can be erected anywhere on the parklands without the motion approving it passing this

Chamber, the other Chamber and the Adelaide City Council, all of us would be satisfied. No future Government would dare to rip up that piece of legislation without there being an enormous furore, because clearly there would be an intention, stated or otherwise, that by repealing that piece of legislation such a Government had intentions of alienating open space in the parkland for some undisclosed purpose. In that case, not only is this proposition in the Local Government Act misplaced but also it ought to include the provision carefully thought through by the Public Works Committee which gives everyone in each of the assemblies responsible an equal say. I will vote accordingly.

The Hon. M.D. RANN: I find it extraordinary that the Minister should preach to this House about honour and integrity in terms of doing the right thing on legislation. I saw what happened the night following an agreement over West Beach, to which the other Minister referred. I saw how this Government always, when it is left to its discretion, does the wrong thing. I have absolutely no confidence that this Government would not seek in the future to use what the member for Hammond talked about as flawed legislation in order to alienate the parklands at its will. That is its track record. Look at what it has done in terms of the Environment Protection Act. They talk about the EPA having the legal powers, but we know that the EPA is totally frustrated, neutered and toothless because it is backed by a Government that does not support the environment.

The member for Adelaide bleats because he knows this will be a political issue at the next election—and let me promise him it will be. The Minister for Local Government talks about it being good legislation and also about the honour and integrity of this Government never being challenged. Here we have the Minister abusing a backbencher who did the right thing and who pointed out that it is flawed legislation. Let me tell the Minister this—and perhaps he would like to return to his seat on the front bench and stop abusing the member for Hammond—I do not believe that this Government would do the right thing by the environment whether it involves the Adelaide parklands or any other part of this State, and we will make that a central issue at the next election.

The Committee divided on the motion:

AYES (20)

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.
Matthew, W. A.	Meier, E. J.
Olsen, J. W.	Oswald, J. K. G.
Penfold, E. M.	Scalzi, G.
Such, R. B.	Venning, I. H.

NOES (24)

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.	Lewis, I. P.
Maywald, K. A.	McEwen, R. J.
Rankine, J. M.	Rann, M. D.
Snelling, J. J.	Stevens, L.
Thompson, M. G.	White, P. L.

NOES (cont.)

Williams, M. R.	Wright, M. J.

PAIR(S)

Brown, D. C.	Hurley, A. K.

Majority of 4 for the Noes.

Motion thus negatived.

Mr CONLON: I move:

That the House of Assembly disagrees with the Legislative Council's Amendments Nos 114 to 131 but makes the following amendment to the Bill in respect of the reinstated words:

Clause 208—Leave out this clause.

It was my intention to have this debate when we were dealing with the deletion of the offending clause but, as the rest of the Committee jumped the gun, I have had to wait until the debate was well advanced. I just wish to add a few remarks as it is obvious how this matter will end. We have witnessed quite an extraordinary situation today. We have seen that every member in this Chamber wishes to defend the Adelaide parklands. We all wish it in our different ways, but apparently every member in this Chamber, on both sides, from the tops of their heads to the tips of their toes, wants to protect the parklands.

One wonders what it is we are protecting the parklands from if it is not ourselves. On the evidence presented today, the parklands have nothing ever to worry about, which leads me to the conclusion that perhaps someone is not being quite as open in relation to their real designs for the parklands. We wish to protect the parklands. Despite what has been said by a number of speakers, we on this side are not the Adelaide City Council: we are the Australian Labor Party, and we defend the parklands as part of our policy and program. We are not led there by Jane Lomax-Smith, the councillors, legal opinions or anyone else.

If we listened to the member for Adelaide (Hon. Dr Armitage) we could all abandon this place and we could get in a QC to run the place. Apparently all we need is one opinion from a respected QC and everything is solved for us. The simple truth of this matter is that, in terms of consultation, the Minister (the member for Unley) did a good job on the Bill in general. He consulted us nearly to death for two years. He consulted every one. He went out and made us go out with him. It was a long and, I dare say, tedious process but one that, in the end, was worthwhile because we did take on board a number of views.

We come into this Chamber finally with a Bill, after two years of consultation, and the most controversial section of it is dropped on us with no consultation. These great defenders of the parklands apparently thought of it only at the last minute when the Bill got here. These people who have assured us so much today that their interests are about protecting the parklands apparently realised that they were worried about it only when it got here. I do not believe that. I am suspicious of the motives of people who, after consulting for two years, drop such an important amendment in the Chamber without warning and without consultation.

We have said that we suspect their motives. It does appear to us to be no more than a mechanism which the Government will establish for nibbling away at the parklands. The desperation with which this matter has been sought this week, the desperation with which we see the Minister losing it in this Bill, scrambling away to reinsert it another and fighting it again there, must lead us to think that there is something else for which this protection of the parklands is needed between this and the next session of Parliament. Forgive me

for being cynical, but I do not know what pressing threat the parklands are under between this and the next session of Parliament that requires us to protect it in this way.

Perhaps the Minister or whomever is responsible in this Government will come clean and tell us what is that pressing threat that is causing him to scramble from Bill to Bill in his desperation to make the parklands trust or bank (whatever it is now called) law. We simply do not believe him. We have disagreed on this matter for different reasons. The Australian Labor Party is absolutely of the view that the parklands must be preserved, and we simply do not trust the Minister. The Independents have quite rightly taken the view that if the Government does want this, that this does protect the parklands and that your legal opinions are all that good, perhaps you could do what you did with the Local Government Bill: introduce it as a proper Bill, send it out for consultation, then debate and consult with people and see whether you can win the argument on its merits, and not by some sort of sly subterfuge at the eleventh hour on the Local Government Bill. Those are the reasons why we would ask the Committee to support our amendment.

The Hon. M.K. BRINDAL: I will not detain the Committee long with this matter. Suffice to say that I acknowledge what the shadow Minister says that this comes down to a matter not of trust but of distrust. The shadow Minister is correct when he says that this Government introduced this concept rather latterly because it was rather latterly that the member for Colton raised this matter and the member for Adelaide enthusiastically supported it.

It is perhaps a pity that not one of those persons so dedicated to the preservation of the parklands at any time or at any stage made any representation to me on all the parkland provisions in this Bill—not once—and that includes the Corporation of the City of Adelaide. So, if an attempt to preserve the parklands by the members for Colton and Adelaide was late, I apologise to the Committee, but that was the best effort at the time they were engaged. It is a pity that those who are so absolutely fierce and staunch in their preservation of the parklands are not only wrong in this instance but are also not vigilant. They did not bother even to engage themselves in this process until this time.

I say to the member for Elder that I am so passionate about this and want to support it because I basically believe in this Parliament's providing representative democracy and leadership. I will accept losing if I must lose, but I passionately believe that just because a group of people get out there and emotively sign a petition it does not make them right. This Parliament is paid vast sums of money to consider maturely and objectively questions of policy and to decide on those questions of policy. If we wanted to follow popular politics in this State we would merely need to install computers and give every one a vote. I will continue to argue passionately for this measure because I believe it is right. I finish—

An honourable member interjecting:

The Hon. M.K. BRINDAL: If the honourable member knew anything at all she would listen. For one reason am I particularly passionate: the Lord Mayor made much about a hole that her solicitors had found in the Bill. That is a misrepresentation: it is not in this Bill, but I acknowledge that there is a hole. That hole is in the Crown Lands Act and in the Development Act. The hole in the Crown Lands Act is basically a very clever and careful mechanism that any Government, Labor or Liberal, at any time could invoke. It is simply to reclassify, because it is Crown land, the Crown land that is parkland as Government reserve and, having reclassified it as Government reserve, nothing can be done by the corporation to challenge the reclassification or the subsequent use of the parklands.

That is a legal artifice that any Government could have used in the past 70 years because the Crown Lands Act was enacted in 1929. The council's solicitors discovered that anomaly. That means that the parklands is at present and has been for 70 years—yesterday, today and tomorrow—exposed to potential exploitation without reference to this Parliament. When I questioned, therefore—

Ms Thompson interjecting:

The Hon. M.K. BRINDAL: Listen and you will hear.

Ms Thompson interjecting:

The Hon. M.K. BRINDAL: When on Saturday morning I asked the lawyers for the City Council, 'Well, what was the harm of this amendment?', they said, 'None at all.' They said that the land trust, for the first time, would enable the Corporation of the City of Adelaide to take the matter to the courts and challenge a matter which is at present unchallengeable. Mr Kellady said that, and any member of the council is welcome to check with Mr Kellady. He acknowledged, therefore, that, far from protecting the parklands, for the first time this gave a right to the council to challenge a provision, so this did close a loophole.

I believe in two things: first, in the preservation of the parklands and, secondly, in leadership in government—not following. This is leadership. This is a good measure. If it is misunderstood, then we should explain it better, but the Government will continue to pursue this measure not for the good of the current residents—and that is the difference. My passion is not for the people who sit in North Adelaide housing at present. My passion is for my children and my grandchildren. I do not care what they think. It is for them that I will preserve the parklands, not for the people who live there now.

Mr LEWIS: I am pleased that the Minister has helped us understand the views which he holds about these provisions, and I am pleased to have him publicly acknowledge that the land is Crown land. I wonder, however, whether he would mind having a discussion with the Attorney-General about that point because, when the Public Works Committee drew attention to the fact that the parklands are Crown land and accordingly, under the provisions of the Parliamentary Committees Act, any construction worth more than $4 million must be referred to that committee regardless of the source of the funds, in a long dissertation the Attorney-General replied saying it was not Crown land. I do not know who is right. I have my own views about that. They have not changed, either, at any point.

However, no-one has attempted to test that in court, because there are no third parties and there is no means by which an instrument of the Parliament, that is the Public Works Committee, could challenge the definition given to Crown lands by the Government, even by motion in the House. That is only an opinion, so I am told. If that is the case, then the House itself is powerless if the Government decides to interpret the law in a particular way. That is the nub of my argument in standing to address the Committee on this occasion. A Government, not necessarily this Government, but more particularly a Government at any time in the future, may choose to make such an interpretation as has already been made wherein it would be possible for the Government to do just exactly that to which the Minister has acknowledged the Lord Mayor through her legal advisers

properly drew attention. The Minister acknowledged that what the Lord Mayor's legal advisers had said was correct, that there is a botch in the law.

I tried to be brief when I made my most recent contribution on this very matter. I will equally try to be brief now, but I am compelled to make the point that, regardless of whether the land is Crown land or not, let us define it as parkland; let us do what all of us want to see done and not play politics about it at all and put it beyond doubt. If anything is to be done on that land, it requires a resolution of this Chamber, the other place, and the Adelaide City Council in complete concurrence. Then we know that the public would be aware of what was proposed, and in no uncertain terms would see it as in the public interest if all three bodies were to vote for it. And God help them if the public did not see it in their interest, because nobody else would help them!

There would have to be wide and strong support for the use of the parklands for any such purpose other than to leave it as open space for the recreation or benefit of not just the residents of Adelaide and the nearby suburbs, but for the whole of South Australia and those people who choose to visit the place from time to time. I am quite sure that the Minister for Tourism would agree with me that, at least in part, their decision to visit South Australia would be taken because of the beauty of its capital city Adelaide in the way in which it was planned and then preserved over generations, and soundly preserved finally through legislation passed in this Parliament to ensure that it cannot be alienated without broad public approval of the process.

There is another little bit in the Parliamentary Committees Act to which I now turn, and to which I drew attention briefly in the course of my earlier remarks, and that is the bit that requires the Minister to respond to any recommendation made by a parliamentary committee within a fairly reasonable time frame. Without going into the narrow explicit detail of that, all of us know that such responses are required by Ministers when recommendations are made by statutory committees.

In this case, there is a recommendation passed by that committee, the Public Works Committee, and incorporated in a report which that committee has made to this House and to which there has been no response. That provision is the one to which I have just addressed myself, the one whereby we ought not only be doing in an appropriate piece of legislation what the Minister is proposing to do and what I strongly support, but also we should add on that extra bit that makes it absolutely certain, regardless of how the numbers stack up in this place or the other place from time to time in the future, that nothing can happen unless there are three different organs in government agreeing to it, the three being the Adelaide City Council, the other place and the House of Assembly, to which we are appointed.

All in all, the quarrel is not about principle. If there is a quarrel, it is that it was either in the wrong piece of legislation and/or, from my point of view, it did not go far enough and it excluded the people whom the Attorney-General said were responsible for the care, control and management of the Adelaide City Council's parklands in that long dissertation that he wrote back to the Public Works Committee: it excluded the Adelaide City Council. Whilst it does that, I think the legislation is flawed. That is why I am saying now to the Minister: bring back a Bill which includes those provisions, provisions which are also in the proposition which we have been discussing during the course of this debate, and I think it will pass on the voices.

Ms THOMPSON: I want to speak only briefly in support of the remarks made by the member for Hammond who, as everyone knows, is the Presiding Member of the Public Works Committee. During his earlier remarks, the Minister seemed to suggest that other persons in this House, including me, were not aware of some of the complexities of legislation in relation to the protection of the parklands. I want to say clearly that I was well aware of a number of the issues to which the Minister referred, and was aware of the fact that the public has a belief, a misplaced belief, that the Adelaide City Council is in a position to protect the parklands. The Adelaide City Council under current legislation cannot do that, and the way things are at the moment this Parliament cannot do it.

We have had two major instances recently where private groups, together with some sort of Government sponsorship, have developed proposals for the parklands, for private benefit, and the Adelaide City Council has not been able to affect the results at all. It has had the right of consultation and been able to say that it thinks something is inappropriate—that it is too large, too small or something else—but it has had no right of veto. It is told effectively that it has to negotiate a lease on something which it did not want to be there to start with.

I refer particularly to the issue of the Memorial Drive Tennis Club and the leisure centre that is to be established there, which is entirely for private gain, and also the National Wine and Rose Centre. I believe that the wine centre originally did have a very good purpose, but it has been distorted beyond belief, and we now have the offices of six wine industry organisations accommodated on parklands.

Those organisations are already accommodated together in wine industry related premises. We can see the benefit of their being accommodated together—they are. Instead, we have a situation where they are being located on the parklands, and it did not matter one iota what the Adelaide City Council thought about as to whether or not they should be there: the Adelaide City Council had and has no power to object. It could consult and give an opinion, but it had no power. The land bank/land trust provision looks only at the hectares: it does not say anything about the skyline and whether or not when we save one hectare of land we put a seven-storey building on it.

The issue is not just about the amount of green space: the issue is also about the amount of development and what happens above the land, and that is not addressed by this provision. There needs to be a provision. Many of us have been labouring under false beliefs about the power of the Adelaide City Council and of this Parliament in relation to the protection of the parklands. It must be addressed. This is not the place to do it, and the proposal that has been brought before us is significantly inadequate. The Public Works Committee has attempted to address this matter, and I commend it to the Minister.

The Hon. M.K. BRINDAL: I thank the previous two speakers for their questions and comments. I will not detain the House long, except to say this, albeit briefly, to the members for Hammond and Reynell. I am not sure of the Attorney's advice and I will seek qualification of that advice. My understanding is as I said it, and I think that that understanding is generally supported in all the reading I have done. Suffice to say that the Attorney is a very learned man at law and, if there is a reason for his answer to the Public Works Committee, in so far as there is a reason for his answer to the Public Works Committee, I can only surmise that it is part of

a dedicated reserve. If it is part of a dedicated reserve, different rules would apply.

I do not know the answer to that question; I am merely undertaking to the member for Hammond that I will find out why apparently the Attorney and I may *prima facie* be at some variance. To the member for Reynell I would say that part of the problem is that, in the year 1849, when Light proposed this city, he proposed nine purposes.

Mr Conlon: I thought you were going to be brief.

The Hon. M.K. BRINDAL: I am going to be. He proposed nine purposes for reserves within the parklands for Government purposes. Three of them have been adhered to *in situ*; I am not sure about one, but there are at least two. The West Terrace Cemetery and 1 North Terrace (Government House) are where Light proposed them. I believe the Adelaide gaol may be another instance, but I am not sure. Certainly, the school was not erected where he proposed (on the north golf course), and the Botanic Gardens and other structures were not established where he proposed. However, he carefully proposed Government reserves within the parklands at the time of developing the plan.

In 1849 the then Government appropriated to itself, with the concurrence of the City Council, I believe, a portion of land which extends from the end of Morphett Street, where the Morphett Street Bridge is now, along to the centre of the Torrens River, from the centre of the Torrens River to Hackney Road, and from Hackney Road along North Terrace. That was classified as Government reserve. Since 1849 that area of land has not been and is not currently parklands: it is Government reserve. One of the reasons I challenge the member for Gordon to examine section 7 and remove some of those measures is that (and I might be wrong) it looks to me as if that portion of parklands which is now known as Elder Park (previously known as the Rotunda Reserve) and all the parklands along that side of the river are technically still Government reserve, although it is appropriated to the city through this vehicle. That is how the city gets it and it is not still Government reserve.

I might be wrong about this, but the way I read it, if these measures were to be struck down as the honourable member proposed in his speech, the City of Adelaide would lose custody of Elder Park and everything to the south of the Torrens River, because it has been gifted or loaned to it by instrument which is in this Bill. I am saying to the member for Reynell that I understand clearly that, for instance, the Botanic Gardens, Botanic Park and the proposed wine centre exist on Government reserve. The member for Reynell might say that that should be returned to parkland. I can accept that argument, but I cannot accept a wrong argument in fact that this is being built on parkland. It is a fact, testable in law, that the wine centre is being developed on a Government reserve, which has been a reserve for 150 years.

This measure proposed one thing and one thing alone. I acknowledge what the honourable member said. In her opinion it may not have been adequate, but it was a first step. When a baby takes its first step it might not be adequate, but it eventually learns to walk. This was a first step, and this House is responsible for stopping forward progress at present.

The CHAIRMAN: The Committee might recall that the member for Elder has moved to delete clause 208.

The Hon. M.K. BRINDAL: In theory the Government proposes this amendment. Having tested the previous clause, the Government has no intention to grant a development fund for any future development in the parklands when there will be no land bank. So, the Government will therefore agree with the member for Elder's motion.

Motion carried.

Amendments Nos 132 to 143:

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

That the Legislative Council's amendments Nos 132 to 143 be disagreed to.

Motion carried.

Mr CONLON: In respect of the reinstated words, I move:

That clause 209 be deleted.

Motion carried.

Amendments Nos 144 to 150:

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

That the Legislative Council's amendments Nos 144 to 150 be agreed to.

Motion carried.

Amendment No. 151:

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

That the Legislative Council's amendment No. 151 be agreed to with the following amendment:

New clause, page 194, after line 4—Insert:

Report on operation of Part

271A. (1) The Minister must ensure that a report on the operation of this Part for the period between the commencement of this Part and 30 June 2002 is prepared by 31 August 2002.

(2) The Minister must, within six sitting days after receiving the report under this section, have copies of the report laid before both Houses of Parliament.

Amendment carried; motion carried.

Amendment No. 152:

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

That the Legislative Council's amendment No. 152 be disagreed to but that the following amendment be made in lieu thereof:

Clause 267, page 172, after line 19—Insert:

(1a) However, a person other than a public official cannot lodge a complaint without the written approval of a legally qualified person appointed by the Minister after consultation with the LGA.

(1b) An apparently genuine document purporting to be an approval under subsection (1a) will be accepted in any legal proceedings, in the absence of proof to the contrary, as proof that the approval has been given.

Amendment carried; motion carried.

Amendment No. 153:

The Hon. M.K. BRINDAL: The Government agrees with amendment No. 153, but I believe that the member for Gordon has an amendment to it.

Mr McEWEN: I move:

That the Legislative Council's amendment No. 153 be agreed to, with the following amendment:

Leave out proposed subclauses (2) and (3) and insert:

(2) Divisions 2 and 3 of Part 2 of Chapter 12 apply with respect to—

(a) any proposal to make an order; and

(b) if an order is made, any order,

under subsection (1).

Amendment carried; motion carried.

Amendments Nos 154 to 171:

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

That the Legislative Council's amendments Nos 154 to 171 be agreed to.

Motion carried.

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

A quorum having been formed:

PUBLIC WORKS COMMITTEE: PELICAN POINT POWER STATION

Mr LEWIS (Hammond): I move:

That the one hundredth report of the Public Works Committee, on the Pelican Point Power Station Transmission Connection Corridor, be noted.

The motion before us is to consider the report of the Public Works Committee on the ElectraNet Transmission Connection Corridor for the proposed Pelican Point Power Station. These works are estimated to cost $18 million. The committee has been told that there is an urgent need for new generating capacity to be made available during the year 2000 to ensure that a reliable source of supply of electricity is available to the South Australian community, particularly during the peak demand periods. This urgency is due to the State's growing electricity demand and the Government's acceptance of advice that the Riverlink proposal cannot be available on time.

On 5 February 1999, the State Government announced that National Power had been selected—

The DEPUTY SPEAKER: Order! I ask members to take their seat and people in the gallery either to take their seat or leave the gallery.

Mr LEWIS: On 5 February 1999 the State Government announced that National Power had been selected as the successful bidder for the construction of a power station at Pelican Point. The plant will ultimately consist of three generating units of approximately 170 megawatts each, so we are told. It is hard to know how 170 megawatts makes up 250 megawatts when doubled—it makes 340. Anyway, the first of these units is scheduled to go on line in commercial operation in November 2000, before the summer of 2000-01. It will reach full output by March or April 2001.

The committee has been told that the power station development is a private sector investment by National Power and that a sale agreement for the main site of the new power station had already been entered into at the time that the committee received the proposition for ElectraNet connecting the power station site to the switchyard adjacent to the Submarine Corporation and from their across the river to the main grid.

National Power approached ElectraNet in South Australia to provide the necessary transmission works to enable connection of the Pelican Point Power Station to ElectraNet's South Australia transmission network. It is proposed that ElectraNet will provide both the actual connection facility for the transmission system at the power station as well as the transmission line from Pelican Point to Torrens Island. The transmission connection must be available to the plant by September 2000 at the very latest to enable commissioning of the generating plant by November.

The decision to locate the power station at the northern end of Pelican Point makes the transmission line imperative, but the committee is not satisfied that this decision was soundly taken. A Torrens Island site immediately adjacent to the existing power station was not considered. The cooling tower technology that this site would have needed was also a requirement for many of the other sites—18 in all—that were considered by the Government. Therefore, the committee concluded that the Torrens Island site was obvious as a possible location and would have obviated the need to construct the transmission line altogether.

The committee has received expert opinion from established internationally recognised power station operators and power station constructors that modern, presently in-use cooling tower technology can, for new power stations in estuarine sites, be at least as efficient as, if not more efficient than, direct thermal discharge.

It is also the case that no consideration was given to using the corridor along the railway line from a northerly to a southerly point just west of the existing high tension line easement from Le Fevre Peninsula to the switchyard at the rear of the Torrens Island power station and using the existing corridor across the Port River south of the Australian Submarine Corporation site.

Before I depart the remark I made about cooling tower technology, I make plain that the cooling tower technology contemplated by advisers to the Government was the old cooling tower technology and not the new module low profile technology currently in use in new power stations being installed in other places.

Equally, the assumption that direct discharge of the heat to the channel of the Port River at the end of Pelican Point accesses no more and no less the same body of water as used by the existing Torrens Island power plant because it flows in a constricted channel back and forth according to tidal movements through the regulator in West Lakes down the Port River. When the tide is running out the regulator in West Lakes is closed. When the tide is running out, the regulator in West Lakes, of course, is closed and when the tide is coming in the regulator opens and water runs into West Lakes long before the high tide coming to Pelican Point and running around the northern tip of Pelican Point, up the Port River to meet it, arrives. It is the same body of water. At the time that an honours student did their thesis on the Pelican Point Power Station site over a decade ago, that site was not closed off from Gulf St Vincent to the north. That only happened at the end of the 1980s and early 1990s. There is now a complete sandbar preventing open access to the waters of Gulf St Vincent to the north of Pelican Point; it is now an enclosed part of the Port River. So, two assumptions made in the Government's decision are false.

The committee is disturbed that professional opinion upon which the Government relied in selecting the site was based upon an assessment undertaken by the Multi Function Polis. The technology assumptions are at least a decade out of date. Members of the committee are also extremely disturbed by the lack of appropriate consultation undertaken by the Electricity Reform and Sales Unit (ERSU). Affected parties have complained that they were not consulted in either a timely or an adequate manner about the impact of the project on their interests.

Indeed, if one examines the meaning of the word 'consult', one finds that Government, on the one hand, says that it will consult experts and it does exactly what those experts tell it; yet it says, on the other hand, it will consult the public and that involves not having someone prepare a proposition or prepare a statement of opinion from within the public about what that group or body or group of bodies in the public arena think. Consultation is then meant to mean telling them what they will get, not listening to what they think and feel.

Residents advised the committee that there had been no community consultation whatsoever. They were simply told by ERSU and Government Ministers what was to be done. Had the residents been consulted they would have expressed concern about the appropriateness of the site selected, the lack of consideration given to the use of cooling tower technology and the project being an unnecessary public

expenditure if the power station was able to be located adjacent to Torrens Island switchyard. The City of Port Adelaide Enfield shared the concerns of residents and also warned the committee of the impact this project would have on the future use of residual vacant land on that part of LeFevre Peninsula near Pelican Point for any other purpose—residential, industrial or whatever. The Australian Submarine Corporation informed the committee about the project's potential for electromagnetic field interference on radio telecommunications and radar equipment being fitted, tried and tested in its works. It told the committee about limiting the height of the work, that is, the height of the wires, that can be constructed because of the inadequate height of the cables over the river. It told us about limiting the future opportunities for the construction of other large items, such as oil rigs and drilling platforms, by excluding the development of the dockside facilities it proposed to establish to enable it to tender for such work by virtue of the proposed location of the major pylon on the western side of the Port River. It told us about its understanding of the thermal effect of the power station in its direct heat discharge to the main channel of the Port River at that site.

The Ports Corporation expressed concern about the impact on future business opportunities by locating the power station on that land. The committee was also concerned to learn about the adverse consequences of the project for the Australian Steel Corporation. That corporation had been given options on the land which was sold to National Power. It was to be held for it pending a feasibility for a ship repair, refurbishment and refitting, and recycling project. Most of the jobs would come from the repair work to be done on the panamax size steamers or, these days, freighters which are reaching the point where their initial major maintenance work will be a requirement. The nearest competing location of any repair facility is Singapore—and that is dry dock. Rolls Royce, which constructs world's best technology, leading edge equipment for the purpose of taking ships from the water called Syncrolift, has been willing to locate in a synergistic manner a Syncrolift big enough to lift the largest vessels out the water and be working on them within 40 minutes. However, no-one to whom we tried to speak in Government was willing to listen.

Australian Steel Corporation's capacity to use the site was also affected by the alignment and height of the wires. As members can imagine, these vessels coming out of the water onto a Syncrolift are quite high out of the water. The steel corporation was further disadvantaged by the effect of the gas pipe easement on the location of the Syncrolift; that gas pipeline easement now in a proposed location across the northern end of the Port River to Pelican Point to deliver the gas for the power station gave no consideration whatever to the possible location of that Syncrolift. As I have said, that is a patented ship lifting dry dock constructed by Rolls Royce.

The extensive list of concerns expressed by affected parties has great significance for the public interest. The committee's inquiry was greatly hampered because the initial information and submission provided were incomplete. There were no details of the status of ElectraNet SA and its obligation; no titles to land for the power station—it was still Crown land at that time; no evidence of appropriate consultation; no Development Assessment Commission approval; no alternative scenarios or options provided; and no net present value or internal rate of return calculation (as per the requirements of the Parliamentary Committees Act and the agreed acquittals process).

The committee is disturbed that issues relating to the appropriateness and feasibility of the proposed Pelican Point Power Station remain still unresolved. The inquiry was further hindered by several instances of apparent inconsistencies in the evidence presented by various parties. Efforts to determine the necessity for the transmission line were frustrated, particularly so in trying to obtain evidence relating to the Pelican Point Power Station. We hope that the actions regarding the location of the power station may result in substantial changes to the project and obviate the need for the transmission line.

At the least, it is the committee's strong recommendation that the transmission line be rerouted along the railway line corridor to the west and across the river on the existing high tension line easement farther south and that consultation in accordance with due process is followed. Time constraints in having the Pelican Point Power Station connected to the grid by November 2000 and the long lead time in procuring the necessary componentry for that transmission line project compels the committee to lodge a final report to the House so that work could proceed. We were told that its failure to submit a final report would necessitate the work being given to private companies and the sale of the transmission corridor to that company.

The committee is yet to be satisfied that the public interest has been served and remains opposed to the proposed works. The committee fears that expediency, particularly in regard to the development of the application process, has overridden good public policy. Because of this, the committee will continue its inquiry into the appropriateness and feasibility of the Pelican Point Power Station and, in so doing, determine how the public interest can best be served. Given these outstanding concerns, the Public Works Committee reports to the Parliament pursuant to section 12C that it recommends against the proposed construction of the transmission line in its current location, if at all.

Ms THOMPSON (Reynell): As the Presiding Member has mentioned, the report that is before the House today was produced because of a fear that the work on the ElectraNet connection line could be lost to South Australia and could go to a private firm located anywhere in Australia, or indeed anywhere in the world, and that the land in the transmission corridor could also be sold to that company rather than remain as it is at the moment, in public ownership as a transmission corridor. The committee had in no way finished looking at the issues that concerned it during the course of its deliberation. The first issue was: why are we building a transmission line in that location at all? There have been some questions both in the public arena and in the minority report as to why the majority of the committee found it necessary to look at the issue of the location of Pelican Point Power Station.

That was simply because, if there is no power station, there is no transmission line, and our obligation was to consider whether the transmission line is in the public interest. If the power station were located somewhere else, there would be no necessity for seven kilometres of transmission line and 14 transmission towers. Seven kilometres is a lot of heavy duty transmission line. It is something that concerns the public on quite a widespread basis. It is not just the residents of Port Adelaide and the Le Fevre Peninsula who worry about transmission lines being located anywhere

close to them: it is now a matter of general concern. The health effects are not yet clear. However, enough people in the community are concerned about the impact of transmission lines that it is prudent to see whether it is possible to reduce the amount of transmission line and, as I have said, seven kilometres is a lot of transmission line, with 14 huge transmission towers.

Even if the power station were located at Pelican Point, the route that was planned for the transmission line was another matter that needed serious consideration. In this respect, the committee found that the Australian Submarine Corporation was very alarmed at the proposed transmission corridor because it could have considerable impact on its business. The Australian Submarine Corporation is already having enough problems, with people in Western Australia wanting to take business away from its extremely skilled work force, so to add to those problems by action of the State Government seems absolutely ludicrous.

The committee was told that the Australian Submarine Corporation made quite clear to the representatives of the Electricity Reform and Sales Unit that the proposed corridor would have an adverse impact on its business. The electromagnetic fields would affect its ability to test high level equipment, and the height of the transmission line across the river would affect its ability to launch oil rigs, which are a major potential development for its business. It seems that perhaps the Submarine Corporation did not spell out its concerns in sufficient words of one syllable. It was trying to accommodate the power station and be a good neighbour, saying, 'We really don't want it here but, if there is no other option, could you at least move it a little bit?'

The committee was told constantly by the various proponents of the project that the Australian Submarine Corporation was happy with the arrangement. However, the Australian Submarine Corporation told the committee, both in evidence and in written communication, that it was not happy with the project and that it wanted the route of the transmission corridor changed, if possible. That was the last piece of correspondence we had from the Submarine Corporation before concluding this report. However, in evidence, representatives of the Electricity Reform and Sales Unit suggested that we were not talking to the right people in the Australian Submarine Corporation and that we should take a letter from somebody else. We wrote to the Managing Director and had correspondence from that person's office, so I do not know what else we were supposed to do. We engaged in good faith in correspondence with the Australian Submarine Corporation, which consistently told us that this is not the best option; please find another one. The Submarine Corporation preferred option C rather than option B, whether or not option B is re-routed.

The difficulty in discovering just what the impact on the Submarine Corporation would be was indicative of the many difficulties we had in establishing facts in relation to this whole matter. We saw 37 witnesses over four different hearings. As mentioned by the Presiding Member, the evidence was at the very least apparently contradictory. Incomplete is another word that very adequately describes the sort of evidence that was given to us on several occasions. Committee members would have preferred to report in more detail to the House with our own evidence as to our concerns.

However, we have made a brief report to the House in order to enable the Government to make a decision on what it would do in relation to the ElectraNet transmission corridor. I expect that the Government will proceed, despite the fact that the Public Works Committee advises that it has reservations about its proceeding at all, and at the very least strongly recommends that an alternative route that would have less impact on development proposals, both current and possible, be considered. The committee also recognises that, if there is to be a new route, it requires community consultation in a much better manner than has been undertaken in relation to this matter so far.

There has been much press speculation about the nature of the developments that might occur on Pelican Point and that general part of the peninsula, and the ship-breaking proposal has been mentioned. However, the route of the transmission corridor makes it very difficult for almost any development to occur on that peninsula. We know that there are people who are interested in developing residential properties and we also anticipate that, because of the proximity of the port and the general facilities in that area, some people might want to develop light industry. I have a clear preference for the development of residential premises in accordance with the view that was put consistently to us by community activists and their representatives in the area.

However, I am concerned that a decision which has not been the subject of widespread consultation has precluded many options in relation to the future use of that important site. The environmental studies were inadequate and they did not take into account any recent developments in relation to technology or changes in the sandbars adjacent to Pelican Point, which has also been a matter of great concern to the residents. As I said, the evidence given to the committee was contradictory and, on many occasions, it seemed to suggest that the committee had no legitimate role in the consideration of this matter.

The project proposal first provided to the committee was grossly inadequate. It did not enable us to understand the requirements in legislation in relation to the building of the transmission line, it provided no information about why it was required to be there, and there are a number of other matters of concern, which have been detailed by the Presiding Member. The committee will bring back a more comprehensive report to the House to enable everyone to understand the committee's range of concerns.

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

The Hon. M.D. RANN (Leader of the Opposition): I support the remarks of the member for Reynell and the work of the committee. As one who was involved with the submarine project before I was elected to Parliament and as a supporter of the project after that, I was very concerned about the lack of consultation, not only community consultation with local residents but also consultation with an outstanding piece of industrial infrastructure in this State. It seems that, on many occasions, this Government has been indifferent to the concerns of the Submarine Corporation. Indeed, I remember statements made by the Leader of the Opposition in the 1980s, when we saw a persistent undermining of South Australia's bid to win the submarine project by the then Opposition. I was not surprised to see that, in fact, the Government had misled the committee, the public and the Parliament about the consultation with the Submarine Corporation.

The simple fact is that the impact of the transmission lines could affect the Submarine Corporation's ability to bring in major pieces of infrastructure that it wants to repair or develop, such as oil rigs, and it could also have an impact on

its electromagnetic fields. The other point I want to make concerns the contempt that this Government shows to the Public Works Committee and the fact that it disregards its rulings. I was a member of the committee for four years and we acted in a bipartisan way, as is the case today, and Governments listened to our concerns. What happens under this Government is quite the opposite.

[Sitting suspended from 6.1 to 7.30 p.m.]

The Hon. M.D. RANN: In winding up, I support the work of the Public Works Committee. As I said prior to the dinner break, the Public Works Committee for decades operated with the trust of the Government and in a bipartisan manner. In the years that I was on the committee, I can only remember one vote on which there was a division along Party lines. So, in dealing with dozens of references, whether they concerned the building of TAFE colleges, hospitals, roads at Woomera or schools in the southern suburbs, we had a committee that included Liberal and Labor members from both Houses of Parliament, who, at all stages except one—and that was over the Entertainment Centre, when there was a division along Party lines in 1989—acted, in my view, in the best conscience in dealing with issues of importance to the State.

I know that the Government of the day treated the Public Works Committee most seriously. In fact, Terry Hemmings, the former Minister of Public Works, and his predecessors took advice from the committee. I remember one particular case on Finger Point when the committee was examining the provision and allocation of funds for the building of a sewerage works in the South-East where we took evidence. On the basis of that evidence, we went against the Government's recommendations—again a unanimous decision amending the decision of the EWS department following evidence we had taken interstate—and the Cabinet of the day backed our decision.

I therefore find it extraordinary that we have reached a state of affairs where the Government of this day, believing as it does in no consultations on this Pelican Point issue, has had no consultation of any substance with the Submarine Corporation or with local residents—and this at a time when the Submarine Corporation is trying to secure a future for itself in terms of work, for example, the building of oil rigs or patrol boats, or securing the contract for the maintenance and repair work on the Collins class submarines. Here we have a Government that said it consulted with the Submarine Corporation, but did not. Here we have a Government which said that the Submarine Corporation supported what it was doing in terms of the electricity lines across from Pelican Point, but it was not true. We have a Government that not only did not tell the truth to the Parliament, the committee or the public but then undoubtedly will ignore the clear resolution of this committee, which is to choose an alternative route.

We believe that the Pelican Point Power Station is being built on the wrong site. It is not wanted by local industry because it would affect the work of the Submarine Corporation. It is not wanted by local residents as articulated by the member for Hart. Yet, we have other locations such as the Torrens Island site, a collocation that would seem most appropriate, or indeed in Whyalla where the local community, business, industry and unions—the major purchasers of electricity—would like to see the power station built.

I commend the member for Reynell in her report of the committee's deliberations and I hope the Government will put aside its pettiness, its concerns about the independence of the Chairman of the Public Works Committee (the member for Hammond) and actually listen to its recommendations and act accordingly.

Mr FOLEY (Hart): I thank the Leader of the Opposition for his contribution tonight. He has been very supportive of me as the local member in all but manning the barricades to ensure that the view of the local community is well expressed to this Government. I also want to thank my colleagues the member for Reynell and the member for Elizabeth for their work on the Public Works Committee, the Chairman, and indeed the Independent member, the member for MacKillop. The Government could not fool these members with its arguments for the location of this power station at the tip of Pelican Point, which is within my electorate at Outer Harbor.

As I speak tonight, there are many people—I would suspect probably about 50 to 60—meeting at Pelican Point as they do every Sunday evening, Wednesday evening and Friday evening to plan their strategy to continue a protest against what the Government wants to do in the area, and indeed to review protests that they have undertaken throughout the course of that week. These people are not rent a crowd or hired guns who want to give the Government a hard time: they are ordinary South Australians and residents of the Le Fevre Peninsula. Mums, dads, pensioners and kids from every walk of life are represented at any given time at the protest camp at Pelican Point with one objective in mind; that is, they want the environment in which they live to be protected as best as possible.

As I say, this community is not an anti-development rent a crowd or people who enjoy being hostile to a Government, which is what the Government wants people of South Australia to believe. These are people who live in every day suburbia and who on a Sunday, even on a bitterly cold winter's night are permanently living at various times at this camp to send a very strong message to this Government that ordinary South Australians will not be treated with the contempt with which this Government has treated them.

The Environment Minister has shown no regard for the environment of the Port Adelaide region. Of course, she supports the environmental damage that is being proposed for Pelican Point. The Premier has given his imprimatur to the power station. However, the problem is that, at the end of the day, we are facing attack not just from a power station but from the horrendous prospect of a shipbreaking industry, and indeed the location of a sewage treatment works in the same vicinity.

This reference is about the transmission corridor, and they could not even get that right. They are building a power station in a location where it does not need to be. The community has not been that unreasonable. They have said, 'Look, if we have to cop a power station, so be it.' No-one wants a power station in their backyard, but they were prepared to say, 'Could you please not locate it at Pelican Point? Could you please locate it where you already have a power station and where the Governments of years past have significantly degraded a particular part of our State. Build it there. Build it where we have already wrecked the environment. Let us not wreck another piece of the environment.'

I should have thought that was a fairly significant gesture by the local community, but it is one that this Government would not entertain. This is a warning to all members of this House. This Government never consulted with the local residents of Port Adelaide; it simply told them that they

would have this power station whether they liked it or not. That is most disturbing.

However, what goes around comes around, and I watched with absolute interest today when the Premier was answering a question about an issue in his electorate involving a foundry which is causing great discomfort to local residents of the township of Mount Barker. The Premier was extremely sensitive about that: he was extremely sensitive when my colleague the shadow Environment Minister put a motion before the House today.

The Premier is concerned for a couple of reasons: first, that no-one should live in an environment where pollution is causing disruption to their every day life; and, secondly, he knows that he has a lot of angry people and, as the elected member for that area, he has a responsibility to represent them. At the end of the day, I believe that the Premier will probably do a good job representing his local constituents, but it is important to note that the problems facing the residents of Mount Barker, about which this Premier is so sensitive, are the very same issues confronting the residents of Port Adelaide. I again appeal to the Premier: do not treat the people of Port Adelaide any differently than you would treat the people within your own community.

I hope that commonsense will prevail when this Government faces issues such as the ship-breaking facility at Pelican Point. I also want to mention the sewage treatment works. I know that the member for Bragg, as a former Minister for Infrastructure, would be acutely aware of the Government's proposal to upgrade significantly the way we treat effluent in our community. This Government (and I will give it a big tick) is spending a lot of taxpayer money to improve the way we discharge and deal with sewage treatment. I am glad the Environment Minister is also present in the Chamber.

The Hon. G.A. Ingerson interjecting:

Mr FOLEY: Exactly. Do members know what the Government is doing? It has decided—and, again, I give it another big tick—to close down the Port Adelaide sewage treatment works which is built near people and a community and which discharges significant waste into the Port River. I give a big tick to this Government. I congratulate it. It is about to make a decision to close that sewage treatment works. I appeal to the member for Newland, as a Cabinet Minister, because the Government's solution to closing one sewage treatment works is to build another one up the other end of the Port River, within a kilometre of where people live. The discharge pipe from that facility will be at the Outer Harbor Basin, almost right outside the front door of the Royal Yacht Squadron of South Australia—the most actively used waterway in all of South Australia.

We are spending $88 million to relocate a sewage treatment works because it is near houses and discharging into the Port River. We are relocating it to a place that is still near houses and it will still discharge into the Port River. True story. I hope that this Cabinet (and I have written to the Premier and the Minister) will use a little commonsense. If we are going to spend $90 million let us do it properly. Let us work at getting as far away as possible from waterways where people live.

But to get back to the issue of the transmission corridor, the people of the Lefevre Peninsula have not been unreasonable. Indeed, the people of the Lefevre Peninsula are to be admired, applauded and encouraged to continue actions. It is 7.45 on a Wednesday night. We are complaining about having to work here late this night, as we do every time we work late, but let us remember that South Australians tonight are on the tip of the Lefevre Peninsula in my electorate protesting about their environment and, at the other end of the spectrum, in the chilly Adelaide Hills at Mount Barker, people are protesting about their environment. That says a lot about the fact that, in our society, people can take their issues to the streets and do it peacefully and properly but they can make Governments aware that they will voice their opinion when something affects their environment.

The Public Works Committee should not be condemned, as it has been, by this Government. It should be applauded for doing what is right—for scrutinising public works projects. I note the minority report of the member for Hartley. I can assure the member for Hartley that (not that I needed much motivation to go doorknocking on a chilly Sunday morning in the lead-up to the next election), as a result of his recent actions and as a result of his performance on the committee, I will offer my support to the Labor candidate for Hartley at every opportunity. I will be knocking down every door and I will be making sure that the people of Hartley understand that their future lies with a Labor Government and not with the Liberal representation they have had to date. I make an absolute commitment about that tonight.

I did note in an attachment to this report some of the sites put forward by the Government for consideration other than Pelican Point. I do not know who prepared this schedule but, believe it or not, one site is right next door to the North Haven Golf Club, next to about 500 homes. To suggest that that could have been seriously considered says plenty about this project.

Mr SCALZI (Hartley): As the member for Hart has clearly stated, I submitted a minority report. I am a little disappointed by the member for Hart because, whilst I understand that as local members we must represent our electorates, when the argument is elevated to include a Minister or a shadow Minister it is no longer just your prerogative: decisions must be made that affect the whole State. However, that is up to the member for Hart to explain to his electorate in general, not just his own electorate.

I do not agree with the interpretation of the committee's findings as presented in the majority report. My position differs from that of the committee on the following issues. The committee, I believe, should not have devoted time and resources to ascertain whether the decision regarding the site for the power station was well grounded. The decision had been made long before the current proposal was submitted to the committee and therefore this issue should not have been considered as part of the proposal. While I consider that all evidence supplied to the committee is valuable input, I strongly believe that the committee should have been able to select from the pool of evidence the information that was directly related to the proposal, that is, the construction of the transmission corridor.

Since the committee had unfortunately failed to do so, it was used as a forum for voicing political opinion on issues unrelated to the committee's specific task. I acknowledge that certain issues regarding the construction of the corridor have been raised by some of the interested parties, such as the Australian Submarine Corporation, the Ports Corporation and the Australian Steel Corporation. These organisations expressed concerns at times that there was an inadequate communication between the parties involved and I acknowledge that, as did the majority report. However, the correspondence between the interested parties submitted for the examination of the committee indicates that the communica-

tion between the parties involved improved and they did not have objections to the proposals for the construction of the corridor.

The evidence of the parties' agreement in the construction issues are well outlined in my minority report. I refer to the letter from Mr K. Tothill, Chief Executive Officer, ElectraNet South Australia to Ms L. Anderson, Secretary, Public Works Committee re transmission connection to Pelican Point Power Station, discussion with Australian Steel Corporation on 15 June 1999; letters from Mr R. Hinchcliffe, General Manager of Administration, Australian Submarine Corporation to Mr T. Kallis, ElectaNet South Australia on 28 May 1999; and letters from the Australian Submarine Corporation to the Secretary, Development Assessment Commission re Electra-Net application dated 28 May 1999.

Towards the end of the committee's deliberations it was clear that, although there had been some problems with communication (and the committee looked at that), there was movement towards agreement and there is no doubt that the corridor should have been considered on its merit. Upon examination of the written and oral evidence I therefore, as stated in my report, in presenting this report to the House, rely upon the Acquittals Committee that the required acquittals from Executive Government have been issued.

I do not understand the logic of the conclusion in the majority report where the committee questions the appropriateness and feasibility of the Pelican Point Power Station. This issue was not part of the proposal under examination and should not have been part of that discussion. I see no logic whatsoever in making recommendations on this issue. I do not have a position one way or the other about the Pelican Point Power Station. In my understanding of what was before the committee that was not an issue.

As a member of the committee, I have been frustrated that the committee has failed to focus on the specific issues of the proposal. In my view, the available evidence examined by the committee indicates that the construction of the transmission connection corridor for the new Pelican Point Power Station, contrary to the conclusion of the majority report, will best serve the public interest. I therefore fully support the proposal submitted by ElectraNet. In my view, postponing the decision on the construction of the transmission line corridor would jeopardise South Australia's power supply during peak times and involve engaging an alternative network transmission provider which would not be in the best interests of South Australia.

I believe that, in the end, the Public Works Committee has to act in the best interests of South Australia as it sees them. It must examine everything that is before it and subsequently submit its report on those grounds. I can understand the opposition to the Pelican Point Power Station, and if I had been the local member I am sure I would have voiced the concerns of my electorate, just as the member for Hart has done. I commend him for that. However, our job was to look at the transmission corridor specifically, and I believe that, according to the evidence presented to us, it should have been supported.

Mr LEWIS (Hammond): I thank all members for their contributions, notwithstanding the fact that there is interest and controversy surrounding this project. It is, as one would expect in any reasonable parliamentary context, an issue about which there are a number of views, and I am sure that in the fullness of time, within the next couple of years, whether or not those contending views are valid and in some measure accurate will be demonstrated by the events in the interim period.

We all know that without the additional generating capacity coming on stream for the summer of 2000-2001 we will be very embarrassed and uncomfortable with brownouts, if not blackouts, depending on how severe the weather is. Accordingly, I wish everybody the benefits that will be derived from approval of the project and thank them for their remarks in noting the report. History will tell: posterity will judge.

Motion carried.

PUBLIC WORKS COMMITTEE: ANNUAL REPORT

Adjourned debate on motion of Mr Lewis:

That the one hundred and second report of the committee, being the Annual Report 1998, be noted.

(Continued from 28 July. Page 1894.)

Ms THOMPSON (Reynell): The Public Works Committee is not required to submit an annual report but, towards the end of last year, the committee had recognised that it had undertaken so much work that we thought could add to the quality of public administration in South Australia that it would be beneficial for us to record the events that had occurred, our discoveries and some of the things that were coming through our work. Unfortunately, as chance would have it, the report itself has been somewhat delayed by the considerable work load that the committee has at the moment. It would be easy to say that this is excellent, that so much capital works are being undertaken.

However, the problem is that much of our work load comes not just from the fact that capital works are being undertaken but because some of the submissions coming before the committee have been so poor, some witnesses have been reluctant to assist the committee in its inquiries, and the responses from various agencies have been rather slow. There has also been difficulty in terms of hearings being scheduled and rescheduled several times, usually because Cabinet has not been able to consider the matter that was to come before us, and this certainly indicates a lack of rigour in the administrative processes of this Government. From the Public Works Committee's point of view, it is very easy to get the idea that this Government is making decisions on inadequate information; it does not do so in a timely manner; it is inconsistent in its consultation process; and it certainly lacks transparency.

When the reconstituted committee came together in December, its members were placed in the embarrassing position of the previous Public Works Committee's having been cited in the Auditor-General's Report as not really having undertaken some of its functions with full rigour. It was very much my intention not to be so named in the Auditor-General's Report, and I think that that stance was shared by just about all members of the committee. So, we set about examining the quality of the proposals that came before us and the quality of our scrutiny process. We undertook a learning process and asked Professor Fred McDonald from the University of Adelaide to talk to us about some of the economic concepts that were involved in a rigorous financial scrutiny of the projects that came before us. Certainly in my case, not having studied economics for about 20 years, I found this a very useful process.

We also found that many of the submissions lacked clarity, that they were very ambiguous in the way they were

presented, and that they called on the reader to make far too many conclusions and assumptions. So, we set about trying to upgrade the quality of the submissions that were presented to us, and I am very pleased to report that, as I know, public servants are not at all dumb, and they responded to the request for a better standard of submission. Although it is out of the reporting period, it is very pleasing to note that about 150 senior public servants recently attended a conference on the process of submitting proposals to the Public Works Committee. So, it is quite clear that the senior executives on whom this Government relies are taking the Public Works Committee seriously, even if we could be forgiven at times for thinking that the Government itself does not.

One of the difficulties that we encounter is considering a particular proposal that is put before us in the context of all the possible ways in which that money might be spent. It is one thing to say that a particular project is of benefit to the people of South Australia. There are many projects which would be of benefit to the people of South Australia. What we do not know, however, is whether this is the best opportunity for spending the money and investing in the future of our State. It is very difficult to see from the Public Works Committee's perspective how we can improve that decision-making process within Government. Certainly Governments are elected to do that, but the Public Works Committee and other parliamentary scrutiny processes have an important role to play in allowing the community to judge whether or not the Government is making these decisions wisely. With the lack of some of the financial information coming before us, this process is made quite difficult. In fact, it has been my observation that the bigger the project, the less rigour there is in the presentation of the information to the Public Works Committee.

The Noarlunga Health Service extensions, for instance, had very admirable costings for three options and a 'do nothing' option. They considered the process of construction under each option and were able to demonstrate quite clearly that the option chosen was of economic benefit and would maximise the value to the community and the return on the Government dollar.

In relation to large projects, no such information was before us, and the Public Works Committee spent many hours trying to obtain such information in relation to, for instance, the ElectraNet transmission corridor and the Pelican Point Power Station. In that case it was impossible to find out the real options that were being considered and the real cost of those options.

The deliberations of the committee led it to conclude that a number of actions would improve the situation, and those recommendations are included in our report. The first relates to the need for additional staffing resources for the committee. As I have mentioned, we had to reschedule a number of hearings. The extent of our inquiries has had to be quite deep because of the size of the projects that we have dealt with, and I remind members that these include the wine centre, the Pelican Point Power Station, the Government radio network, as well as numerous smaller but just as important projects such as the Kadina campus of the Institute of TAFE, the Noarlunga Hospital, and the William Light and Playford Schools. We have also been looking at matters related to irrigation reclamation.

Debate adjourned.

JOINT COMMITTEE ON TRANSPORT SAFETY

Mr SCALZI (Hartley): I bring up the interim report of the joint committee and move:

That the report be received.

Motion carried.

HERITAGE (DELEGATION BY MINISTER) AMENDMENT BILL

The Hon. D.C. KOTZ (Minister for Environment and Heritage) obtained leave and introduced a Bill for an Act to amend the Heritage Act 1993. Read a first time.

The Hon. D.C. KOTZ: 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.

While the current *Heritage Act* allows the State Heritage Authority to delegate some of its powers, there are no provisions in the Act to allow the Minister to delegate her powers as Minister responsible for administering the Act. This issue was highlighted by a decision of the Environment, Resources and Development Court last year where the Court held that the Minister had no power to delegate her functions under this, or any other Act.

This Bill proposes some simple amendments to remedy this situation.

One of the roles of the Minister responsible for administering the *Heritage Act 1993* is to advise the relevant planning authority on the impact that any development is likely to have on a place listed in the State Heritage Register. The procedure to be followed is detailed in Schedule 8 of the *Development Act 1993*.

Section 4(1) of the *Development Act* defines 'development' in relation to a State heritage place as being:

the demolition, removal, conversion, alteration or painting of, or addition to, the place, or any other work that could materially affect the heritage value of the place

Section 37 of the *Development Act* allows for development affecting a heritage place to be defined as a prescribed class of development, and Schedule 8 indicates that the class of development is that:

which directly affects a State heritage place, or development which in the opinion of the relevant authority materially affects the context within which the State heritage place is situated.

It had been a long standing practice of Heritage South Australia, formerly the State Heritage Branch, of the Department for Environment, Heritage and Aboriginal Affairs to assess Development Applications relating to State Heritage places on behalf of the Minister for Environment and Heritage, believing that an instrument of delegation approved by the responsible Minister on 1 February 1994, two weeks after the proclamation of the Development and Heritage Acts on 15 January, was valid.

This delegation also extended to Heritage Advisers, who are contracted to the Department for Environment, Heritage and Aboriginal Affairs on a part-time basis and jointly funded by State and Local governments.

In March 1998 the Environment, Resources and Development Court found that the instrument of delegation was not valid and noted that the *Heritage Act 1993* did not provide for the Minister administering the *Heritage Act* to delegate her powers under that Act.

As a result this Bill has been drafted to allow for proper delegation of the Minister's powers, and to thereby expedite the development approval process.

Since the Environment, Resources and Development Court finding, I as Minister have had to personally sign all responses to Development Applications, including responses of 'no comment'. The passage of this Bill will allow an appropriate regime of delegations to be implemented.

I commend the Bill to honourable members.

Explanation of Clauses

Clause 1: Short title

Clause 2: Commencement

These clauses are formal.

Clause 3: Insertion of s. 41A
A new section 41A is inserted into the principal Act allowing the Minister to delegate to any person or body duties, functions or powers under the principal Act or duties, functions or powers under another Act that are assigned to the Minister for the time being administering the principal Act.

Clause 4: Amendment of s. 44—Evidence
This clause inserts an evidentiary provision to facilitate proof of a delegation by the Minister.

Mr HILL secured the adjournment of the debate.

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

A quorum having been formed:

ELECTRICITY (MISCELLANEOUS) AMENDMENT BILL

Returned from the Legislative Council with the following amendments:

No. 1. Page 1 (clause 4)—After line 19 insert new paragraph as follows:

(a1) by striking out the definition of 'access';

No. 2. Page 2 (clause 4)—After line 2 insert new paragraph as follows:

(ba) by striking out from the definition of 'electricity supply industry' 'and sale of electricity' and substituting 'or sale of electricity or other operations of a kind prescribed by regulation';

No. 3. Page 2 (clause 4)—After line 13 insert new paragraph as follows:

(fa) by striking out from the definition of 'retailing' 'and supply';

No. 4. Page 2 (clause 4)—After line 18 insert new paragraph as follows:

(i) by inserting after its present contents (now to be designated as subsection (1)) the following subsection:

(2) A reference in this Act to a powerline, a network, infrastructure or other property of an entity includes a reference to a powerline, a network, infrastructure or other property that is not owned by the entity but is operated by the entity.

No. 5. Page 2 (clause 7)—After line 36 insert the following:

(ab) if the Industry Regulator is appointed under the National Electricity Code as the body to perform or exercise certain functions and powers—those functions and powers; and

No. 6. Page 3, lines 2 to 4 (clause 7)—Leave out proposed subsection (2) and insert the following:

(2) If electricity entities are required by licence condition to participate in an ombudsman scheme, the Industry Regulator must, in performing licensing functions under this Act, liaise with the ombudsman appointed under the scheme.

No. 7. Page 3 (clause 7)—After line 18 insert the following:

'independent director' means a director appointed under section 6G(3a);

No. 8. Page 3, line 31 (clause 7)—Leave out "exceptions" and insert the following:

exclusions or modifications

No. 9. Page 4, lines 5 to 10 (clause 7)—Leave out proposed paragraphs (d) and (e) and insert the following:

(d) to prepare or review proposals for significant projects relating to the transmission network in South Australia (taking into account possible alternatives to those projects such as the augmentation or extension of a distribution network, the construction or augmentation of the capacity of a generating plant and measures for reducing demand for electricity from the transmission network) and to make reports and recommendations to the Minister and the Industry Regulator in relation to such proposals;

No. 10. Page 4, lines 14 and 15 (clause 7)—Leave out proposed paragraph (g) and insert the following:

(g) to submit to the Minister and the Industry Regulator, and publish, an annual review of the performance, future capacity and reliability of the South Australian power system;

(ga) if the Planning Council is appointed under the National Electricity Code as the body to carry out certain functions—to carry out those functions;

(gb) to publish from time to time such information relating to the matters referred to above as the Planning Council considers appropriate;

No. 11. Page 5, lines 4 to 6 (clause 7)—Leave out 'after consultation with the holders of licences authorising the generation of electricity and the holders of licences authorising the operation of transmission or distribution networks'.

No. 12. Page 5, lines 9 and 10 (clause 7)—Leave out proposed paragraphs (a) and (b) and insert the following:

(a) power system planning, design, development or operation;

No. 13. Page 5 (clause 7)—After line 12 insert the following:

(3a) Two of the members must be persons who are, in the opinion of the Governor, independent of the holders of licences authorising the generation of electricity or the operation of transmission or distribution networks.

(3b) The Treasurer will consult with—

(a) the holders of licences authorising the generation of electricity in respect of the selection of a person for appointment as one of the remaining three members;

(b) the holders of licences authorising the operation of transmission networks in respect of the selection of a person for appointment as another of the remaining three members;

(c) the holders of licences authorising the operation of distribution networks in respect of the selection of a person for appointment as the other of the remaining three members.

No. 14. Page 5, lines 15 to 18 (clause 7)—Leave out proposed subsections (5) and (6) and insert the following:

(5) One of the independent directors will be appointed by the Governor to chair meetings of the board.

No. 15. Page 5 (clause 7)—After line 20 insert the following:

(8) The Governor may appoint deputies of directors, and the provisions of subsections (3), (3a) and (3b) apply in relation to the appointment of deputies in the same way as to directors.

(9) A deputy of a director is, in the absence of that director, to be taken to have the powers, functions and duties of a director in the same way as if the deputy had been appointed to be a director.

No. 16. Page 5 (clause 7)—After line 32 insert the following:

(d) in the case of an independent director—if the director has, in the opinion of the Governor, ceased to be so independent.

No. 17. Page 6, lines 14 and 15 (clause 7)—Leave out 'one-half of the total number of members of the board (ignoring any fraction resulting from the division) plus one' and insert:

three directors at least one of whom must be an independent director or a deputy of an independent director

No. 18. Page 6, lines 18 to 23 (clause 7)—Leave out proposed subsection (3) and insert the following:

(3) If the director appointed to chair meetings of the board is absent from a meeting of the board, the following provisions apply:

(a) if the deputy of that director is present at the meeting—the deputy will preside at the meeting;

(b) if the deputy of that director is not present at the meeting—the other independent director will preside at the meeting;

(c) if that other independent director is not present at the meeting—the deputy of that other independent director will preside at the meeting.

No. 19. Page 8 (clause 15)—After line 32 insert the following:

Technical advisory committee

14AB. The Technical Regulator must establish an advisory committee (the technical advisory committee) including representatives of—

(a) electricity entities; and

(b) contractor and employee associations involved in the electricity supply industry; and

(c) local government,

to provide advice to the Technical Regulator, either on its own initiative or at the request of the Technical Regulator, on any matter relating to the functions of the Technical Regulator.

No. 20. Page 10, lines 5 to 7 (clause 19)—Leave out proposed paragraph (a).

No. 21. Page 11, lines 13 to 18 (clause 22)—Leave out paragraphs (d) and (e) and insert new paragraph as follows:

(d) by striking out subsection (3) and substituting the following subsection:

(3) The annual licence fee for a licence is the fee fixed, from time to time, by the Minister in respect of that licence as an amount that the Minister considers to be a reasonable contribution towards administrative costs.;

No. 22. Page 11, line 33 to page 16, line 37 (clause 23)—Leave out proposed sections 21, 22, 23, 24 and 24A and insert the following:

Licence conditions

21. (1) The Industry Regulator must, on the issue of a licence, make the licence subject to conditions determined by the Industry Regulator—

(a) requiring compliance with applicable codes or rules made under the Independent Industry Regulator Act 1999 as in force from time to time; and

(b) requiring compliance with specified technical or safety requirements or standards; and

(c) relating to the electricity entity's financial or other capacity to continue operations under the licence; and

(d) if the cross-ownership rules apply to the electricity entity—

(i) requiring the electricity entity to comply with the cross-ownership rules; and

(ii) requiring the constitution of the electricity entity to contain provisions for the divestiture of shares for the purposes of rectifying a breach of the cross-ownership rules; and

(iii) requiring the electricity entity to notify the Industry Regulator about any matters relevant to the enforcement of the cross-ownership rules; and

(e) requiring the electricity entity to have all or part of the operations authorised by the licence audited and to report the results of the audit to the Industry Regulator; and

(f) requiring the electricity entity to notify the Industry Regulator about changes to officers and, if applicable, major shareholders of the entity; and

(g) requiring the electricity entity to provide, in the manner and form determined by the Industry Regulator, such other information as the Industry Regulator may from time to time require; and

(h) requiring the electricity entity to comply with the requirements of any scheme approved and funded by the Minister for the provision by the State of customer concessions or the performance of community service obligations by electricity entities.

(2) The Industry Regulator must, on the issue of a licence, make the licence subject to further conditions that the Industry Regulator is required by regulation to impose on the issue of such a licence.

(3) The Industry Regulator may, on the issue of a licence, make the licence subject to further conditions considered appropriate by the Industry Regulator.

(4) The Industry Regulator must provide to the Minister any information that the Minister requires for the purposes of the administration of a scheme for the provision by the State of customer concessions, or the performance of community service obligations, relating to the sale or supply of electricity.

Licences authorising generation of electricity

22. (1) The Industry Regulator must, on the issue of a licence authorising the generation of electricity, make the licence subject to conditions determined by the Industry Regulator—

(a) requiring compliance with directions of the system controller; and

(b) requiring the electricity entity not to do anything affecting the compatibility of the entity's electricity generating plant with any transmission or distribution network so as to prejudice public safety or the security of the power system of which the generating plant forms a part; and

(c) requiring the electricity entity—

(i) to prepare and periodically revise a safety and technical management plan dealing with matters prescribed by regulation; and

(ii) to obtain the approval of the Industry Regulator (which may only be given by the Industry Regulator on the recommendation of the Technical Regulator) to the plan and any revision; and

(iii) to comply with the plan as approved from time to time; and

(iv) to audit from time to time the entity's compliance with the plan and report the results of those audits to the Technical Regulator; and

(d) requiring the electricity entity to provide to the Electricity Supply Industry Planning Council such information as it may reasonably require for the performance of its functions; and

(e) requiring the electricity entity—

(i) to grant to each electricity entity holding a licence authorising the operation of a transmission or distribution network rights to use or have access to the entity's electricity generating plant that are necessary for the purpose of ensuring the proper integrated operation of the State's power system and the proper carrying on of the operations authorised by the entity's licence; and

(ii) in the absence of agreement as to the terms on which such rights are to be granted, to comply with any determination of the Industry Regulator as to those terms; and

(iii) to comply with any code provisions in force from time to time under the Independent Industry Regulator Act 1999 establishing a scheme for the resolution of disputes in relation to such rights; and

(f) requiring the electricity entity to maintain insurance against any liability for causing a bushfire and to provide the Industry Regulator with a certificate of the insurer or the insurance broker by whom the insurance was arranged certifying (in a manner approved by the Industry Regulator) that the insurance is adequate and appropriate given the nature of the operations carried on under the entity's licence and the risks entailed in those operations.

(2) This section does not limit the matters that may be dealt with by terms or conditions of a licence authorising the generation of electricity.

Licences authorising operation of transmission or distribution network

23. (1) The Industry Regulator must, on the issue of a licence authorising the operation of a transmission or distribution network, make the licence subject to conditions determined by the Industry Regulator—

(a) requiring compliance with directions of the system controller; and

(b) requiring the electricity entity not to do anything affecting the compatibility of the entity's transmission or distribution network with any electricity generating plant or transmission or distribution network so as to prejudice public safety or the security of the power system of which the transmission or distribution network forms a part; and

(c) requiring the electricity entity—

(i) to prepare and periodically revise a safety and technical management plan dealing with matters prescribed by regulation; and

(ii) to obtain the approval of the Industry Regulator (which may only be given by the Industry Regulator on the recommendation of the Technical Regulator) to the plan and any revision; and

(iii) to comply with the plan as approved from time to time; and

(iv) to audit from time to time the entity's compliance with the plan and report the results of those audits to the Technical Regulator; and

(d) requiring the electricity entity to provide to the Electricity Supply Industry Planning Council such information as it may reasonably require for the performance of its functions; and

(e) requiring the electricity entity to maintain specified accounting records and to prepare accounts according to specified principles; and

(f) requiring the electricity entity to inform persons seeking or in receipt of network services of the terms on which the services are provided (including the charges for the services) and of any changes in those terms; and

(g) requiring the electricity entity to carry out work to locate powerlines underground in accordance with a program established under Part 5A; and

(h) requiring the electricity entity to comply with—

(i) specified provisions for or relating to the granting to other electricity entities of rights to use or have access to the entity's transmission or distribution network (on non-discriminatory terms) for the transmission or distribution of electricity by the other entities; and

(ii) any scheme that the Industry Regulator may establish by a code made under the Independent Industry Regulator Act 1999 for the resolution of disputes in relation to such rights; and

(i) requiring the electricity entity to comply with—

(i) specified provisions for or relating to the granting to all electricity entities and customers of a class specified in the condition of rights to use or have access to the entity's transmission or distribution network (on non-discriminatory terms) to obtain electricity from the network; and

(ii) any scheme that the Industry Regulator may establish by a code made under the Independent Industry Regulator Act 1999 for the resolution of disputes in relation to such rights; and

(j) requiring the electricity entity to comply with code provisions as in force from time to time (which the Industry Regulator must make under the Independent Industry Regulator Act 1999) establishing a scheme—

(i) for other bodies to use or have access to the entity's transmission or distribution network for telecommunications purposes (subject to requirements as to technical feasibility and preservation of visual amenity); and

(ii) for the resolution of disputes in relation to such use or access by a person other than the Industry Regulator who is appointed by the Industry Regulator; and

(k) requiring the electricity entity to participate in an ombudsman scheme the terms and conditions of which are approved by the Industry Regulator; and

(l) requiring the electricity entity to maintain insurance against any liability for causing a bushfire and to provide the Industry Regulator with a certificate of the insurer or the insurance broker by whom the insurance was arranged certifying (in a manner approved by the Industry Regulator) that the insurance is adequate and appropriate given the nature of the operations carried out under the entity's licence and the risks entailed in those operations; and

(m) in the case of a licence authorising the operation of a transmission network—

(i) requiring the business of the operation of the transmission network authorised by the licence to be kept separate from any other business of the electricity entity or any other person in the manner and to the extent specified in the conditions; and

(ii) requiring the electricity entity—

(A) to grant to each electricity entity holding a licence authorising the generation of electricity or the operation of a distribution network rights to use or have access to the entity's transmission network that are necessary for the purpose of ensuring the proper integrated operation of the State's power system and the proper carrying on of the operations authorised by the entity's licence; and

(B) in the absence of agreement as to the terms on which such rights are to be granted, to comply with any determination of the Industry Regulator as to those terms; and

(C) to comply with any code provisions in force from time to time under the Independent Industry Regulator Act 1999 establishing a scheme for the resolution of disputes in relation to such rights; and

(n) in the case of a licence authorising the operation of a distribution network—

(i) requiring the business of the operation of the distribution network authorised by the licence to be kept separate from any other business of the electricity entity or any other person in the manner and to the extent specified in the conditions; and

(ii) requiring the electricity entity—

(A) to grant to each electricity entity holding a licence authorising the generation of electricity or the operation of a transmission network rights to use or have access to the entity's distribution network that are necessary for the purpose of ensuring the proper integrated operation of the State's power system and the proper carrying on of the operations authorised by the entity's licence; and

(B) in the absence of agreement as to the terms on which such rights are to be granted, to comply with any determination of the Industry Regulator as to those terms; and

(C) to comply with any code provisions in force from time to time under the Independent Industry Regulator Act 1999 establishing a scheme for the resolution of disputes in relation to such rights; and

(iii) requiring the electricity entity to establish customer consultation processes of a specified kind; and

(iv) requiring or relating to standard contractual terms and conditions to apply to the supply of electricity to non-contestable customers or customers of a prescribed class; and

(v) requiring the electricity entity to comply with code provisions as in force from time to time (which the Industry Regulator must make under the Independent Industry Regulator Act 1999) imposing minimum standards of service for customers that are at least equivalent to the actual levels of service for such customers prevailing during the year prior to the commencement of this section and take into account relevant national benchmarks developed from time to time, and requiring the entity to monitor and report on levels of compliance with those minimum standards; and

(vi) requiring the electricity entity to comply with code provisions as in force from time to time (which the Industry Regulator must make under the Independent Industry Regulator Act 1999) limiting the grounds on which the supply of electricity to customers may be disconnected and prescribing the process to be followed before the supply of electricity is disconnected; and

(vii) requiring a specified process to be followed to resolve disputes between the electricity entity and customers as to the supply of electricity; and

(viii) requiring the electricity entity to enter into and comply with an agreement (on terms approved from time to time by the Industry Regulator) with each person holding a licence authorising the retailing of electricity who provides services to the same customers as the entity as to the co-ordination of the provision of services to those customers; and

(ix) requiring the electricity entity to sell and supply electricity (on terms and conditions approved by the Industry Regulator) to customers of another electricity entity whose licence

under this Act to carry on retailing of electricity is suspended or cancelled or whose right to acquire electricity from the market for wholesale trading in electricity is suspended or terminated or who has ceased to retail electricity in the State (a retailer of last resort requirement); and

(x) requiring the electricity entity—

(A) to investigate, before it makes any significant expansion of the distribution network or the capacity of the distribution network, whether it would be cost effective to avoid or postpone such expansion by implementing measures for the reduction of demand for electricity from the network; and

(B) to prepare and publish reports relating to such demand management investigations and measures.

(2) A condition of an electricity entity's licence imposed under subsection (1)(h) is not to be taken to require the granting to other electricity entities of rights to use or have access to the entity's transmission or distribution network for the support or use of electricity infrastructure of the other entities.

(3) A retailer of last resort requirement operates only until 1 January 2005.

(4) The obligation to sell and supply electricity to a customer imposed by a retailer of last resort requirement continues only until the end of three months from the event giving rise to the obligation or until the customer advises the electricity entity that the sale and supply is no longer required, whichever first occurs.

(5) A licence that is subject to a retailer of last resort requirement is to be taken to authorise the sale and supply of electricity in accordance with the requirement.

(6) This section does not limit the matters that may be dealt with by terms or conditions of a licence authorising the operation of a transmission or distribution network.

Licences authorising retailing

24. (1) A licence authorising the retailing of electricity must, if the Minister so determines and despite section 7 of the Independent Industry Regulator Act 1999, confer on the entity an exclusive right to sell electricity to non-contestable customers within a specified area.

(2) The Industry Regulator must, on the issue of a licence authorising the retailing of electricity, make the licence subject to conditions determined by the Industry Regulator—

(a) requiring, if the holder of the licence is a related body corporate (within the meaning of the Corporations Law) in relation to the holder of a licence authorising the operation of a distribution network, the business of the retailing of electricity authorised by the licence to be kept separate from the business of the operation of the distribution network in the manner and to the extent specified in the conditions; and

(b) if the electricity entity sells electricity to non-contestable customers, requiring the electricity entity to maintain specified accounting records and to prepare accounts according to specified principles; and

(c) requiring the electricity entity to establish customer consultation processes of a specified kind; and

(d) requiring the electricity entity, until 31 December 2002, to—

(i) request its contestable customers to give written consent to the electricity entity providing their names, addresses and other contact details from time to time to the Industry Regulator and the Industry Regulator providing that information to other electricity entities holding licences authorising the retailing of electricity; and

(ii) provide copies of such consents and the information relating to the consenting customers to the Industry Regulator; and

(e) if the electricity entity sells electricity to non-contestable customers—

(i) requiring the electricity entity to take reasonable steps to identify when its non-contestable customers will or could become contestable customers and to give such customers at least 20 clear business days notice of that fact, together with notice of the tariffs and charges for electricity currently applicable to the customers and the names of other electricity entities that hold licences authorising the retailing of electricity; and

(ii) specifying the manner in which such notice must be given; and

(f) if the electricity entity sells electricity to non-contestable customers and under the standard terms and conditions governing the sale of electricity by the electricity entity at least the same level of the tariffs and charges applicable to customers as non-contestable customers will apply to the customers for a specified period after they become contestable customers—

(i) requiring the electricity entity to take reasonable steps to give the customers at least 20 clear business days notice of the date on which the specified period will expire; and

(ii) specifying the manner in which such notice must be given; and

(g) requiring or relating to standard contractual terms and conditions to apply to the sale of electricity to non-contestable customers or customers of a prescribed class; and

(h) requiring the electricity entity to enter into and comply with an agreement (on terms approved from time to time by the Industry Regulator) with each person holding a licence authorising the operation of a distribution network who provides services to the same customers as the entity as to the co-ordination of the provision of services to those customers; and

(i) requiring the electricity entity to comply with code provisions as in force from time to time (which the Industry Regulator must make under the Independent Industry Regulator Act 1999) imposing minimum standards of service for customers that are at least equivalent to the actual levels of service for such customers prevailing during the year prior to the commencement of this section and take into account relevant national benchmarks developed from time to time, and requiring the entity to monitor and report on levels of compliance with those minimum standards; and

(j) requiring the electricity entity to comply with code provisions as in force from time to time (which the Industry Regulator must make under the Independent Industry Regulator Act 1999) limiting the grounds on which the supply of electricity to customers may be discontinued or disconnected and prescribing the process to be followed before the supply of electricity is discontinued or disconnected; and

(k) requiring a specified process to be followed to resolve disputes between the electricity entity and customers as to the sale of electricity; and

(l) requiring the electricity entity to participate in an ombudsman scheme the terms and conditions of which are approved by the Industry Regulator; and

(m) requiring the electricity entity—

(i) to investigate strategies for achieving a reduction of greenhouse gas emissions to such targets as may be set by the Environment Protection Authority from time to time or such levels as may be binding on the entity from time to time, including strategies for promoting the efficient use of electricity and the sale, as far as is commercially and technically feasible, of electricity produced through cogeneration or from sustainable sources; and

(ii) to prepare and publish annual reports on the implementation of such strategies.

(3) The Industry Regulator must, before issuing a licence conferring an exclusive right to sell electricity to non-contestable customers within a specified area, agreeing to the transfer of such a licence or determining or varying conditions of such a licence, consult with and have regard to the advice of—

(a) the Commissioner for Consumer Affairs; and

(b) the consumer advisory committee established under Part 2.

(4) This section does not limit the matters that may be dealt with by terms or conditions of a licence authorising the retailing of electricity.

Licences authorising system control

24A. (1) The Industry Regulator must, on the issue of a licence authorising system control over a power system, make the licence subject to conditions determined by the Industry Regulator requiring the business of system control authorised by the licence to be kept separate from any other business of the electricity entity or any other person in the manner and to the extent specified in the conditions.

(2) This section does not limit the matters that may be dealt with by terms or conditions of a licence authorising system control over a power system.

No. 23. Page 18, lines 18 to 20 (clause 29)—Leave out this clause and insert new clause as follows:

Amendment of s. 30—Register of licences

29. Section 30 of the principal Act is amended—

(a) by striking out from subsection (1) 'Technical Regulator' and substituting 'Industry Regulator';

(b) by striking out from subsection (3) 'on payment of a fee fixed by the Technical Regulator' and substituting 'without payment of a fee'.

No. 24. Page 18, lines 21 to 35, and page 19, lines 1 to 13 (clauses 30, 31 and 32)—Leave out these clauses and insert new clause as follows:

Substitution of ss. 31, 32 and 33

30. Sections 31, 32 and 33 of the principal Act are repealed and the following section is substituted:

Functions and powers of system controller

31. (1) Subject to the regulations, a system controller for a power system has the function of monitoring and controlling the operation of the power system with a view to ensuring that the system operates safely and reliably.

(2) A system controller for a power system has, in carrying out the system controller's functions under this Act—

(a) power to issue directions to electricity entities that are engaged in the operation of the power system, or contribute electricity to, or take electricity from, the power system; and

(b) the other powers conferred by regulation.

(3) Without limiting subsection (2)(a), the directions may include directions—

(a) to switch off or reroute a generator;

(b) to call equipment into service;

(c) to take equipment out of service;

(d) to commence operation or maintain, increase or reduce active or reactive power output;

(e) to shut down or vary operation;

(f) to shed or restore customer loads.

(4) If an electricity entity refuses or fails to comply with a direction of a system controller, the system controller may—

(a) authorise a person to take the action required by the direction or to cause the action to be taken; and

(b) give the electricity entity any directions the system controller considers necessary to facilitate the taking of the action.

(5) Costs and expenses incurred in taking action or causing action to be taken under subsection (4) are recoverable from the electricity entity by the system controller as a debt in a court of competent jurisdiction.

(6) The functions and powers of a system controller for a power system operated in the National Electricity Market (i.e. the market regulated by the *National Electricity Law*) may only be performed or exercised in a manner that is consistent with the *National Electricity (South Australia) Law* and the National Electricity Code.

No. 25. Page 19, lines 14 to 26 (clause 33)—Leave out this clause.

No. 26. Page 20, line 7 (clause 34)—After 'charged' insert 'to small customers'.

No. 27. Page 21 (clause 34)—After line 13 insert the following:

(5a) An electricity pricing order may require an electricity entity to provide information to other electricity entities, customers or others, or generally publish information, relating to prices, conditions relating to prices or price-fixing factors.

No. 28. Page 22, line 11 (clause 36)—Leave out paragraph (a) and insert new paragraph as follows:

(a) by striking out from subsection (1) 'governing the supply of electricity' and substituting 'governing the sale or supply of electricity (including the service of making connections to a transmission or distribution network)';

No. 29. Page 22 (clause 36)—After line 12 insert new paragraph as follows:

(c) by inserting after paragraph (c) of subsection (3) the following paragraph:

(d) will, if they vary or exclude the operation of section 78(1) of the *National Electricity Law*, form an agreement between the electricity entity and each of the customers to which they are expressed to apply for the purposes of that section.

No. 30. Page 24, lines 11 and 12 (clause 46)—Leave out this clause and insert new clause as follows:

Amendment of s. 47—Power to carry out work on public land

46. Section 47 of the principal Act is amended—

(a) by inserting after subsection (2) the following subsection:

(2a) This section does not apply to work of a kind that may be carried out under the statutory easement under Schedule 1 of the *Electricity Corporations (Restructuring and Disposal) Act 1999*.;

(b) by striking out subsections (11) and (12).

No. 31. Page 25—After line 6 insert new clause as follows:

Amendment of s. 50—Entry to read meters, etc.

48A. Section 50 of the principal Act is amended by inserting 'sold or' before 'supplied'.

No. 32. Page 25, lines 20 to 24 (clause 51)—Leave out proposed subsections (1) and (2) and insert the following:

(1) The Minister may prepare periodic programs for work to be carried out by an electricity entity for the undergrounding of powerlines forming part of a transmission or distribution network operated by the entity.

(2) Undergrounding work may not be included in a program unless—

(a) the council of each area concerned agrees to contribute to the cost of the work in its area on the basis determined by the Minister; or

(b) the Minister determines, in relation to particular work, that the council need not contribute to the cost of the work.

(2a) In preparing programs, the Minister must ensure that the total cost of the work to be carried out at the expense of electricity entities in each financial year (as estimated by the Minister) is not less than an amount fixed or determined under the regulations for that financial year.

(2b) The Minister must consult with the Local Government Association of South Australia before a regulation is made for the purposes of subsection (2a).

No. 33. Page 25, lines 29 and 30 (clause 51)—Leave out proposed subsection (4).

No. 34. Page 25 (clause 51)—After line 36 insert the following:

(7) Before varying a program, the Minister must consult with councils, electricity entities, bodies (other than councils) responsible for the care, control or management of roads and other persons as the Minister considers appropriate.

(8) The Minister must give due consideration to matters arising from any submissions and consultations under this section.

No. 35. Page 26—After line 4 insert new clause as follows:

Amendment of s. 61—Electrical installation work

53A. Section 61 of the principal Act is amended—

(a) by inserting in subsection (1) 'to whom this section applies' after 'A person';

(b) by striking out subsections (2) and (3) and substituting the following subsection:

(2) This section applies—

(a) if a licensed electrical contractor or licensed building work contractor has employed or engaged a registered electrical worker to personally carry out work on an electrical installation or proposed electrical installation—to the licensed electrical contractor or licensed building work contractor; or

(b) if a registered electrical worker who personally carries out work on an electrical installation or proposed electrical installation has not been employed or engaged to do so by a licensed electrical contractor or licensed building work contractor—

to the registered electrical worker.

No. 36. Page 26, line 7 (clause 54)—After 'amended' insert new paragraph as follows:

(a) by striking out from subsection (2)(a) 'in charge of' and substituting 'that operates';

No. 37. Page 27, line 10 (clause 61)—After 'amended' insert new paragraph as follows:

(a) by striking out from subsection (2)(a) 'in charge of' and substituting 'that operates';

No. 38. Page 29 (clause 64)—After line 34 insert the following:

(2a) Except as otherwise provided in the exemption, an exemption under subsection (1) may be varied or revoked by the Industry Regulator by notice in writing.

No. 39. Page 29 (clause 64)—After line 37 insert the following:

(4) Except as otherwise provided in the exemption, an exemption under subsection (3) may be varied or revoked by the Technical Regulator by notice in writing.

No. 40. Page 29 (clause 64)—After line 37 insert the following:

Register of exemptions

80A.(1) The Industry Regulator and the Technical Regulator must each keep a register of exemptions granted by him or her under this Act.

(2) A register kept under this section must include the terms and conditions of each exemption recorded in it.

(3) A person may, without payment of a fee, inspect a register kept under this section.

No. 41. Page 30, line 8 (clause 66)—Leave out 'a function or power' and insert:

any of his or her functions or powers

No. 42. Page 32 (clause 74)—After line 10 insert the following:

'Pelican Point generation licence' means a licence under this Act authorising the generation of electricity by means of an electricity generating plant situated on the Pelican Point land (whether the plant is contained within that land or extends to adjacent land);

'the Pelican Point land' means the land comprised in Certificate of Title Register Book Volume 5660 Folio 245 and Volume 5660 Folio 246;

No. 43. Page 32, lines 12 to 25 (clause 74)—Leave out all words in these lines and insert the following:

'specially issued distribution licence' means a licence issued in accordance with an order of the Minister under Part 5 of the *Electricity Corporations (Restructuring and Disposal) Act 1999* authorising the operation of a distribution network or some other licence authorising the operation of all or part of that distribution network;

'specially issued generation licence' means a licence issued in accordance with an order of the Minister under Part 5 of the *Electricity Corporations (Restructuring and Disposal) Act 1999* authorising the generation of electricity or some other licence authorising the generation of electricity by means of an electricity generating plant previously operated pursuant to the licence issued in accordance with the order of the Minister;

'specially issued retailing licence' means a licence issued in accordance with an order of the Minister under Part 5 of the *Electricity Corporations (Restructuring and Disposal) Act 1999* authorising the retailing of electricity or some other licence authorising the retailing of electricity to non-contestable customers;

'specially issued transmission licence' means a licence issued in accordance with an order of the Minister under Part 5 of the *Electricity Corporations (Restructuring and Disposal) Act 1999* authorising the operation of a transmission network or some other licence authorising the operation of all or part of that transmission network;

'State-owned company' has the same meaning as in the *Electricity Corporations (Restructuring and Disposal) Act 1999*.

No. 44. Page 33, line 11 (clause 74)—After '20%' insert:

, or, if a lesser percentage is prescribed by regulation, that lesser percentage,

No. 45. Page 33, line 18 to page 35, line 8 (clause 74)—Leave out clause 2 and insert new clause as follows:

Application and expiry of Schedule

2.(1) This Schedule—

(a) does not apply in relation to an instrumentality of the Crown in right of this State; and

(b) does not prevent an electricity entity from acquiring an interest in, or rights in respect of, electricity infrastructure as contemplated by conditions of a licence under this Act or as a necessary or incidental part of the operations authorised by the licence held by the entity; and

(c) has effect subject to any other exceptions prescribed by regulation.

(2) This Schedule expires on 31 December 2002.

Cross-ownership rules

2A.(1) The holder of a specially issued generation licence or an associate of the holder must not—

(a) hold another specially issued generation licence; or

(b) be entitled to any shares in, or be an associate of, the holder of another specially issued generation licence; or

(c) acquire an interest in, or rights in respect of, the electricity infrastructure of the holder of another specially issued generation licence.

(2) The holder of a specially issued generation licence in respect of Torrens Island Power Station A or Torrens Island Power Station B or Northern Power Station at or near Port Augusta or Playford Power Station at or near Port Augusta or an associate of the holder must not—

(a) hold a Pelican Point generation licence; or

(b) be entitled to any shares in, or be an associate of, the holder of a Pelican Point generation licence; or

(c) acquire an interest in, or rights in respect of, the electricity infrastructure of the holder of a Pelican Point generation licence.

(3) The holder of a Pelican Point generation licence or an associate of the holder must not—

(a) hold a specially issued generation licence in respect of Torrens Island Power Station A or Torrens Island Power Station B or Northern Power Station at or near Port Augusta or Playford Power Station at or near Port Augusta; or

(b) be entitled to any shares in, or be an associate of, the holder of a licence referred to in paragraph (a); or

(c) acquire an interest in, or rights in respect of, the electricity infrastructure of the holder of a licence referred to in paragraph (a).

(4) The holder of a specially issued generation licence or a Pelican Point generation licence or an associate of the holder must not—

(a) hold a specially issued transmission licence, a specially issued distribution licence or a specially issued retailing licence; or

(b) be entitled to any shares in, or be an associate of, the holder of a licence referred to in paragraph (a); or

(c) acquire an interest in, or rights in respect of, the assets of the holder of a specially issued retailing licence or the electricity infrastructure of the holder of any other licence referred to in paragraph (a); or

(d) operate an electricity transmission network in another State or a Territory of the Commonwealth; or

(e) be entitled to any shares in, or be an associate of, the operator of an electricity transmission network in another State or a Territory of the Commonwealth; or

(f) acquire an interest in, or rights in respect of, an electricity transmission network in another State or a Territory of the Commonwealth; or

(g) be entitled to any shares in, or be an associate of, a gas trading company; or

(h) acquire an interest in, or rights in respect of, assets of a gas trading company; or

(i) hold a gas pipeline licence; or

(j) be entitled to any shares in, or be an associate of, a person who holds a gas pipeline licence; or

(k) acquire an interest in, or rights in respect of, assets of a person who holds a gas pipeline licence.

(5) The holder of a specially issued transmission licence or an associate of the holder must not—

(a) hold a specially issued generation licence, a Pelican Point generation licence, a specially issued distribution licence or a specially issued retailing licence; or

(b) be entitled to any shares in, or be an associate of, the holder of a licence referred to in paragraph (a); or

(c) acquire an interest in, or rights in respect of, the assets of the holder of a specially issued retailing licence or the electricity infrastructure of the holder of any other licence referred to in paragraph (a).

(6) The holder of a specially issued distribution licence or specially issued retailing licence or an associate of the holder must not—

(a) hold a specially issued generation licence, a Pelican Point generation licence or a specially issued transmission licence; or

(b) be entitled to any shares in, or be an associate of, the holder of a licence referred to in paragraph (a); or

(c) acquire an interest in, or rights in respect of, the electricity infrastructure of the holder of a licence referred to in paragraph (a).

(7) The operator of an electricity transmission network in another State or a Territory of the Commonwealth or an associate of such an operator must not—

(a) hold a specially issued generation licence or a Pelican Point generation licence; or

(b) be entitled to any shares in, or be an associate of, the holder of a licence referred to in paragraph (a); or

(c) acquire an interest in, or rights in respect of, the electricity infrastructure of the holder of a licence referred to in paragraph (a).

(8) A gas trading company or an associate of a gas trading company must not—

(a) hold a specially issued generation licence or a Pelican Point generation licence; or

(b) be entitled to any shares in, or be an associate of, the holder of a licence referred to in paragraph (a); or

(c) acquire an interest in, or rights in respect of, the electricity infrastructure of the holder of a licence referred to in paragraph (a).

(9) A person who holds a gas pipeline licence or an associate of such a person must not—

(a) hold a specially issued generation licence or a Pelican Point generation licence; or

(b) be entitled to any shares in, or be an associate of, the holder of a licence referred to in paragraph (a); or

(c) acquire an interest in, or rights in respect of, the electricity infrastructure of the holder of a licence referred to in paragraph (a).

No. 46. Page 37, lines 1 to 10 (clause 75)—Leave out this clause and insert new clause as follows:

Amendment of Sched. 2—Transitional Provisions

75. Schedule 2 of the principal Act is amended by striking out clause 2.

Consideration in Committee.

The Hon. M.R. BUCKBY: I move:

That the Legislative Council's amendments be agreed to.

Mr FOLEY: I thank my colleagues for rushing in as they have done to listen to my contribution. It is always encouraging to see that the galleries will fill and that my colleagues will flock from everywhere to listen to me speak. Could some of them please leave the Chamber a little more slowly?

We are now dealing with a number of amendments that have come down from the Legislative Council. This Bill first entered this House many months ago. It is legislation with which we were dealing regardless of whether this Government was able to get approval for its policy to sell ETSA. With the competitive framework and competitive market that was being put in place, this legislation was needed to provide a national electricity market and to see the disaggregation of our electricity industry. At that time we debated this Bill in some depth and asked many questions about specific issues relating to it. Some points of conflict, many points of agreement and some additions as time has gone by have required the Government to move its own amendments to bring the legislation further up to speed. I suspect that the nature of the electricity industry will mean that over time we will consistently be amending legislation relating to the regulation and supervision of electricity.

This legislation was put on hold and, although I do not know the exact dates, I suspect that it would have been perhaps as long ago as 12 months that we first dealt with this. It has been laid on the table in another place by the Government, pending the outcome of its electricity privatisation. As we know and as history will record, this Government is selling the electricity assets of the Electricity Trust of South Australia without the popular support or vote of the people of South Australia, and for that they will be judged at the next election.

That being said, there is support for the amendments as they come from another place. I do not intend to debate the matters any further. They were well canvassed here originally and, given the peculiar nature of the way the Parliament operates, the Treasurer as the lead Minister for electricity was put under significant scrutiny with a lot of questions being asked by my colleague, the shadow Minister for Finance (Hon. Paul Holloway), of whom I make special mention at this point. He works under very difficult circumstances in another place, having to deal with the Treasurer. While I am the shadow Treasurer, he has to carry the main bulk of Opposition work in another place. At any given time Paul has probably five or six pieces of legislation on the go on issues ranging from agriculture and primary industries, right through to electricity, finance, superannuation—

Ms Key: And pilchards.

Mr FOLEY: And pilchards, of course—how could we forget pilchards? I thank Paul Holloway for the work he has done. The Treasurer with his advisers was put under a degree of scrutiny on this Bill. I see little sense in our revisiting the work that was done in another place. With those few words, I indicate that the Opposition will support this package of amendments to see this legislation finally pass this Parliament. It is important that we put in place the proper regulatory framework for the administration of electricity in this State.

I know that some of my colleagues want to talk on this matter—members who have followed the electricity debate for quite some time. My colleague the member for Torrens has specific questions to ask on areas that interest her, and the Leader of the Opposition, who is always keen to contribute where appropriate, has also indicated a willingness to debate this raft of amendments. With those remarks, I indicate our support and hand over to my colleagues.

The Hon. M.D. RANN: I thank the member for Hart. Recently, because of my interest in this area, I visited the Office of the Industry Regulator in Melbourne in order to try to ascertain how the system had worked in that State since Jeff Kennett's privatisation. I stress from the outset, lest our position be deliberately misunderstood by the malicious, that the Opposition opposed for 20 months the legislation to sell our State's electricity assets. We have been through that argument during those months, reminding the people of this State of the lies told to the people before the election.

Whilst the electricity utilities of South Australia were owned by the people through the Government, some very important matters that concern real people had Government and parliamentary scrutiny. I refer, for example, to the reliability and security of their electricity supply, their future supply options and issues such as the cross-subsidies between the metropolitan area and country communities or the cross-subsidies between residential consumers and industry users,

electricity tariff or price issues, access to supply, environmental considerations, and credit and debt recovery policies. Under public ownership, with our electricity assets owned by the people through the Government, we had Government and parliamentary scrutiny, accountability and transparency through the Estimates Committee process and, of course, we had public scrutiny.

Under private ownership, all these issues, such as future supply options, reliability and security, are no less important to the people of the State. Obviously, as the Hon. Paul Holloway said in another place, the success or failure of our electricity future under these plans for privatisation will depend largely on the quality of regulation and rigour provided by the independent Industry Regulator and, most importantly, whether or not that Regulator is genuinely independent or whether the Government appoints someone who will simply do the Government's bidding.

I visited the Office of the Industry Regulator in Melbourne last month. Obviously the Government of this State has chosen the Victorian Regulator as its model in terms of legislation, but that is not the only model. In the United Kingdom, where I know the Acting Speaker tonight (the former Speaker) has a specific interest and expertise, they have a Director-General of Electricity whose functions are much more explicit and detailed in legislative terms, particularly in relation to the protection provided to consumers. Under the United Kingdom Electricity Act the duties of the Director-General are:

- to secure that all reasonable demands for electricity are met;
- to secure that licence holders are able to finance their licensed activities;
- to promote competition in the generation and supply of electricity;
- to protect the interests of electricity customers in respect to prices charged, the continuity of supply and the quality of services provided; and
- to promote efficiency and economy on the part of licensees in supplying and transmitting electricity.

The UK Act not only deals with issues such as the lowest possible price consistent with safety and environmental considerations but also there is no mention, as I understand it, in this Bill of any environmental matters in the functions which the South Australian Industry Regulator has to consider or give regard to. I would certainly like reference made to the environment by way of regulations. Obviously, if the Regulator is to work properly it is important that there be some benchmark of standards.

I note also from information provided to the Upper House by Mr Paul Holloway that in the United Kingdom office there are certain guaranteed standards to which performance levels are set, and penalty payments for failure to meet those standards are prescribed. For instance, by way of example one such standard is 'Service—respond to a failure of the supplier's fuse.' The information states:

> The performance level for most companies is within three hours on a working day, four hours on any other day. If any notification during working hours is given and if a company fails to meet that, then a £20 penalty applies.

It is certainly clear to me, when we talk about the work of the Industry Regulator in Victoria, that the key thing is to find the right person for the job to make the system work. If you have some namby-pamby Industry Regulator who is too frightened of his own shadow and too nervous of the Treasurer or the Minister for Energy, the people of the State are not served.

In many ways, despite the legislation, despite guarantees in terms of the regulations or the legislation of independence, ultimately it depends on the type of person appointed. Obviously, it is important that we have a person who has the confidence and understanding of the industry, who has the expertise to deal with the range of issues prescribed in legislation and those which they are likely to confront, a person who can communicate effectively with the industry, with Government and with the public, a person who has a commitment to an understanding of probity, transparency, accountability and public service, and one who is prepared to tell the truth to the Opposition.

I do not want to use the Parliament to defame anyone, but I understand that there were concerns from the Labor Party in Victoria about the first appointment as Industry Regulator—a person who I do not believe was always completely frank with the Opposition about issues that he had to discuss. So, it is vitally important that we get the right person. It is desirable that the Industry Regulator should be in place prior to the lease. It is important that if the people who lease our electricity assets are to feel comfortable with the regime into which they are entering, and, more importantly, for the public to have confidence, then obviously we need not only to have an idea of how the Industry Regulator will work but also to ensure that we get a person of sufficient standing, expertise, clout and independence to do the job properly.

The Hon. Paul Holloway raised a number of issues in the other place about the role for the Regulator, what role he or she would have in determining issues of liability; for example, if there was a disaster such as that which happened in Auckland where there was a major power failure; or a type of disaster similar to that involving the Esso refinery explosion. What sort of powers would the Regulator have in that situation? The Hon. Mr Lucas said that there is the power for revocation of licence, which is a significant power that the Independent Regulator has but, certainly, if you look at the Victorian legislation and, more particularly, at how that legislation is applied, you find massive powers at the top end of what the Regulator could do, a kind of nuclear holocaust scenario in terms of revoking licences or shutting down, but perhaps not sufficient medium term penalties which are more in terms of reality not only to bring to account recalcitrant industries that are not complying with the legislation but also to act as a goad for action. This is an area that we have to look at in terms of the role of prevention; that the Regulator certainly has a role before the event in trying to ensure that the industry is reliable and that there is no lack of maintenance, or nothing takes place in the industry which could jeopardise supply. Again, it comes down to the type of person who is appointed.

I am pleased that issues about the Parliament have been raised, the point being that the function of the Industry Regulator is independent of Government, supposedly, and is specifically set up in such a way under this Bill; but also that, if there were to be any investigation required by this Parliament relating to an industry under his or her control, surely it would be appropriate to allow a provision for the Parliament—not just the Government, but for the Parliament—to direct the Industry Regulator to conduct an inquiry. I would certainly like to see such a provision in this legislation.

In conclusion, it gets down to the fact that we have an example in Victoria. We have had two Industry Regulators there. We have had an Industry Ombudsman. There is a mixed report so far on how things have worked in Victoria. Certainly, there has been an increase in brownouts. Certainly,

there was a feeling among many people, community groups, unions and the Opposition that there was a lack of frankness from the first Regulator. There is more confidence in the second person appointed to the job, but ultimately it comes down to whether this Government has the will and the guts to appoint someone who is genuinely independent rather than someone who basically is there as a lickspittle for the Government of the day. I guess the test of that will be in the appointment.

Mrs GERAGHTY: My question relates to clause 22, which provides that the annual licence fee for a licence 'is the fee fixed from time to time by the Minister in respect of that licence as an amount that the Minister considers to be a reasonable contribution towards administrative costs'. That is associated with the Electricity Supply Industry Planning Council, the Office of the Independent Industry Regulator and, of course, the cost of administering these Acts. What formula will the Minister use to determine what is a reasonable cost for recovery?

The Hon. M.R. BUCKBY: I will seek advice from the Treasurer. That is a detailed question and I do not have an adviser here with me. When I spoke to the Opposition earlier, I was advised that there would not be any questions to these amendments. I will seek an answer to the honourable member's question as soon as possible.

Mrs GERAGHTY: I would appreciate that because there is a concern, depending on the formula that will be used to recover costs, that if that formula is inadequate then the costs of administering this could be borne by the taxpayer. I would appreciate an answer as soon as possible.

Motion carried.

NEW TAX SYSTEM PRICE EXPLOITATION CODE (SOUTH AUSTRALIA) BILL

Received from the Legislative Council with a message drawing the attention of the House of Assembly to clause 36, printed in erased type, which clause, being a money clause, cannot originate in the Legislative Council but which is deemed necessary to the Bill. 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.

The object of this Bill is to give effect in South Australia to Commonwealth legislation aimed at preventing price exploitation as a result of the introduction of the New Tax System.

As part of the tax reform initiatives being pursued by the Commonwealth Government, the Australian Competition and Consumer Commission (ACCC) is being granted special transitional powers to formally monitor retail prices.

The new ACCC price monitoring powers are transitional, lasting for 3 years from 1 July 1999. Price exploitation is prohibited during this period, and is deemed to occur where goods or services are supplied at a price that is unreasonably high, taking into account the various tax changes and where the unreasonably high price is not attributable to the supplier's costs, supply and demand conditions or any other relevant matter. There are provisions for penalties of up to $10 million for a body corporate, and up to $500 000 for a person other than a body corporate. Actions to have these penalties imposed will be taken by the ACCC in the Federal Court.

The Commonwealth *A New Tax System (Trade Practices Amendment) Bill 1999* ('the Commonwealth Bill') inserts a new Part VB into the *Trade Practices Act 1974* of the Commonwealth ('the TPA'). The Commonwealth Bill also inserts a new Part into the Schedule to the TPA, known as 'the Schedule version of Part VB'. The Schedule version of Part VB is modified to refer to conduct by 'persons' rather than 'corporations'.

The Commonwealth Bill will be complemented by legislation to be enacted in each State and Territory pursuant to the intergovernmental Agreement on Reform of Commonwealth-State Financial Relations made at the Premiers' Conference held in Canberra on 9 April 1999. The aim of the State and Territory legislation is to apply the provisions of Part VB of the TPA to those persons and activities that do not or may not fall within the legislative power of the Commonwealth Parliament (for example, business activities of individuals or partnerships).

The State and Territory legislation does this by applying, throughout Australia, the 'New Tax System Price Exploitation Code' ('the Code'). The Code consists of the Schedule version of Part VB and the other provisions described in clause 4(1) of the proposed Act.

Explanation of Clauses

PART 1

PRELIMINARY

Clause 1: Short title

Clause 2: Commencement

This clause provides for the commencement of the proposed Act by proclamation but the date proclaimed cannot fall before the commencement of the Commonwealth Bill. The Commonwealth Bill comes into operation on the day after each of the following proposed Commonwealth Acts receives Royal Assent:

- the *A New Tax System (Goods and Services Tax) Act 1999*;
- the *A New Tax System (Goods and Services Tax Imposition—Excise) Act 1999*;
- the *A New Tax System (Goods and Services Tax Imposition—Customs) Act 1999*;
- the *A New Tax System (Goods and Services Tax Imposition—General) Act 1999*; and
- the *A New Tax System (Goods and Services Tax Administration) Act 1999*.

The operation of s. 7(5) of the *Acts Interpretation Act* is excluded in case the Commonwealth legislation does not come into operation within two years.

Clause 3: Interpretation

This clause contains interpretative provisions for the proposed Act. Clause 3(1) contains a list of definitions. These are as follows:

'application law', this is the same as in proposed s. 150L of the TPA, to be inserted by the Commonwealth Bill;

'Commission', this is the same as in s. 4 of the TPA;

'instrument', this is the same as in s. 3 of the *Competition Policy Reform (South Australia) Act 1996* ('the CPRVA');

'jurisdiction', means a State, which includes a Territory;

'law', this is the same as in s. 3 of the CPRVA;

'modification', this is the same as in s. 3 of the CPRVA;

'month', this is the same as in s. 3 of the CPRVA;

'New Tax System Price Exploitation Code', this is the same as in proposed Part XIAA of the TPA, to be inserted by the Commonwealth Bill;

'New Tax System Price Exploitation Code text', is the text described in clause 4 of the proposed Act;

'officer', this is the same as in proposed Part XIAA of the TPA, to be inserted by the Commonwealth Bill;

'participating jurisdiction', is a jurisdiction that applies the Code;

'Schedule version of Part VB', this is the same as in proposed s. 150L of the TPA, to be inserted by the Commonwealth Bill;

'State', includes a Territory;

'Territory', means the Australian Capital Territory and the Northern Territory of Australia;

'this jurisdiction', in this Bill means South Australia; (However, this will differ in other jurisdictions.)

'Trade Practices Act', means the *Trade Practices Act 1974* of the Commonwealth.

Clause 3(2) provides that expressions used in this Bill have the same meaning as in the TPA. Clause 3(3) provides that references to a Commonwealth Act include the Act as in force from time to time, and any Act that may replace the Commonwealth Act.

PART 2

THE NEW TAX SYSTEM PRICE EXPLOITATION CODE

Clause 4: The New Tax System Price Exploitation Code text

This clause defines the New Tax System Price Exploitation Code text that will be applied as the Code. The text consists of:

(a) the Schedule version of Part VB;

(b) the remaining provisions of the TPA (with some exceptions), so far as they would relate to the Schedule version of Part VB if it were substituted for Part VB;

(c) relevant regulations made under the TPA; and
(d) the guidelines to be published by the Australian Competition and Consumer Commission ('ACCC') under proposed section 75AV of the TPA.

The provisions referred to in paragraphs *(b), (c)* and *(d)* above are to be modified as required to fit in with the Schedule version of Part VB, and in particular, so that references to 'corporation' are to include references to persons other than corporations.

Clause 5: Application of New Tax System Price Exploitation Code

This clause is the principal operative clause of the Bill. It applies the Code as a law of South Australia.

Clause 6: Future modifications of New Tax System Price Exploitation Code text

This clause sets out a scheme for the future modification of the Code text by Commonwealth legislation. The scheme provides that there is to be a least a two month gap between the modification of the text by the Commonwealth Act or Regulation, and the application of the modifications under clause 5. The modification is deemed to occur on the date the Commonwealth Act receives Royal Assent or the Regulation is notified in the Commonwealth of Australia *Gazette*. The two month period can be shortened by proclamation. Alternatively a proclamation can provide that a modification is not to apply at all in the State.

Clause 7: Interpretation of New Tax System Price Exploitation Code

This clause provides, for the purposes of uniformity, that the *Acts Interpretation Act 1901* of the Commonwealth applies to the interpretation of the Code, instead of the *Acts Interpretation Act 1915*.

Clause 8: Application of New Tax System Price Exploitation Code

This clause sets out the classes of persons to whom the Code applies as a law of South Australia.

Clause 9: Special provisions

This clause makes it clear that, subject to clause 8, the Code operates extra-territorially.

PART 3
CITING THE NEW TAX SYSTEM PRICE EXPLOITATION CODES

Clause 10: Citing of New Tax System Price Exploitation Code

This clause provides for citation of the Code, applying as a law of South Australia.

Clause 11: References to New Tax System Price Exploitation Code

This clause provides that a reference to the Code in any instrument is to be construed as a reference to the Codes of any or all participating jurisdictions, except where the contrary intention appears in the instrument or the context otherwise requires.

Clause 12: References to New Tax System Price Exploitation Codes of other jurisdictions

This clause provides that, where a law of a participating jurisdiction other than South Australia applies the Code text as a law of the jurisdiction, the Code of that jurisdiction is the Code text, applying as a law of that jurisdiction.

PART 4
APPLICATION OF NEW TAX SYSTEM PRICE EXPLOITATION CODES TO CROWN

Clause 13: Application law of this jurisdiction

This clause provides that this Act binds the Crown in right of South Australia and each other State and Territory, so far as the legislative power of the South Australian Parliament permits. In line with section 2B(1) of the TPA, the Act binds the Crown only so far as the Crown carries on a business, either directly, or by an authority.

Clause 14: Application law of other jurisdictions

This clause provides that the applications law of other participating jurisdictions bind the Crown in right of South Australia so far as the Crown carries on a business, either directly, or by an authority.

Clause 15: Activities that are not business

This clause identifies, for the purposes of clauses 13 and 14, certain activities that do not constitute carrying on a business. This is not an exhaustive list of non-business activities.

Clause 16: Crown not liable to pecuniary penalty or prosecution

This clause provides that nothing in this Act, or an application law of any other participating jurisdiction, renders the Crown liable to a pecuniary penalty or to be prosecuted for an offence. This protection does not extend to an authority of any jurisdiction.

Clause 17: This Part overrides the prerogative

This clause makes it clear that where, by virtue of this Part, a law of another participating jurisdiction binds the Crown in right of South Australia, that law overrides any prerogative right or privilege of the Crown (e.g., in relation to the payment of debts).

PART 5
NATIONAL ADMINISTRATION AND ENFORCEMENT OF NEW TAX SYSTEM PRICE EXPLOITATION CODES
DIVISION 1—PRELIMINARY

Clause 18: Object

This clause states that the provisions of this Part are aimed at promoting the uniform administration of the Codes of the participating jurisdictions, as if they were a single Commonwealth Act.

DIVISION 2—CONFERRAL OF FUNCTIONS

Clause 19: Conferral of functions and powers on certain bodies

This clause confers on Commonwealth officers and authorities (including the ACCC) the powers and functions that are conferred on them under the Code of this jurisdiction.

Clause 20: Conferral of other functions and powers for purposes of law in this jurisdiction

This clause provides that the ACCC may do acts in South Australia in the performance or exercise of any functions or power conferred on it under the Code of another participating jurisdiction.

DIVISION 3—JURISDICTION OF COURTS

Clause 21: Jurisdiction of Federal Court

This clause confers jurisdiction in all civil and criminal matters arising under the Code on the Federal Court of Australia.

Clause 22: Exercise of jurisdiction under cross-vesting provisions

This clause provides that nothing in this Part affects any law of South Australia relating to cross-vesting of jurisdiction.

DIVISION 4—OFFENCES

Clause 23: Object

This clause states that the provisions of this Division are aimed at furthering the object of this Part by providing that an offence against the Code of this and other participating jurisdictions is to be treated as if it was an offence against a law of the Commonwealth.

Clause 24: Application of Commonwealth laws to offences against New Tax System Price Exploitation Code of this jurisdiction

This clause applies Commonwealth law as laws of South Australia to offences against the Code of this jurisdiction. An offence against the Code of this jurisdiction is taken to be an offence against a law of the Commonwealth and not a law of South Australia.

Clause 25: Application of Commonwealth laws to offences against New Tax System Price Exploitation Codes of other jurisdictions

This clause applies Commonwealth laws as laws of South Australia to offences against the Code of other participating jurisdictions. An offence against the Code of another jurisdiction is taken to be an offence against a law of the Commonwealth and not a law of that jurisdiction.

Clause 26: Functions and powers conferred on Commonwealth officers and authorities

This clause provides that a Commonwealth law that applies because of clauses 24 or 25, and which confers functions or powers on a Commonwealth officer or authority in relation to an offence against the TPA, confers the same function or power in relation to an offence against the corresponding provision of the Code of this or another participating jurisdiction.

Clause 27: Restriction of functions and powers of officers and authorities of this jurisdiction

This clause provides that where a function or power is conferred on a Commonwealth officer or authority under this Division, that function or power may not be performed or exercised by an officer or authority of this jurisdiction.

DIVISION 5—ADMINISTRATIVE LAW

Clause 28: Definition

This clause identifies the Commonwealth administrative laws to be applied under this Division.

Clause 29: Application of Commonwealth administrative laws to New Tax System Price Exploitation Code of this jurisdiction

This clause applies the Commonwealth administrative laws as laws of South Australia to matters arising under the Code of this jurisdiction. A matter arising under the Code of this jurisdiction is taken to be a matter arising under a law of the Commonwealth and not a law of South Australia.

Clause 30: Application of Commonwealth administrative laws to New Tax System Price Exploitation Codes of other jurisdictions
This clause applies the Commonwealth laws as laws of South Australia to matters arising under the Code of other participating jurisdictions. A matter arising under the Code of another jurisdiction is taken to be a matter arising under a law of the Commonwealth and not a law of that jurisdiction.

Clause 31: Functions and powers conferred on Commonwealth officers and authorities
This clause provides that a Commonwealth law that applies because of clauses 29 or 30, and which confers functions or powers on a Commonwealth officer or authority, confers the same function or power in relation to a matter arising under the Code of this or another participating jurisdiction.

Clause 32: Restriction of functions and powers of officers and authorities of this jurisdiction
This clause provides that where a function or power is conferred on a Commonwealth officer or authority under this Division, that function or power may not be performed or exercised by an officer or authority of this jurisdiction.

PART 6
MISCELLANEOUS

Clause 33: No doubling-up of liabilities
This clause provides that a person who has been punished for an offence against the TPA or an application law of another participating jurisdiction is not liable to be punished under the Code of this jurisdiction for the same offence.

Clause 34: Things done for multiple purposes
This clause ensures that things given or done for the purposes of the Code of this jurisdiction are not invalid simply because they are also given or done for the purposes of the TPA or the Code of another participating jurisdiction.

Clause 35: Reference in Commonwealth law to a provision of another law
This clause provides that a reference in a Commonwealth law that is applied under section 24, 25, 29 or 30 to a provision of another Commonwealth law is to be construed as if the provision referred to was also applied under the relevant section.

Clause 36: Fees and other money
This clause provides that all fees, taxes, penalties, fines and other moneys payable under the Code of this jurisdiction are to be paid to the Commonwealth. This does not apply to any amount that a court orders to be refunded to another person.

Clause 37: Regulations
This clause authorises the Governor to make regulations for the purposes of the Act.

SCHEDULE

Amendment of Competition Policy Reform (South Australia) Act 1996

This schedule contains a consequential amendment. Under the Commonwealth Bill, the Schedule version of Part IV of the TPA (which forms the basis of the Competition Code) will become Part 1 of the Schedule to the TPA, while the Schedule version of Part VB of the TPA will become Part 2 of the Schedule.

Section 6 is amended to ensure a consistent approach is taken to the application of future modifications to the relevant code.

Mr FOLEY (Hart): This is an important piece of legislation, one which the Opposition has supported in another place and has agreed to its passage through both Houses of Parliament this week. This new tax system price exploitation Bill allows elements of the Trade Practices Act to be applicable to South Australian law to ensure that, when the GST comes to a street near you, sufficient safeguards are in place to ensure that, if unscrupulous manufacturers, retailers, businesses or individuals want to make added profit out of the application of the GST, they will face a significant fine. For an individual, that fine will be up to $500 000 and, for a body corporate, it will be up to $10 million.

The legislation is designed to ensure that there is no price exploitation and that, once the wholesale sales taxes are removed from particular items with the application of the GST, there will not be any significant increases in the margin, although they might be able to get away with little added margins of 1 or 2 per cent. Provided it is detected and can be proven, companies or individuals will face some very significant fines. This will be a very difficult tax measure to police. The ACCC will have total responsibility for this measure, but I am advised that it is likely to have only 40 officers nationwide to police it. On a pro rata basis, that gives South Australia about 9.5 people to police the implementation of the GST. There is a lack of numbers available to the ACCC, but I do not think that companies trading should consider it to be a worthwhile risk to add extra margin to their profits by exploiting the obvious confusion that will apply once the GST is implemented.

This Bill is effective from 1 July and it has a sunset clause for 2002, which is two years post the introduction of the GST. From that time onwards it is hoped that the system will have sufficiently bedded down, that the operation of the GST will be understood by the community and that any anomalies that may have arisen will have worked their way through.

The important thing to remember is that the GST is a tax on which the Labor Party was at one in its opposition. However, that battle has been fought and lost. The issue now is the implementation of the GST, and the very thing that we should be mindful of is the effect of the GST on the community. We are already seeing many unintended consequences of the GST. It appears that the effect of the GST on inflation has been reasonably if not significantly underestimated, and that will flow through to the CPI with a potential impact on the rate of interest in this country. Equally the impact on low income earners, particularly pensioners, will cause more grief than was initially envisaged.

Not by any stretch of the imagination do I suggest that anything other than 2 or 3 per cent of the community would endeavour to take advantage of the implementation of a GST, but there will always be a small element of the business community that will. When I say 'small', I do mean small, but it only needs to be one or two players in a market to have adverse impact on the budget of ordinary Australians. One of my colleagues in the Federal Parliament, Wayne Swan from Queensland, has already undertaken some preliminary research in supermarkets, and I have started to see it happen as wholesale sales tax is removed.

The Hon. G.M. Gunn interjecting:

Mr FOLEY: That is a good point, which is not lost on me. We are seeing price changes in the supermarket, and that is where a degree of vigilance will have to occur. I do not know about too many of my colleagues in this place, but I sometimes do the shopping, not often I might add, and I have to confess that, as I push the trolley down the aisle, I am not overly conscious of the exact price that I am paying for a can of tuna or a packet of Coco Pops for the kids.

Mr Hamilton-Smith interjecting:

Mr FOLEY: Thankfully they are, but that is where the trap could be the most significant with the GST, because of the added confusion. Wholesale sales tax is coming off goods and the GST is going on but, because some processed items will not attract the GST, that will create confusion. The community needs to be very careful because the potential exists for mistakes to occur, although I am not suggesting that they have to be deliberate, but that could be an impact. When I push the trolley down the supermarket on my next visit, which I am sure will be very soon, I will be more conscious about the prices of the goods on the shelf and monitor them.

The Hon. G.M. Gunn interjecting:

Mr FOLEY: As the member for Stuart says, he will do the same. We in the Labor Party wish that we did not have to live with a GST, but as there is one, consumer protection is absolutely paramount. This legislation in part goes towards

delivering that. I am not naive enough to suggest that this will be sufficient or that it is the best possible measure, but it is a start. I also point out that it is uniform legislation amongst all the States of Australia and we do not have the ability to amend the legislation. The Opposition indicates its support for the Bill.

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): I thank the Opposition for its support of this Bill. It is an important aspect of the GST that, as the honourable member pointed out, this power be given to the ACCC to monitor prices for three years. When the package was first presented, it was for a 10 per cent goods and services tax over all items, so it was a relatively simple tax and one that could be easily monitored. As the member for Hart said, the changes made to the tax by the Senate mean that processed items will be taxed but that food items that are not processed will not be taxed, so the tracking process is more difficult for consumers to maintain. It is important that the ACCC be given power to ensure that unscrupulous manufacturers and retailers in the marketplace cannot seek to gain some advantage out of this, so this is a very sensible piece of legislation.

It provides some protection for the consumer that a watchdog is overlooking the process, and the fine of $500 000 should be a significant deterrent to anybody who is considering trying the system out, so to speak, to gain some benefit to themselves. I thank the Opposition for its support and commend the Bill to the Committee.

Bill read a second time.

In Committee.

Clauses 1 to 35 passed.

Clause 36.

The Hon. M.R. BUCKBY: I move:

To insert clause 36.

This is a money clause and the Legislative Council is unable to insert the clause which is before the Committee.

Clause inserted.

Schedule and title passed.

Bill read a third time and passed.

ASER (RESTRUCTURE) (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 3 August. Page 1956.)

Mr FOLEY (Hart): This piece of legislation is similar to a couple of others with which we have had to deal tonight in that it has been around this place for quite some time. I was briefed initially on this legislation some four or five months ago, but it has found its way back to this House. As I have said previously, Mr Speaker, and as you no doubt would recall, the fact that the Treasurer resides in another place does have its frustrating moments, none more so than when one is briefed on a piece of legislation but it is introduced in another House, and one tends to lose track of it only to see it appear from nowhere in this place. As I said earlier, my colleague the shadow Minister for Finance (Hon. Paul Holloway) has done a very good job in ensuring—

The Hon. G.M. Gunn: You are lucky you have him there!

Mr FOLEY: Absolutely lucky I have Mr Holloway in that place. He has taken the Treasurer through this legislation and he has ensured that all issues of concern to the Opposition are covered. As my colleagues would be aware, we were a little unsure of a few points and it was important that we asked the right questions, which we did, and with those questions came the answers. This is an interesting piece of legislation. We touched on this issue earlier today. I know the member for Stuart thinks I do not know much about this Bill, but I am prepared to expand on my knowledge.

We talked earlier about ASER, the parklands and encroachment upon the parklands. This is very much at the centre of that discussion. This is about preparing the ASER development for sale to ensure that we have a proper division of responsibility for the management and care of the ASER site. As there are various stakeholders on the ASER site, responsibilities have to be taken for ensuring that those shared facilities and so on are properly maintained. This is what this Bill is about. A couple of issues I found interesting at the time related to who has to pay what. I was of the view that the Government seemed to be paying more than it should be for its share of maintaining this area, but, at the end of the day, the amount was not of overly significant proportions, so therefore I accepted the answer.

However, it is yet again the Opposition being prepared to assist this Government in restructuring ASER and sorting out the issues of shared facilities so that, if and when various assets of ASER are sold, it is done in the best interest of the taxpayer. Let it be noted yet again that this is another piece of legislation—one of many pieces—for which the Opposition has extended the hand of bipartisanship, and with that I conclude my comments.

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): I thank the member for Hart for his contribution and I also thank the Opposition for its support. As the member for Hart has said, this Bill is in the House to aid the sale of the Casino which is inherent on the ASER site. One of the other aspects which it seeks to undertake though is to put in place procedures which will assist with the Riverbank precinct development. This will enable the Government, in due course, to separate and develop the areas along the Torrens River adjacent to the ASER site and adjoining King William Street. It is an important Bill in that it separates those particular areas. I thank the Opposition for its support and commend the Bill to the House.

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

EMERGENCY SERVICES FUNDING (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 3 August. Page 1993.)

Ms STEVENS (Elizabeth): I would like to make a few comments on this matter. I know extensive remarks have been made by our shadow Minister the member for Elder, the Leader of the Opposition and others on this side of the House, but I would like to make a few points in relation to this matter and my constituents in the electorate of Elizabeth. First, I make the point that after the State budget this year, the next day, the Friday, my office had its busiest day ever fielding angry, enraged constituents in relation to the emergency services tax. As I was saying, this was quite exceptional. Telephone call after telephone call was made to my electorate office by people enraged at the fact that they were going to

have to pay so much for this tax. They were very angry with the fact that, 18 months ago, we had supported the Bill in this House to bring in such a levy.

Of course, I had to explain to them that we were tricked and that what we thought we were agreeing to 18 months ago was a fairer more equitable allocation of the funding requirements for emergency services across the board. As we all know, the old system did have inequities. It worked on the basis of collecting the bulk of funding for the Metropolitan Fire Service and the Country Fire Service through insurance premiums on homes and loans.

In fact, 75 per cent of funding for the Metropolitan Fire Service and the Country Fire Service was raised through legislation that required a levy on insurance premiums. The remainder of those budgets was funded by State and local government. The system was unfair because many people chose not to insure or were underinsured, thus they received the benefits of services for which other people paid. The trouble with the new system, as we know now, is that it raises far more than the money raised under the old system and has simply turned into a Government tax grab.

I found it quite galling to explain to my constituents that what we, in good faith, agreed to 18 months ago—a more fair and equitable way of collecting the money for vital emergency services from which we all benefit—has turned into a naked tax grab for a range of other matters. I have read the select committee's report and its conclusions were really no surprise. The committee's report made the point that the amount to be raised by the levy, as we all know, will be significantly more than that raised from insurance premiums via the fire services levy—$141 million against, roughly, $80 million.

The report mentioned that the additional funds are required to pay for other areas that were previously funded from consolidated revenue. So, this naked tax grab, taking extra money from the community, will enable the Government to fund other projects. The committee particularly raised the issue of the Government radio network, which will cost $250 million. I was really pleased to see that the committee drew particular attention to that issue. Recommendation 8 of the committee's report recommends that the Government review its commitment to the Government Radio Network due to its high cost and examine options for lower cost solutions to remedy existing communication problems.

No-one is saying that there is not a need to increase the effectiveness and to make improvements to the communication systems of our emergency services. We all agree that that is a priority. What we are concerned about is that the solution chosen by the Government costs one quarter of a billion dollars. When we look at what is happening in our health system today we should all hope that the Government might have consideration for other priorities and be a little more careful in the way that it distributes its money so that significant other priorities in the community also receive their rightful share of the Government's income.

People in my electorate are doing it pretty hard and mine is not the only electorate where that is the case. We know that nearly half of South Australian families are doing it tough. Just the thought of having to pay the extra impost on their homes, cars, trailers and whatever else, is an added burden. It is just another bill they must pay. People resent it and they are finding this levy very difficult to accept. And that is particularly the case when they know that they have virtually been tricked into a levy that is raising much more money than was necessary under the original proposition.

I want to raise the issue of local government. As we all know, quite a dispute has occurred between the Local Government Association and local councils. I have received letters from all the local councils covered by my electorate asking what will happen to their funding now that the funding for emergency services is to be taken over by the State Government. I understand that an agreement has been reached with the State Government in relation to local government matters, and I would be very interested to hear from the Minister when he sums up as to the exact nature of this agreement.

As we all know, in the beginning the then Minister (Hon. Iain Evans) gave an undertaking at a meeting with the Local Government Association and in the presence, I believe, of mayors of all local councils that when the Government took over the funding of emergency services (which, until this time, local government bodies had been in part funding) local government would see the benefit of the State Government's decision. This decision was later retracted by the current Minister for Emergency Services and the Local Government Minister. This has caused considerable consternation to local government bodies because, of course, it occurred at a time when they were just getting their budgets together; and it was a significant amount of money—in the hundreds of thousands of dollars certainly for the larger councils.

I would be very interested to hear from the Minister whether an agreement has been made. Certainly an agreement should have been made that would allow local government the ability to pass on those savings to their own constituencies, either as a reduction in rates or in the provision of extra services. I say again that the Opposition agreed to this Bill on the understanding that it was a more fair and equitable way of collecting a very necessary sum of money to provide for very necessary services in our community. However, what we have is a naked tax grab that collects far in excess of what could reasonably be expected to be collected under those original conditions.

In particular, we have a huge amount of money being collected to fund the Government radio network contract, which this committee has agreed is a very expensive solution. My constituents are angry about it. I have listened to other speakers in this House on this Bill and I have heard what they have said about what their constituents think. I agree that this Government will pay a price for this decision and it deserves to, because this is another example of its dishonesty and its attempts to hoodwink the electorate and deceive it in terms of its real intentions.

Local government bodies—and I have four across the electorate of Elizabeth—have also been very angry in terms of what happened in relation to them, and I hope that the Minister will be able to clarify that aspect. Even the people involved in the emergency services have some questions about how this will all work out for them and how it relates to their property and who gets what. Some emergency services presently have a very high standard of equipment and they want to know how this will all work out. All in all, it has been a pretty poor show, and the Government will pay the price. Certainly, I believe that the electorate will not forget this measure.

Mr McEWEN (Gordon): I will not repeat what many other members have said in this place. This is probably a landmark in terms of an appalling decision of the Government. Unfortunately, we find the Minister trying to put a very brave face on the indefensible. In fairness to the Minister, I

think that he was left with this poisoned chalice and he has to bear the brunt of the acrimony. This has caused an enormous resentment in the community that I represent.

I have a number of people who have had full fire insurance, had paid the levy and now find that they will pay up to 10 times as much. People who were paying $100 to $150 will now pay more than $1 000. This means that something has gone sadly wrong, and we cannot go into denial mode. If something is that wrong, it must be fixed. They got it wrong. This is not a levy: this is a broad-based capital tax. It is no more than a capital tax. It is indiscriminate and grossly unfair.

I appreciate that the raising of the tax is part of the Government's money Bills, that it is part of the budget, and there is nothing we can do about it in this place. The Government has to wear the acrimony of that. But to go from an expenditure of about $80 million to an anticipated expenditure of $140 million, or even to go from the foreshadowed expenditure of the Minister who initially introduced the Bill of between $90 and $100 million to $140 million is what has caused the problem. It is a grab for cash. It is a grab for about $50 million more than should have been asked for. That is what has caused the problem. In part, it is because of some most unsatisfactory decisions on the expenditure side.

I do not need to say much about the $250 000 000 Government radio services network which is fast becoming an emergency services network. It was once going to be a mandated whole of Government radio service network. It is now becoming more and more an emergency services network, far in excess of what many people asked for and not consistent with claims that were made in Coroner's reports in terms of the need to upgrade communications. So, the Government has actually grasped at straws on a number of occasions in trying to appeal to us with respect to putting volunteers at risk again to defend the indefensible. This is not a good decision.

How can we spend $247 000 000, keeping in mind that it has risen from about $130 million (I hope it is not still climbing), along with the more than $9 million to collect it? That is the other problem that the Government faces: to rake back over $9 million to collect it. It has it badly wrong, and to try to amend the Bill and freshen that up but to leave this tax in place is a sad indictment on the Party. Once it saw that it had made a mistake, it should have immediately set about to correct it. I know that it will be reminded week in, week out now for the next two years unfortunately, and this will be very destabilising.

Some members in this place will have their speeches quoted back to them word for word, and there are a couple of them that are absolute rippers. One says, 'In one to one meetings with the Minister, I sought and gained a guarantee.' You can imagine how some of these lines will be used. It will not take Einstein to build a very damaging case against many members, again unfortunately, for something that was not of their making. A number of the Liberals who will be attacked because of this expected as I did that this would be fair and equitable, and will just have to put on a brave face. This will have long-term unfortunate ramifications for conservative politics in this State.

Mr WILLIAMS (MacKillop): Most of it has been said before. This has been quite a lengthy debate, and Opposition members in particular have put in a more succinct way than I will be able to the feelings and incredulity of many of those people out in the electorates to this emergency services levy when they realised what it would do to them. Collecting $141 million equates in very round figures to approximately $100 per South Australian. I, like everybody else, accept that we have to pay for the services that are provided by Government, and we must do that through various taxation methods, but I have a philosophical problem with capital-based taxation. I always have done so, and I always will do so, but we seem to be moving inextricably towards imposing user pays based taxes for everything to which we can apply them.

We seem to be applying capital based taxes quite regularly with no thought for the long-suffering taxpayer. One of the problems is that certain groups of taxpayers seem to get hit every time. It irks me that one of those groups that gets hit—and it amazes me that it gets hit every time by this Government—is the farming community. I have said it before and it has been said many times by others: we all know that the farming community are asset rich and income poor. Because they are asset rich, every time there is a capital based tax, they pay far more than their fair share, in my opinion. Not only that, but also it is easy to identify amongst the farming community the services that they use. Every time a user pays based levy or tax is applied, it seems to hit the farming community.

The farming community has been encouraged over the years to form producer and commodity bodies, and those groups are encouraged to levy the producers quite regularly for every different commodity and undertaking that goes on out in the bush. There seem to be livestock levies, grain levies, etc., to fund their own industry. These are costs which were traditionally borne by the taxpayer in general, but they have been sheeted home to these people. The farming community has still been asked to pay its share to fund all the other things that they could not be identified as using.

One of my constituents said to me recently with regard to this particular levy (and it could have been with regard to a water levy or any other number of taxes or charges that have been applied to them in recent times), 'I do not mind paying for things that I use. I do not mind when the Government identifies that I use a particular service and then says that I will have to pay for it and sends me a bill. But there are many things I do not use, and I can easily identify them, but I never get a rebate.' This is a problem.

One of the most heinous effects of this capital based levy is its impact on individuals. It has been introduced with very little thought to the way it would impact on individuals, and I refer in particular to the many people in my electorate and the electorate of Gordon, which is very rich farming country and where the land-holdings are quite small. When the land was first settled, the blocks were surveyed out to be very small. The idea of the surveyors of the day was to divide the land into livable areas. With the trend working against farming commodities over the last 150 years, a living area now is nothing like a living area was 150 years ago. Over that period, farming families have actually bought out other farmers and other land-holdings, but those properties are not necessarily contiguous. They might be scattered over a range of anything up to 40 to 50 kilometres.

With respect to the way in which this levy will be applied, as it has been put before this House, if these assessments or titles are not contiguous, the land-holders would start off paying a $50 flat fee. That has had an enormous adverse effect on the people who have tried to calculate what they would be paying under this arrangement.

Many farmers have traditionally paid a reasonable level of insurance, and they were assured that they would not be paying more under this measure. Although traditionally they

have paid hundreds of dollars towards the emergency services of this State, they now find themselves paying thousands of dollars. This is very common.

One constituent rang me recently and said that he had 21 separate non-contiguous parcels of land which indeed form one farming enterprise. It is not that it is much bigger than many other farms: it is just that they are scattered around. His family has been in the area for many years and they have slowly built it up. Because of the way the farm has been built, those pieces of land are not all held in the one name. Some are held in his name, some in his wife's name, some in his brother's name and some in combinations of names, and they are not contiguous. So, from the outset he was faced with $1 050 of levy before any capital valuation was applied and before he paid any levy on the array of vehicles he uses to manage his business. On the average farm that will run to quite a few vehicles, which are captured in the net at $32 and $8 each.

I suggested a few minutes ago that the total take of this tax should equate to about $100 per head. I would suggest that for the average farmer it would be more like $300 or $400 a head if he has two or three children living at home. If the farmer is unfortunate enough that his children have already left home, he will be paying $1 000 each for himself and his wife, and his children will be living elsewhere, perhaps in the city, and contributing otherwise. This levy will impact much more harshly on the communities I represent than it will on those which other members represent. I foreshadow that my colleagues and I here on the cross benches will endeavour to do something about that in Committee.

Harking back to my aversion to capital based taxes, it was not so very many years ago that, shortly after the Liberals came to power in South Australia, they were very chuffed about their ability to change the water rating system here in South Australia, because of their aversion to the capital based water rates that were paid by householders here in South Australia. They thought they did a great job. Somewhere between then and now they have certainly lost their way.

In conclusion, just today and over the past few days we have been debating a new Local Government Act. In introducing that legislation into the House, the Local Government Minister has certainly recognised the problems in the farming community associated with non-contiguous parcels of land held and operated as the one enterprise. The new Local Government Act recognises that, and in the later stages my colleagues and I will try to apply a similar recognition in this legislation.

Mrs MAYWALD (Chaffey): My contribution tonight will be brief. A number of speakers have raised a number of matters that have been of concern to constituents right across South Australia, and I join them in contributing to this debate. It seems to me that this is a perfect example of how quickly an idea that has broad support can go terribly wrong. The emergency services levy was introduced last year on the basis that it was a much fairer system of collecting an amount of money to fund a service which is much needed across this State. It would also be a way of improving the funding avenues available to those emergency services so that our volunteers would be better equipped to serve the people of South Australia.

When the Bill passed through the House I was of the understanding that no person who was currently paying a fire levy would be worse off; that we would be broadening the tax base and therefore making it fairer in that everyone would be contributing, not only those who were paying insurance. Now I find that many in my electorate will be paying three, four, five and up to 10 times what they were previously paying for their emergency services levy. Those very same people are often the volunteers who are going out fighting fires and attending road accidents. I believe that this is an unconscionable change from what I thought was a very good principle initially. I supported the establishment of the Select Committee on the Emergency Services Levy to look into what had happened and what had gone wrong.

The committee was unable to change the levy at this stage, because that would have involved blocking supply and it would have been inappropriate. However, the committee uncovered a number of areas where I believe that this Government has lost faith with the public. When we say that we are going to introduce a fund that will provide better services within the community and provide better operational expenditure coverage for those volunteer based organisations, then come out with a levy that drastically increases the contribution by $60-odd million, and then find that those very services have to operate on the same budget because we have teething problems and are sorting through the issues, I think it is a hard sell for the Government and the new Minister who has been handed this. The community out there is rightly distressed about it, and the Government needs to do a lot of soul searching before next year's emergency services levy comes up for review. It must look at the fairness and equity of a number of the issues concerning this levy, not just the quantum.

I am concerned that there is nearly $24 million relief to consolidated revenue, a transfer of responsibility from general revenue into a fund that was never really meant to fund the types of services that are now being financed out of that fund, including $9.2 million to collect the levy. Some $16.8 million will now be contributed for SAPOL. In the original estimates that were put forward by the advisory committee and Justice Department, $9.2 was the contribution that should go to SAPOL. Under investigation by the select committee it was established that it needed to go up to $16.8 million for the SAPOL contribution because of other services, one of which was disaster planning and management. Fair enough; disaster planning and management may fall within the emergency services criteria, but I have to question $8.1 million worth of salaries for disaster management and planning to come out of the emergency services fund.

I have great difficulty in being able to go back to my constituency and say the Government has done the right thing on a number of matters. The advisory committee itself is hamstrung, and it is an abuse of a committee to put it in a position where it does not have the powers to adequately review what is being presented to it. The advisory committee was established—in good faith once again—through an amendment in the Upper House to be a watchdog over what the Government did. It proved to be fruitless, because the Government was able to do basically what it wanted anyway, and the advisory committee is put in a position where the Government can stand back and say, 'But, hey; they said it was okay.' Yet, the information provided to that committee is provided from the Justice Department, and it has no powers to pursue any review of the figures presented to it or any scrutiny of the information provided.

For that reason I support the amendment that removes the advisory committee as the statutory body that is currently appointed by the Minister to look at the levy. I do not believe it has the powers to do it appropriately. I do believe there is

a place for an advisory committee, but I would suggest to the Minister that, if he wanted to pursue that, it should be through an administrative action rather than a legislative action. I believe the Economic and Finance Committee to be the appropriate body to review this levy, prior to the Governor's approval, because I believe that the Economic and Finance Committee has the powers appropriately to scrutinise all the issues.

A number of recommendations that the committee put forward deal with risk and the risk factors of the proposed levy—or the implemented levy as it is. The levy does not go far enough in identifying risk. In my electorate the basis of the economy is irrigated horticulture. Irrigated horticulture is currently valued as a capital value, which includes the crop. I do not know about anyone in this Chamber, but I do not remember, nor do I recall anyone ever mentioning, a CFS unit being called out to an orange grove when it has been on fire. In fact, in an orange grove they simply turn on the sprinklers if something does happen to catch fire. So, they have virtually no risk associated with the capital value of that land, whereas a broadacre farmer does not have his crop included in his capital value and therefore does not contribute to the emergency services levy for the value of the risk of that crop. These are a couple of the fairness and equity issues that I believe need to be dealt with by the Minister before next year.

Another area of concern to me was the matter of contiguous and non-contiguous farming land. This issue has been widely canvassed by my colleagues before me, and I would support an amendment to fix this anomaly and adopt the principle applying in the Local Government Bill that non-contiguous land within the same farming entity will be considered to be one business enterprise and therefore subject to only one fixed charge.

Another anomaly raised by a number of organisations across the State involved the conditionally registered historic and left hand drive motor vehicle clubs. That was an anomaly overlooked at the time and the committee has been able to correct that on behalf of these groups. There needs to be a detailed investigation into reducing the costs of the levy. This was a recommendation of the committee. It will cost $9.2 million to collect the levy, which is absolutely extraordinary. We were told that that was necessary prior to the establishment of the select committee because we were setting up a new database that would be weird and wonderful and would cost a significant amount of money and we needed to contribute the $9.2 million. On further investigation it turns out that $1 million per annum over six years will be the set-up cost and $7.3 million will be the ongoing cost in salaries and various other outsourced services for Revenue SA to actually collect this particular fixed property segment of the levy. I find that extraordinary.

I also find it hard to digest that the Local Government Association was involved in discussions early in the piece and that the original steering committee of the emergency services levy fund was recommending that those negotiations with the Local Government Association and local government to be the collection agent for this levy be pursued. It appears that it got too hard in the very early stages, so it was just dropped and no consideration was given as to other avenues of collection that may have been cheaper. We have a Rolls Royce collection system here as we now have a commitment to a Rolls Royce radio network.

The radio network also concerns me greatly as it does many members of this House and many in the community. This has been going on for a number of years and we are yet to see any progress on having that system implemented. We are now talking of cost blow-outs of $100 million. We are also talking about technology that may be outdated. I am yet to find anyone out there in my community and constituency that is supportive of the system being implemented, and that concerns me. The real basis of this emergency services fund and the extraordinary amount of money being collected through this fund is those cost blow-outs on the GRNC. It is no secret, after the select committee has reported—it is very clear from the evidence we received—that the reason for the blow-out is the GRNC. I only hope the Government will be able to get its money's worth out of the radio network over the next few years and that it does not turn out to be a dud and a white elephant that has cost this State dearly. For that reason I support the committee's recommendation to review the commitment to the radio network. It needs to be reviewed on the basis that, if there is a way to do it more cheaply and an opportunity for the Government to pursue that, it should closely look at it.

I am disappointed with the outcomes of the select committee and with the outcome of the levy. It has let down the people of South Australia and they feel justifiably cheated by it. With the quantum of the levy increasing from $82 000 in expenditure last year to $141.5 million being collected this year and no extra expenditure funds available for the emergency services units at this point, is it any wonder that there is a lot of scepticism out in the community? The Minister has told me that whenever you introduce something new it takes time to sort out the teething problems in getting it working properly. I am certainly hopeful that over the next two years he can achieve the goals of making it work properly, selling it to the community and making it beneficial to the people out there who are supporting our communities with emergency services.

The Hon. R.L. BROKENSHIRE (Minister for Police, Correctional Services and Emergency Services): I move:

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

Motion carried.

The Hon. R.L. BROKENSHIRE: I would like to say a lot of things after having listened to the second reading speeches but, given the time of the evening and the fact that there will be a chance for members to speak further in Committee, I will be reasonably brief. I understand and expect that when you bring in something new, something important for the future of the South Australian community, you create exposure and provide an opportunity for the Opposition to have a go at the political games. That is to be understood. But at the end of the day we are bringing in a new levy that over a period of 24 years people have been requesting this Parliament to introduce. There have been five reports, the final one having been tabled in May last year.

If members were to cast their minds back to May last year and look at the independent committee report that was tabled, they would see that the Bill subsequently introduced was almost word for word the same as this measure. So, the bottom line is that everything has been transparent. I know that certain people feel disaffected in some way. It does not matter what happens in this Parliament: some people will feel that way. On the subject of people being disaffected, we could cast our minds back to the problems our Government inherited and is now working through. I will not go into that

in detail now as it is on the public record, but I will put a few other matters on the record.

Last year $80 million in round figures was collected for the emergency services levy. A proportion as high as 30 per cent of the people in this State, often involving very big companies that insured offshore for gains for themselves and not necessarily for the community of this State, were not involved in the old emergency services levy. If you take that 30 per cent and put it onto the $80 million already collected, you are looking at around $105 million. We can then consider a situation whereby we have the basic standards required for emergency services. In 'basic standards' I include such undertakings as the Government radio network, which is another matter on which the Opposition will always want to have a go, as it will do over the next 2½ years. At the end of the day, however, the Government radio network was a vital piece of equipment necessary for the protection of life and property in this State.

We saw what happened in Victoria recently with the Lynton fires. We saw what happened in New South Wales when the Coroner's report on the bushfires in that State was released. I saw on *60 Minutes* what happened that led to the death of one person, with four others being so badly burnt that in one case the woman in question has to use her head to change her bed pillow because of the intensity of burns to her body. I am well aware of what was reported in the 1983 Coroner's investigation and what is reported when I as Minister go around to the police, the CFS or SES across this State, namely, that the current radio network is in shreds. That is not the sort of thing that any responsible Government would be prepared to leave, as it has been left for years in the past, when it comes to the protection of life and property and to the occupational health and safety of those people who provide such a fine service, and I include here both the paid and volunteer staff.

The bottom line is that these things had to be done. They are not the sorts of sexy things you can provide, such as seats for people seeing performances in the Festival Theatre, or the construction of a tunnel through Eagle on the Hill to make life so much easier for motorists; but at the end of the day they are vital for the South Australian community. A colleague of mine estimated tonight that on average every South Australian would be paying $100 dollars a year as a result of the new emergency services levy. That may well be because you have big businesses and people who did not contribute previously, and across the board maybe what he said is right. But, what comes off? The fact is that $56 million was being contributed last year through the old levy. That is rebated back. The bottom line is that that is taken off the old insurance premiums. I say to everyone, and I put it on the public record: if you do not get that reduction then make sure you let the Insurance Council of Australia know and, indeed, if it is then not fixed it will be dealt with in this House. Let us get the politics out of this and let us put the facts on the table. There was a former levy; there will in the future be rebates, remissions and exclusions of the funding of those former levies.

The member for Elizabeth made a comment about councils. The councils have had a $13 million net saving as a result of this and they have also had a lot of responsibility taken away from them. Net savings of $13 million and responsibility being taken away from them is, I believe, very significant but, sadly, I have not seen local councils applauding the Government. I hope that the $13 million of savings will be transparent—just as the new levy is.

Before I conclude my speech, I want to refer to volunteers. It is very difficult when politics comes into a situation. Some members want to attack a Government radio network (GRN) with no knowledge whatsoever of how good it is. I am not an expert on the GRN, but people within my departments are experts.

Mr Foley: You are an incompetent Minister.

The Hon. R.L. BROKENSHIRE: Well, if we want to talk about incompetence we could get into some really serious debate about the 1983 to 1993 period of the Labor Government when there was gross incompetence—but I will not get into that tonight because I want to get on with this Bill. In relation to the GRN, if one talks to people in SAPOL who are responsible for looking at the technology and to people in other emergency services, one will see that this GRN is very well considered and very well developed for this State. The proof of the pudding will be in the eating.

In this House no-one gets a chance to deliver the goods before things are mangled around (to put it in simple South Australian language) particularly by the Opposition. The bottom line is that they forget to remind the people of South Australia that whether one is at Warooka, Naracoorte, Bute or on States Road at Morphett Vale, we have problems with our radio network. This is a vital piece of equipment.

With respect to the 24 years, the five reports and the volunteers, I am the first to admit that we cannot do the work across South Australia unless we have the magnificent support of volunteers. I can understand why some volunteers are a little frustrated at the moment. They have been putting in an enormous effort for their communities; and families have been backing them up at home when they have not been there to do their work on the farm or in business, or when they are at training or meetings at night. I put on the public record how much I deeply appreciate what they have done.

In time, as the member for Chaffey said, they will be able to see quite clearly how beneficial this is for them. Last Sunday, I had the opportunity of visiting the Mallee and the Riverland during a field day. I saw the commitment, the appliances and the equipment that were there for the CFS. I also saw what volunteer ambulance officers and the SES were doing. We have come a long way since 1983, but we have a lot further to go. We must get personal protective equipment that costs $500 per firefighter to equip them at level three; and we must address training, overweight vehicles, risk management and the incident stress situations. For example, volunteers in the South-East in the past 12 months have had to cut bodies out cars involved in fatal road accidents, and they have been involved in intense road trauma. We must look at those incident stress areas—and we are doing so.

But one cannot be in a neglected situation for 20 or 30 years and expect it to be fixed in the first year. I have been up front with that. The Government's commitment in the next few years is to do everything it can to catch up on that backlog but, again, one cannot catch up on a backlog unless one is collecting more to do it. How can one do more with the same? It is impossible. One must collect more if one is going to do more—and that is what is happening.

The principles of this legislation are sound and right. In another 20 years, when our children look back and see what happened in this Parliament in 1998-99 they will say, 'Thank goodness there was some vision, wisdom and general bipartisan support for the principles of this levy.' They will see that we are able to protect our communities and their property. There is nothing more important that any Govern-

ment can do for their community than, first, to protect life and property.

Subconsciously, every day when South Australians travel around the State they feel comfortable because we have committed volunteer and paid staff, state-of-the-art equipment, and, in some areas, equipment that needs replacing. However, they know that there is a commitment to look after them.

I conclude my remarks by touching briefly on the select committee. The Government supported the select committee, and I believe that there have been fair and reasonable outcomes from that committee. When members look at what was recommended by the select committee, they will see that many of those recommendations will now be put to us in the Committee stage. When something new is introduced, things may need adjusting—and I am the first to admit that. And that is happening. Credit should be given to this Parliament and the Government because those matters have been addressed quickly, and I hope all members of Parliament will let their constituents know that.

I want to finish on a couple of areas relating to agriculture. Consideration has been given to looking at rural areas and agriculture, in particular, when it comes to weighting and area factors. More will be done in this respect, because I understand that, in relation to pastoral areas, in particular, as has been stated by the member for Stuart, most of the work is done by volunteers and it is normally done for people outside their own community. More has to be done, but we have tried to look carefully at fairness and equity between the rural and metropolitan areas.

The advisory committee is where I want to finish this debate. I understand that some members have concerns about the advisory committee, but this committee is a very important one, as far as I am concerned, when one looks at this new direction with the emergency services levy. The advisory committee is independent and it is expert. There are on the committee three people from government (one from Treasury, one from local government and one from the department), and representatives from the Farmers Federation, the Real Estate Institute, the Real Property Council of Australia and the Local Government Association.

While I also admit that there was much discussion and input before that was decided during the debate in 1998, I believe it was a wise move to put the advisory committee into the Bill. I believe that in time that advisory committee will show its worth, and I appeal to members to consider that when we debate the Committee stage of this Bill.

I conclude by saying that at the end of the day, this is the way of the future. Other States are looking at this legislation because they know that it is important to quarantine and guarantee sustainability and strategic development opportunities for emergency services, and after 24 years one cannot get the gain without a little pain, but this is right and proper. As we work through the Committee recommendations, many of which the Government has already agreed to, we will see amendments that will remove inequities which some members have raised. However, the principles are sound and right and this levy is right for South Australia.

Bill read a second time.

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

That it be an instruction to the Committee of the Whole House that it have power to consider new clauses dealing with the powers of CFS officers under the Country Fires Act 1989.

Motion carried.

In Committee.

Clause 1 passed.

Clause 2.

The Hon. R.L. BROKENSHIRE: I move:

Page 1, line 14—Leave out 'come into operation on day to be fixed by proclamation' and insert:
be taken to have come into operation on 30 June 1999

This amends the proclamation clause and therefore affects the date of commencement of the amending Bill. The amending Bill as it stands merely comes into force on the date on which it is proclaimed in the normal way. However, as will be seen, it is proposed to amend the legislation to insert a power to make regulations authorising the remission of a levy in whole or in part, so it is legally necessary for any or all remissions to take effect at the same time as the rest of the Act comes into force and the levies are proclaimed.

Amendment carried; clause as amended passed.

[Sitting suspended from 9.45 to 10.25 p.m.]

Clause 3 passed.

New Clause 3A.

Mr CONLON: I move:

Page 1, after line 28—insert new clause as follows
Repeal of Part 2
3A. Part 2 of the principal Act is repealed

The Hon. R.L. BROKENSHIRE: Whilst this was a recommendation of the Select Committee on the Emergency Services Levy, as Minister, and on behalf of my colleague the Hon. Iain Evans, I note for the record that this issue was debated in detail at committee level on the basis that I and the Hon. Iain Evans believed that the Emergency Services Funding Advisory Committee had an important role to play as a watchdog committee. It contributed representative independent and expert advice to the consideration of the emergency services funding levy on an annual basis in terms of representation from local government, the Farmers Federation and the Real Estate Institute and Real Property Council of Australia.

Three beats two every day, as I well know, so this matter is proceeding. I place on the public record my support and appreciation for the work that has been done by the advisory committee. Clearly, as this amendment will be passed, in future the committee will not be a statutory one, but it is my intention as Minister still to seek the support of and use that committee to obtain independent expert advice in respect of the levy.

Mrs MAYWALD: I want to express my views about the deliberations within the committee on this matter. The advisory committee, I believe, is an important tool for the Minister, but I do not believe that it should be a legislative committee. Nor do I believe the legislation gives the Minister the power to review appropriately the levy or the agency's input into that levy. I believe that the appropriate body to be involved is the Economic and Finance Committee, and that is why I support this amendment.

New clause inserted.

The CHAIRMAN: The Minister has an amendment that has previously been referred to as new clause 3A. We now have a new clause 3A, so the Minister's amendment will need to be referred to as new clause 3B.

New clause 3B.

The Hon. R.L. BROKENSHIRE: I move:

Page 1, after line 28—Insert:
Amendment of s.5—Land that is subject to the levy
3B. Section 5 of the principal Act is amended—

(a) by inserting the following word and paragraph after paragraph (b) of subsection (2):
or
(c) any aggregation of land pursuant to subsection (2a).;
(b) by inserting the following subsection after subsection (2):
(2a) Where two or more pieces or sections of land or aggregations of contiguous land are not contiguous they may be aggregated for the purposes of subsection (2)(c) if—
(a) the owner of all of the land concerned is the same person; and
(b) all of the land is used to carry on the business of primary production and is managed as a single unit for that purpose; and
(c) all of the land is either situated in the area of the same council under the Local Government Act 1934 or is situated in a part of the State that is not in the area of a council.;
(c) by inserting the following subsection after subsection (9):
(10) Residential land held from the South Australian Housing Trust under a lease, licence or agreement to purchase is exempt from the imposition of a levy under this Division.

Mrs MAYWALD: I move to amend the Minister's amendment as follows:

Page 1, after line 28—
New Clause 3B—Amendment of s.5—Land that is subject to the levy
In proposed new subsection (2a)(a) inserted by paragraph (b) of new clause 4A after 'owner' insert 'or occupier'.

Amendment carried; new clause as amended inserted.

New clause 3C.

The Hon. R.L. BROKENSHIRE: I move:

Insertion of s.5A
3C. The following section is inserted after section 5 of the principal Act.
Application for aggregation on non contiguous land
5A. (1) The owner of land may apply to the Minister for the aggregation of non contiguous land for the purposes of section 5(2)(c).
(2) The application must—
(a) be in writing; and
(b) be received by the Minister on or before 31 March immediately preceding the first financial year to which the aggregation of the land will relate (an application in respect of the 1999-2000 financial year must be received on or before 30 November 1999).
(3) The applicant must provide the Minister with such information and evidence as the Minister reasonably requires to consider the application.
(4) The Minister must serve notice of his or her decision on the applicant and, if the application is refused, the notice must include the Minister's reasons for refusing the application.
(5) An applicant may appeal against the Minister's refusal to the Administrative and Disciplinary Division of the District Court.
(6) The appeal must be made within 28 days after the notice is served on the applicant under subsection (4).
(7) If the basis on which land is aggregated for assessment purposes under section 5(2)(c) ceases to exist, the owner of the land must immediately inform the Minister of that fact.
Maximum penalty: $2 500.

Mrs MAYWALD: I move to amend the Minister's amendment as follows:

In proposed new section 5A(1), after 'owner' insert 'or occupier'.

Amendment carried; new clause as amended inserted.

Clauses 4 and 5 passed.

Clause 6.

Mr CONLON: I move:

Page 2 —
Line 12—After 'amended' insert:
—
(a)
After line 15—Insert:
(b) by striking out from subsection (5) 'the Minister must consult and consider the advice (which must be in writing) of the Emergency Services Funding Advisory Committee' and substituting—
'the Minister must refer to the Economic and Finance Committee of Parliament a written statement setting out the determinations that the Minister proposes making under subsection (4) in respect of the relevant financial year and must not make recommendations to the Governor under subsection (1) or determinations under subsection (4) until the Committee has reported to Parliament or has failed to report within the time required by subsection (5a)'
(c) by inserting the following subsection after subsection (5):
(5a) It is a function of the Economic and Finance Committee of Parliament to inquire into, consider and report on the Minister's statement within 21 days after it is referred to the Committee under subsection (5);
(d) by striking out paragraph (c) of subsection (6);
(e) by striking out 'and the Committees advice referred to in subsection (5)' from subsection (7).

Amendment carried.

The Hon. R.L. BROKENSHIRE: I move:

Page 2, after line 15—Insert:
(b) by striking out 'resolution of the House of Assembly' from paragraph (b) of subsection (8) and substituting 'resolution passed by both Houses of Parliament'.

In so moving, for the interest of the member for Ross Smith, this is done so that his comments on a potential wealth tax will be eliminated.

Amendment carried; clause as amended passed.

Clauses 7 to 11 passed.

Clause 12.

The Hon. R.L. BROKENSHIRE: I move:

Page 3, after line 8—Insert:
(c) by striking out 'resolution of the House of Assembly' from paragraph (b) of subsection (8) and substituting 'resolution passed by both Houses of Parliament'.

Amendment carried; clause as amended passed.

New clause 12A.

The Hon. R.L. BROKENSHIRE: I move:

Page 3, after line 8—Insert new clause as follows:
Amendment of s.28—The Community Emergency Services Fund
12A. Section 28 of the principal Act is amended by inserting the following paragraph and word after paragraph (a) of subsection (3):
(ab) money to be paid into the Fund by the Treasurer pursuant to this Act; and

New clause inserted.

Clause 13 passed.

Clause 14.

The Hon. R.L. BROKENSHIRE: I move:

Page 3, lines 15 and 16—Leave out all words in these lines after 'amended' in line 15 and insert:
—
(a) by striking out 'the remission of one or both of the levies' from subsection (1) and substituting 'a remission or remissions in respect of one or both of the levies, or part of one or both of the levies,';
(b) by inserting the following word and paragraph after paragraph (c) of subsection (1):
or
(d) other persons or bodies of a class prescribed by the regulations.;
(c) by inserting the following subsections after subsection (2):
(3) A regulation under this section may be brought into operation on a date specified in the regulation that is earlier than the date of its publication in the Gazette.

(4) The Minister must determine the aggregate amount of the levy remitted under this section in respect of each financial year.

(5) The Treasurer must pay in accordance with the regulations from the Consolidated Account (which is appropriated to the necessary extent) for the purpose of remissions under this section an amount equivalent to the amount determined under subsection (4).

Amendment carried; clause as amended passed.

New clause 15.

The Hon. R.L. BROKENSHIRE: I move:

Insertion of s.33A

15. The following section is inserted after section 33 of the principal Act:

Recouping money lost on aggregation on non contiguous land

33A. (1) The Minister must, in respect of each financial year, determine the amount by which money received in payment of the levy under Part 3 Division 1 is reduced as a result of the aggregation of land for the purposes of section 5(2)(c).

(2) The Treasurer must pay into the Fund in each financial year from the Consolidated Account (which is appropriated to the necessary extent) and amount equivalent to the amount determined under subsection (1) in respect of that year.

New clause inserted.

New clause 16.

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

Page 3, after line 16—Insert new clause as follows:

Amendment of Country Fires Act 1989

16. Section 54 of the Country Fires Act 1989 is amended—

(a) by striking out subsections (4) and (5);

(b) by inserting after 'Chief Officer' second occurring in subsection (6) 'or a C.F.S. officer of or above the rank of brigade captain';

(c) by striking out 'to a C.F.S. officer of or above the rank of group officer, or' from subsection (7);

(d) by striking out paragraph (b) of subsection (7).

Mr CONLON: The proposed amendment will be accepted by the Labor Party, but it has come to our attention very late. I understand that this may well be a regular feature of the last week of the session. We have agreed to support it, given the absolute assurances I have received from the Minister that it affects only national parks and national parks personnel, not other relationships between the CFS and other agencies, and that the Minister for Environment and Heritage is perfectly happy to have that relationship between the CFS and those national parks officers adjusted in this way. With those assurances we will accept the amendment.

The Hon. R.L. BROKENSHIRE: I do not propose to proceed with new clause 16.

The CHAIRMAN: We will therefore move back to the previous amendment.

Mr CLARKE: I am trying to work out when I get a guernsey for clause 73(3) which I filed yesterday with respect to the amendment of schedule 2 of the principal Act.

The CHAIRMAN: The member for Ross Smith will be moving to amend the schedule, which will come after the matters that are now being debated.

Mr CLARKE: I am aware of that, Sir; I just wanted to make sure that in this very well oiled machine I did not somehow fall off the log without knowing about it.

The CHAIRMAN: With a tie like that, the Chair will have difficulty not recognising the member for Ross Smith.

New clause inserted.

New clause 17.

The Hon. R.L. BROKENSHIRE: I wish to advise that I do not wish to proceed with new clause 17.

The CHAIRMAN: Would the member for Ross Smith now like to move his amendment? The Chair is of the opinion that at this stage it will be known as new clause 17. Until further notice!

Mr CLARKE: Which will probably be only in a few seconds! I move:

New clause, page 3, after line 16—Insert:

Amendment of schedule 2

17.Schedule 2 of the principal Act is amended by inserting after clause 4 the following clause:

Report on changes to insurance premiums

4A. (1) The Commissioner for Consumer Affairs must, on or before 30 September 2000, forward to the Minister a report on the effect that the enactment of this Act has had on insurance premiums in the State in respect of the 1999/2000 financial year with particular reference to the extent to which savings afforded to insurers through the enactment of this Act have been passed on to policy holders.

(2) The Minister must, within six sitting days after receiving the report required under subclause (1), have copies of the report laid before both Houses of Parliament.

Given the hour I will try to be as brief as possible.

Members interjecting:

Mr CLARKE: Yes, I know, some members squirm whenever I refer to being as brief as possible. When it introduced the emergency services tax last year the Government said that people who pay their household and other forms of insurance and pay their levy will have it refunded in full, in effect, as an offset against the cost of the levy or tax that is now being imposed. Unfortunately, I have a healthy scepticism of insurance companies. I would have preferred some tougher legislation with respect to the insurance companies, but unfortunately they are dealt with and regulated by Federal legislation.

The State Parliament is somewhat circumscribed in the powers it has over insurance companies for that constitutional reason. However, we do have the power to have the Commissioner for Consumer Affairs investigate insurance companies, their premiums and so on, to ascertain whether or not they have passed on the full benefit of the savings that household insurers were supposed to get through the introduction of this emergency services tax. The amendment is specifically drawn up to allow the Commissioner for Consumer Affairs to inquire into the insurance companies' passing on the savings they make in administering the collection of the levies that they now undertake and pay to consolidated revenue.

I fear that, insurance companies being what they are, rather than passing on the savings directly to the policy holder, they will simply say, 'Because of some hurricane somewhere in the world, our reinsurance costs are such that we would have had to increase our insurance premiums, anyway, but we won't do that; we'll effectively absorb the savings you might otherwise have got in the fire services levy or elsewhere.' Through the Commissioner for Consumer Affairs I would like to establish that, if there is a hurricane somewhere in the middle of nowhere, an independent body is satisfied that the withholding of any savings that should otherwise go through to the policy holders is justified.

This is limited to one year, because if we try to do it for successive years we will start to get out of kilter in trying to establish a firm base from which to measure savings over time. Natural floods and so on may occur which will cause insurance premiums to rise, and it will become extremely difficult for any Commissioner for Consumer Affairs to ascertain what is a legitimate increase in premiums to cover increased exposure *vis-a-vis* an attempt by some insurance companies to hang onto what I would term their 'ill gotten gains'.

At the very least it should be readily ascertainable by the Commissioner of Consumer Affairs over the next 12 months to ensure that fair play is meted out to the consumers. It will not hurt the insurance companies in this State at all to know that an independent watchdog is looking over their shoulder and, whilst it may have no legislative teeth to compel them to do certain things, the fact that if they are tempted to rort they would be exposed publicly within the forums of this Parliament will act as a significant deterrent.

I am not on a particular bent of bashing insurance companies as many years ago, when I had hair and weighed half what I do now, I worked for an insurance broker and dealt with a number of insurance companies. By and large they are reputable businesses, but they need to be kept in line to ensure that their avaricious nature does not over take their good nature. I point out, with respect to the insurance and emergency services tax, that the insurance companies are making a killing in this area. Not only are we relieving them of the burden of collecting the emergency services levy as we now do and remitting it to the Government, but also insurance companies are getting the benefit of all of us in the community paying towards emergency services, fire brigades, and so on, in particular, and minimising their own exposure and risk to loss in terms of property or life. What do the insurance companies themselves contribute? It is very little other than what they have to pay on their own property.

The London Fire Brigade was first established many years ago by the insurance companies in England. If you were insured you had a plaque stuck above your front door and, if a fire alarm was raised, the fire trucks came down and if you had a plaque on top of the front door they put the fire out. However, if you did not they stood there and watched it burn down. It was an effective means of unionism, in some respects: you got the protection if you paid your dues. That made sense in that the insurance companies were trying to minimise their exposure to financial loss, but in this circumstance here we are as the whole community chipping in and paying for our emergency services, allowing them to have the latest in equipment, be fully staffed and paid for, yet the insurance companies which will benefit from it in terms of reduced exposure to financial risk are not directly contributing towards those emergency services other than by way of being owners of their own buildings, motor vehicles and the like.

So, it is a fairly hefty subsidy that we as a local community are giving to private insurance companies, and that is a matter that the Economic and Finance Committee over the next 12 months ought to look at with regard to inquiring into the insurance companies to ensure they are properly putting into the fund moneys which assist them to reduce their exposure to financial loss by minimising the risk.

With those few words I commend the amendment to the Committee. Unfortunately, it is not as strong as I would like, but it is within the bounds of our constitutional power and will materially assist consumers in ascertaining whether or not insurance companies are passing on the rebate as we expect them to and as the Government promised in introducing the tax last year.

Mr CONLON: I will speak briefly in support of the amendment moved by the member for Ross Smith. I certainly believe it is worthwhile to have a watchdog to encourage insurance companies to treat their insured fairly. As a former plaintiff lawyer, I confess that I see the task given to the watchdog, that is, making insurers treat the insured fairly as being akin to instructing the watchdog to empty the Red Sea with a bucket, but we will do what we can in that regard.

We noted on the select committee into the emergency services tax some good reasons for such an amendment. The most compelling argument I had for it was when I learnt that the Insurance Council of Australia was supplying money to help promote the new emergency services tax. Never in my lifetime have I encountered an insurance company that did anything out of the goodness of its heart: I assume there is some material benefit in it for them, so I support the amendment.

I also take the opportunity on this last substantial amendment of the Bill to thank Parliamentary Counsel and other parliamentary staff who have calmly assisted in what has been an otherwise hectic process. I also thank the Clerks for their assistance as well as those around the corner who typed quickly.

The Hon. R.L. BROKENSHIRE: Under the Westminster system all members have the opportunity of moving amendments. I heard what the member for Ross Smith had to say, but I put on the public record at this stage that the insurance industry has been very professional and fair in the way in which it has worked through the issues regarding the removal of the old fire service levy from insurance policies and substituting it with the new levy. An agreement has been signed between the ICA and myself as Minister. Work is currently being done between individual insurance companies and myself with respect to their obligations during this period and, whilst I understand that the member has the right to move this amendment, I just want it placed on the public record that insurance companies have been very transparent and cooperative in this process.

Mr VENNING: I support the member for Ross Smith. There was a spark of recognition in what he said with me because I was involved in introducing the compulsory third party insurance for farm machines, thereby relieving insurance companies of a lot of risk to do with public risk policies held by farmers. One would think that because owners took over their own risk by insuring their farm machines the insurance companies would reduce the premium, but no. So, I have a certain empathy with what the member for Ross Smith just said. I am pleased it is a oncer, but we must try to watch costs wherever possible.

I have never been happy with this Bill, but it looks as though we are getting to its final stages. I hope that we can renegotiate situations with local government as it should share this with us and collect the levy. If we cannot have an arrangement with local government that reduces by half the collection costs I will be surprised. I am certainly happy to support the amendment moved by the member for Ross Smith.

Mr WILLIAMS: It seems that this amendment will be carried. If I thought it would not go through I would probably vote against it—

Mr Venning interjecting:

Mr WILLIAMS: No, I have not changed my mind. It is not because I do not support the sentiments of the honourable member who moved the amendment but because it is one of those motherhood-type provisions, something that will give us some warm fuzzies and do very little else. It surprises me a little that most people who have spoken on this Bill have talked about the additional cost and the money being raised and the additional costs being imposed the public of South Australia through the measures contained in the emergency

services legislation. This will again add some further cost and give us very little benefit.

I point out that through my business activities in another life I pay substantial sums for insurance, and I assure members that, for those who are willing enough to shop around in their endeavours to find insurance or someone to underwrite their insurance, the industry is very competitive. I would suggest that the best thing members could do to ensure that the insurance industry was doing the right thing for their constituents would be to advise their constituents to shop around, get two or three quotes at least, and they will find that they will make substantial savings.

New clause inserted.

Clause 2—reconsidered.

The Hon. R.L. BROKENSHIRE: I move:

Page 1 line 14—Leave out clause 2 and insert clause as follows:

2. (1) Subject to subsection (2), this Act will be taken to have come into operation on 30 June 1999.

(2) Section 3A and paragraphs (b), (c), (d) and (e) of section 6 will come into operation on the day on which it is assented to by the Governor.

Amendment carried; clause as further amended passed.

Title.

The Hon. R.L. BROKENSHIRE: I move:

Page 1, line 6—After '1998' insert:
and to make related amendments to the Country Fires Act 1989.

Amendment carried; title as amended passed.

Bill read a third time and passed.

ADJOURNMENT

At 11.53 p.m. the House adjourned until Thursday 5 August at 10.30 a.m.