HOUSE OF ASSEMBLY

Wednesday 29 March 2000

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

COFFIN BAY SHACKS

A petition signed by 165 residents of South Australia, requesting that the House urge the Government to uphold its undertaking to offer all shacks in Coffin Bay freehold status was presented by the Hon. M.H. Armitage.

Petition received.

TRAFFIC CONTROL

A petition signed by 327 residents of South Australia, requesting that the House urge the Government to review traffic control measures on Main North Road at Evanston Park, was presented by the Hon. M.R. Buckby.

Petition received.

SCHOOL CROSSING

A petition signed by 69 residents of South Australia, requesting that the House urge the Government to install a school crossing on Aldinga Beach Road opposite the Southern Vales Christian School, was presented by Mr Hill.

Petition received.

BATTERY HENS

A petition signed by 202 residents of South Australia, requesting that the House support the abolition of battery hen farming, was presented by Ms Key.

Petition received.

DRAFT MANAGEMENT PLANS

A petition signed by 25 residents of South Australia, requesting that the House amend the draft management plans for the Southern Eyre Peninsula national parks to take account of their heritage value, the continued existence of the Coffin Bay ponies and recreational amenity, was presented by Ms Penfold.

Petition received.

CHILD OFFENDERS

A petition signed by 149 residents of South Australia, requesting that the House lower the age at which a person is treated as an adult in criminal courts to 17 years, was presented by the Hon. R.B. Such.

Petition received.

CHAMBER DISTURBANCE

The SPEAKER: I would like to make a statement about yesterday's disgraceful incident in which a member of the public forced his way onto the floor of the chamber, jeopardising the security of members. First, let me thank those media outlets who cooperated with my request that it not be publicised. I indicate that I deplore the sensationalism with which a number of media outlets chose to report the incident, risking the encouragement of a copycat repeat performance. The actions of the media in their reporting of the incident are all the more galling since a check of the computer security records shows that the intruder entered through the security door in question immediately behind a member of the media who had used his electronic pass to enter the corridor adjacent to the chamber. In other words, a member of the media opened the door, which resulted in a breach of our security by the intruder. Clearly, every person who works in this building has a responsibility to ensure that their pass is not used to aid and abet any unauthorised entry.

Much has been said about the electronic security system failing. Let me assure members that this is not the case. When the offender entered centre hall he was put through the metal scanner, which worked perfectly and actually detected his metal buttons, but nothing else. He was then cleared to proceed to the public gallery on the first floor. It would have been impossible for him to carry a gun or knife, a matter that was raised as a possibility by the media.

I can also report that this morning I met formally with the police to ascertain whether they had any advice on how we could further improve our security system for the protection of members. We also discussed how the police thought they should best deal with the offender. This matter is far from closed and is being actively pursued by them. I have also had a preliminary discussion with the government on a budgetary consideration which would further tighten security for members around the chamber and which I am prepared to reveal privately to members. However, if the media, our staff and elected members themselves do not play their role in policing their own use of the internal security electronic passes, then all the money in the world spent on security guards and electronic devices will not prevent a repeat of yesterday's incident. Every authorised person moving around this building has a role to play in how they use their key passes as part of our overall security.

MURRAY RIVER

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

Leave granted.

The Hon. J.W. OLSEN: Earlier this month I addressed the Tenth World Water Congress in Victoria, and I said that water is an issue which needs strong political will and that is an issue well above politics. Unfortunately, some cannot quite decide whether it is politically beneficial to adopt a bipartisan approach to the issue, and as a result positions switch almost daily. Fortunately, irrigators across the border are calling for a collaborative approach with the South Australian government. In fact, Australia's largest privately owned irrigation supply and drainage company, Murray Irrigation Limited, based in Deniliquin, is behind the move, and my government looks forward to working closely with them to find solutions to the long-term health of the Murray River.

I was recently invited to visit the Murray irrigators across the border and, having accepted that invitation, I intend to consult with communities and government representatives from one end of the river to the other. With the support of New South Wales irrigators, I am confident that we will identify lasting solutions. Like the South Australian government, Murray Irrigation Limited accepts that we are all confronting significant challenges in relation to the future of water supply and quality. They realise that the future prosperity of their shareholders is intrinsically linked to the Murray River. They acknowledge that, without changes in

land and water management in all states, water quality in the Murray River in South Australia will deteriorate and change and will require a partnership between governments and communities.

Those of us who are genuinely committed to the cause (and I believe that includes the vast majority of the community) will tire of political games. We intend simply to get on with the job, difficult as it may be. There are no easy solutions. It will take a long time, cost a lot of money and require a major commitment from governments and communities which impact all along our river system.

The South Australian government is practising what it preaches, and for the record I will list some of our major programs and expenditures. Specific projects being undertaken to improve the management of the river include: the Qualco-Sunlands ground water Control Scheme to reduce water logging and salinity impacts of the irrigation activities (that is $7.2 million in capital and recurrent costs); three new salt interception schemes are in the planning stages for Chowilla, Waikerie and Bookpurnong (these schemes will lower water tables and reduce salinisation and cost in the order of $2.2 million); the Murray Mallee revegetation program, a revegetation program to reduce dry land salinity impacts on the River Murray, costing some $400 000; and the Lower Murray swamp and government highland irrigation area rehabilitation programs to improve irrigation practices and reduce salinity and other water quality impacts on the river, a program costing more than $37 million.

South Australia is contributing $13.39 million to the Murray-Darling Basin Commission budget in the year 2000-01. This will be used to help fund commission activities such as monitoring water quality, construction and operation of works, storages, weirs and barrages, the development of strategies for improved water management, and investigations into relevant interstate issues. As a result of the recent ministerial council meeting, the South Australian government is currently drafting a salinity management strategy which will determine how South Australia should tackle the problem of salinity in our river. That draft will be completed in approximately July this year.

A total funding of up to $8 million is proposed for 2000-01 through the Murray Darling 2001 program in South Australia. Primarily this will fund the activities of local action planning groups. In addition, agencies are involved in ongoing programs of education and implementation of improved irrigation practice. These programs represent just a snapshot of the commitment to the River Murray by the South Australian government and the people of South Australia. The government looks forward to working cooperatively with those across the border, particularly irrigators, who have the ability to make a significant contribution to halting the degradation of South Australia's lifeline.

ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE

Mr VENNING (Schubert): I bring up the 38th report of the committee on tuna feed lots at Louth Bay and move:

That the report be published.

Motion carried.

The Hon. J.W. OLSEN (Premier): I move:

That the report be published.

Motion carried.

LEGISLATIVE REVIEW COMMITTEE

Mr CONDOUS (Colton): I bring up the 12th report of the committee and move:

That the report be received.

Motion carried.

QUESTION TIME

The SPEAKER: I advise the House that any questions for the Deputy Premier will be taken by the Premier.

CAR INDUSTRY

The Hon. M.D. RANN (Leader of the Opposition): My question is to the Premier. Given the vital importance of the car industry to our state's future and the bipartisan support the industry receives in South Australia, can the Premier, following his discussions with Daimler Chrysler in Stuttgart, indicate to the House when he will be meeting with executives of the company that has now purchased a controlling interest in Mitsubishi Motors, which operates car plants at Lonsdale and Tonsley, to discuss the long-term plans here in South Australia? The bipartisan lobbying campaigns against the federal government's proposed tariff cuts in 1997 and in support of Mitsubishi management and workers in 1999 for a commitment from Tokyo for a new model were highly successful and involved not only government and opposition but also industry and unions.

The Hon. J.W. OLSEN (Premier): There is no doubt the automotive manufacturing industry and automotive component supply industry is a critical industry sector to South Australia as a major employer and contributor to gross state product and a major contributor to South Australia's exports, particularly given the success of General Motors Holden, with its product going into the United Arab Emirates. Indeed, later today I will be meeting representatives of the United Arab Emirates in relation to further trade opportunities and links between South Australia and the UAE. When I visited earlier this year, it was interesting to note their comments in relation to the Chevrolet Caprice (as it is badged in that market) and the Chevrolet Luminous in that market; the quality of the product coming out of South Australia was nominated by the head of General Motors for America, the eastern bloc countries and South America to be of a quality equal to anything, and in fact better than that produced in the United States. I think that augurs well for the automotive industry in South Australia in the future and certainly is a commendation to the work force and management and the focus of international best practice.

As the Leader knows, I had discussions with Mitsubishi last year, I think on three, if not four, occasions. I met also with Daimler Chrysler with a view to looking at its major investment portfolio for international investment over the next five years—and it has a very substantial investment program internationally. In fact, it is far more aggressive than most other automotive manufacturers throughout the world. What we want to do, and consistent with our approach for some 12 or 15 months now, is to see that South Australia is positioned with the Lonsdale and Tonsley facilities to ensure that there is longevity of manufacturing operations and that any restructuring that must be put in place is done so with minimum disruption to existing work force numbers, recognising however that we always have to pass the test of

international competitiveness for our products and that we do not have sufficient volumes or economies of scale within the domestic market to meet the major capital investment required of international companies.

That being the case, I have indicated both to Daimler Chrysler and to Mitsubishi Motors Corporation in Tokyo that the South Australian government would look forward to an opportunity to discuss in detail their business plan, but it would be on the basis of support from the South Australian government with two criteria; first, a continuation of manufacturing operations within South Australia beyond 2004-2005. In fact, the new generation Mitsubishi motor vehicle (left-hand drive) is due for production in a new facility in the United States in approximately 2003-2004, that platform then moving to right-hand drive and perhaps Australian production in 2004-2005. There would then have to be a commitment for that to be manufactured in South Australia beyond that time.

In addition, we would want to ensure that there was minimum dislocation of the work force in any restructuring, recognising that restructuring has to take place. We are not opposed to that, but we are wanting to ensure maintenance of the work force as best we can. I welcome any support in terms of ensuring that major international companies with investment know that they have bipartisan support but, importantly, know that the South Australian community really does appreciate and recognise the importance of automotive industry manufacturing to South Australia and its future.

I hope that I will be in a position in the next few days to announce a further initiative related to the automotive industry (which we have been working on for some time) to best secure our position and to market the case for South Australia and continuation of manufacturing operations in this state. I can assure the leader and the House that this issue is a priority issue for the government, as has been demonstrated by our practical approach over the past year and the effort of visiting these companies and putting the case for South Australia, and that we will continue to do so with real vigour, because the bottom line is that it is simply too important not to do so for South Australia.

FINANCIAL RESPONSIBILITY

Mr HAMILTON-SMITH (Waite): Could the Premier outline to the House his view of recent comments made by the Leader of the Opposition about financial responsibility?

Members interjecting:

The Hon. J.W. OLSEN (Premier): That is a misnomer. There is no link between the two. I am pleased that the member has asked this question. I noticed that in Writer's Week no less than Bob Ellis was back in town. Bob is well known for his court case with Peter Costello and one or two others where he had been caught out, but I will not canvass the matters before the court. But Bob is back in town giving advice to the Leader of the Opposition which led to that headline, 'Labor commits to balance the budgets in the future'. Well, Mr Speaker, let me just remind—

Mr Foley interjecting:

The Hon. J.W. OLSEN: No, let me just remind the shadow Treasurer, as an adviser to the former Premier of this state, and the Leader of the Opposition, a minister in that government, that when they left office they were spending $300 million a year more than they were earning. They were overspending. This is the track record of an administration that, when it had the opportunity to be government in South Australia, bankrupted South Australia.

Since that time, what we have done is move towards balanced budgets. In addition to that, with no help from the Labor Party, we have actually started to tackle the debt issue in this state. On 28 January this year, we fixed what they gave us in relation to the State Bank debt of $3.45 billion. As a result of the cheque coming in from the Cheng Kong group, we were enabled to retire that component of debt.

But further, the Leader this morning on radio said that for every dollar that we [that is, Labor] spent on our hospitals, this [current] government is spending 78¢. For every dollar Labor spent, we are spending 78¢. Well, Mr Speaker, wrong again! The facts are that, for every dollar that Labor spent on health when in government, we have spent in real terms—adjusted, CPI—$1.15. So, the Leader of the Opposition had it wrong yet again. This is—

Mr Foley interjecting:

The Hon. J.W. OLSEN: Well, the shadow Treasurer is obviously advising the Leader of the Opposition; there would not be any doubt about that.

Members interjecting:

The SPEAKER: Order! There is too much audible interjection on my right.

The Hon. J.W. OLSEN: The shadow Treasurer well understands that, about day three out from the 1997 election campaign, when he released their financial report, the only thing that saved his bacon on that occasion was the fact that it was so late in the afternoon and nobody but Matthew Abraham picked it up. However, he got caught out. His sums were all wrong.

But it goes even further than that. The Leader then said that they [that is, this government] ripped $230 million out of hospital expenditure in their first four budgets. Wrong—he is wrong yet again. Yes, there were savings put in place, and I do not decry that. But why were some savings put in place? It was because we inherited a bankrupt state. We had to get back on an even financial keel, and we had to make some of those hard decisions, but since that period of time we have put in a significant injection of funds. Over the last three years, for example, the health expenditure in real terms has grown by nearly 4 per cent per annum for three years. That is over and above inflation. So, these broad statements made by the Leader of the Opposition are simply wrong. He then went onto say, 'They ripped another $36 million out of hospitals last year.' That is wrong. Factually, it is wrong. We actually put another $50 million into hospitals over and above what we put in the year before.

So, the Leader of the Opposition is whingeing, whining and wrong: www.mike.wrongagain! Whingeing, whining and wrong. Every time the Leader of the Opposition goes on radio and makes these broad statements we will correct him when he is factually wrong, as he is consistently and repeatedly. And we would be delighted to add up some of the commitments made by one of his members who goes on radio regularly and makes these sorts of policy promises on the run. We have a calculator running on his promises at the moment.

I do not know whether the honourable member has told the shadow Treasurer of the commitments he is making on radio, but he ought to let him know. This is symptomatic of how members opposite run the show: they go out, make the promises, and no-one coordinates or collates them and sees what the sum is at the end of the day. Not much has changed over there: members opposite have learnt absolutely nothing from the debacle of 1992-93.

GOODS AND SERVICES TAX

Mr FOLEY (Hart): You know they are desperate when they see a bad poll and they come back to the State Bank!

Members interjecting:

The SPEAKER: Order! I warn the Leader of the Opposition for interjecting when the Speaker is on his feet. The member for Hart.

Mr FOLEY: 57-43. So, please throw the bank at us. Will the Premier confirm media reports that the implementation of the goods and services tax by government departments is likely to cost the South Australian taxpayer approximately $200 million over the next two years, and will these costs be met by cutting hospital and schools funding? A media report of 20 January states that new state government accounting systems will need to be developed to document every intra-agency transaction, at a cost of up to $200 million over two years.

A further report on 31 January states that the human services budget faces a bill of $35 million, with similar bills faced by education, primary industries and transport. On 29 July 1999 the Premier lauded the new GST arrangements saying:

The changes that have been achieved for fundamental taxation reform are to be welcomed.

The Hon. J.W. OLSEN (Premier): Perhaps the shadow Treasurer could talk to the Leader of the Opposition. The leader just asked me a significant question in relation to the automotive industry, and a new tax system for this country, if the shadow Treasurer had not put the two together—

Members interjecting:

The Hon. J.W. OLSEN: No, you want to ignore this fact, don't you? The simple fact is that the shadow Treasurer should understand that the biggest impediment to our automotive industry is wholesale sales tax, the cost of a billion dollars or more in South Australia on our manufactured goods going to the international marketplace. And the shadow Treasurer, just wanting to score a cheap political point, has no substance when he relates the benefits of a new tax system to what it will mean—

Mr FOLEY: On a point of order, my question was about a $200 million black hole in the budget and not about tax.

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

The Hon. G.A. Ingerson interjecting:

The SPEAKER: The member for Bragg will come to order.

The Hon. J.W. OLSEN: The shadow Treasurer is at it yet again: instead of asking a question and listening to the response, he is more interested in political stunts, grandstanding and acting for the cameras. I go back to the point: it is related to a new tax system—that was the substance of the honourable member's question—and the implications of a new tax system. I am trying to put two parts of the ledger, because there are two parts of the ledger on a new tax system. One relates to wholesale sales tax, whereby we in South Australia as a manufacturing state, like Victoria, have been carrying a greater burden than have other states.

There is no wholesale sales tax on mining, on the tourism industry or on financial services, which means that other states of Australia have had a break on tax effort over South Australia and Victoria. I would have thought that the shadow Treasurer, recognising at least that fundamental principle, would support the abolition of wholesale sales tax, because it goes to the core of the leader's question today that the automotive industry, to get a break into the international market, to gain economies of scale, has to have those imposts taken from it.

In relation to the introduction of a new taxation measure, of course there will be new costs, introduction arrangements, new programs that will have to be put in place and some costs associated with that. The next component of the question relates to the government's commitment to a range of community based services. I have indicated on a number of occasions that, having made the difficult decision to fix the finances and the debt, we can then move to reinvest in the community in a range of significant areas. I have nominated those areas consistently. For example, we will be looking at police services and giving them further support and expansion. With the emergency services levy, we are looking to reduce further impost on household budgets and business alike. We are also looking at areas such as education and health funding.

The Hon. M.D. Rann interjecting:

The SPEAKER: Order!

The Hon. M.D. Rann interjecting:

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

The Hon. M.D. Rann interjecting:

The SPEAKER: I warn the leader.

The Hon. J.W. OLSEN: I do not recant from my comments concerning the leader—and I have seen the transcript of his foray on 5DN this morning. Let me come back to the shadow Treasurer. I was indicating to the shadow Treasurer in answering his question that he needs to put two sides of the ledger; that is, making a balanced approach to those things, not selectively and politically pulling out one component without the other. If the honourable member wants to be taken seriously, please make a valued judgment—

Mr Foley: You can't balance your books.

The SPEAKER: Order! The Premier will resume his seat. I am sorry to interrupt the Premier. Yesterday I gave a warning, which I hoped would be taken seriously, that this year I will not tolerate the scatter gun interjections. Whereas members may have seen comments in the media that I have become tough and that I name people unwarrantedly, I point out that if members receive three warnings they will be named, and I do not want anyone complaining after the event that they have not been warned. I will not tolerate continuous interjections throughout the session.

The Hon. J.W. OLSEN: It is the height of absolute hypocrisy for the shadow Treasurer—

Mr Foley interjecting:

The SPEAKER: I warn the member for Hart.

The Hon. J.W. OLSEN: It is the height of hypocrisy for the shadow Treasurer to talk about balancing the books, when the previous Labor Government left us a $9.2 billion debt—and growing at $300 million a year. I know that members opposite do not like being reminded of their performance, their track record and what they did when they were in government, but we will never let them forget it, because we have worked hard for six years to correct the damage that they did—

Mr Foley interjecting:

The Hon. J.W. OLSEN: I ask the shadow Treasurer, now having been warned, instead of mumbling that way to mumble this way and towards the Speaker. Members can see the shadow Treasurer's line: he has had a warning, so he turns his back on the Speaker and talks to that group over there in defiance of the Speaker's ruling—

The SPEAKER: Order! The chair does not need any help. I can see exactly what the member for Hart is up to at the moment. The member for Hart has been warned once. He is testing the chair out. I know it is a matter of trying to incite the chair to do something. The chair is trying to be very reasonable in connection with the member for Hart, and I suggest that he take that on board.

The Hon. J.W. OLSEN: The $200 million that the shadow Treasurer talks about is about the sum that he could not find in his pre-election budget announcement on about the Wednesday before the 1997 election campaign. It is obvious that he is still stuck on that number; he is still looking for the $200 million.

In summary, a new tax system will be important for South Australia, particularly manufacturing and jobs. Yes, there are costs with implementation; yes, new programs have to be put in place; and, yes, in about the year 2006-2007 there will be positive revenue growth for South Australia and it will eliminate the begging bowl approach of Premiers' Conferences that we have seen in the past.

POLICE RESOURCES

Mr MEIER (Goyder): Will the Minister for Police, Correctional Services and Emergency Services outline to this House details of extra resources being provided to police to assist them in conducting investigations into the Snowtown murders?

The Hon. R.L. BROKENSHIRE (Minister for Police, Correctional Services and Emergency Services): I thank the member for Goyder for what is a very important question. The government has recognised that the Snowtown case has had a significant impact on police resources and, in order to address this impact and assist SAPOL, the state government has committed an additional $1.3 million to police resources as a consequence of the Snowtown murders case. The workload which I have experienced at first hand and about which I will speak in a moment has been enormous for the South Australian police department, with 39 officers involved in the task force at any one time.

Given the nature of the Snowtown case, support counselling for police officers has been a major consideration during the course of the whole of the investigation. In fact, officers have been drawn from not only local service areas but also from state intelligence and major crime, and the case has involved a significant workload for the forensic science services as well as the State Forensic Science Centre.

It has been estimated that 15 officers will still be required on an ongoing basis to help meet the prosecution requirements between now and when the case goes to trial later this year. The police have already taken approximately 730 statements and have had to seize about 3 500 exhibits. As a result of this, SAPOL has developed an electronic exhibit management system known as an EEMS, and I have been down and seen how it is managing it. This system will not only help police with this case but it will also be a very good police tool in the future when they get into significant investigations. It is allowing them to cope more effectively with the large number of exhibits and statements. This is a first for the department, and I understand that the technology will probably be looked at by other police jurisdictions.

Extra funding will cover the costs of back-filling positions, supporting overtime requirements and also the accommodation for the officers involved. There has also been the need to purchase some other additional equipment to meet this investigation, rather than impacting on SAPOL's operational needs.

Finally, I would like to put on the public record that I as minister appreciate the very great and difficult work that the police officers involved in this case must deal with. I went down to the Thebarton police barracks soon after they had set up their section there, and I could see at first hand all the work the police have had to do over a great period of time. This is some of the most in-depth and difficult work they have ever had to encounter. It has put a strain on police resources, and I congratulate the government on approving the allocation of this additional $1.3 million.

I would also say that, whilst this put a great strain on police resources, because a lot of other work was going on at the time, it highlighted just how our police department can manage extraordinary work loads when we consider that they were able to get—

Members interjecting:

The Hon. R.L. BROKENSHIRE: You do not hear from the shadow spokesperson for four months, because he is trying to count numbers rather than doing his job as an opposition spokesperson, and I note that the 'Fonlons' are well and truly at it, even to the point that they both have the new, modern single breasted suits, desperately trying to get that image of a possible leader and deputy leader. The shadow spokesperson for police ought not to be having a go at me when I come into this parliament on a very serious matter to support our South Australian police and to put on the public record how much I appreciate their great work: it is time the shadow spokesperson sat down and listened to what good work the police are doing for our state and acknowledged at least once that, even when the police resources in this state are stretched through an incident like this, they are able to cope very well. We must consider that this is very good police work when 39 officers are required on this case at any one time. I commend the South Australian police department.

GOODS AND SERVICES TAX

Mr FOLEY (Hart): My question, again, is directed to the Premier. In light of the Treasurer's recent admission that this year's state budget is in deficit by between $45 million and $100 million even after the sale of ETSA, why did the Premier commit South Australia to a funding arrangement with the commonwealth that saddles South Australians with a further $200 million cost to implement the GST by state government agencies? What happened to the assurances that no state budget would be made worse off through the introduction of the GST? In a media report of 31 January the Premier stated:

> There is a significant accounting function required. Trying to work out what the costs are going to be is nigh on impossible.

The Treasurer stated last Thursday that:

> . . . there are a whole range of cost pressures such as the implementation of the GST.

The Hon. J.W. OLSEN (Premier): Well, let me tackle the first part of the question when the shadow Treasurer, the member for Hart, made comments about ending this year with a deficit. The shadow Treasurer knows we started this year with a $100 million deficit. Why? Because we did not proceed with the Rann power bill tax increase of $186 per household. So, we started—

Mr Foley interjecting:

The Hon. J.W. OLSEN: No. As it relates to good budgeting that set of circumstances was brought about because members opposite in this parliament frustrated the sale process for 500 days. Not only did they deny us the opportunity of retirement of debt in advance but, as a result of their activities, also compromised the price received by South Australians for that asset. There is absolutely no doubt about that. Members opposite will be held to account for that. The fact that it will be well below the $100 million as at the end of this year is good planning, management and budgetary control. That will be the end result. The fact is that we did not proceed in good faith, as we indicated that we would not, until the legislation went through the parliament. Thanks to those two great Labor stalwarts of the past, Terry Cameron and Trevor Crothers, we have been able to move forward to get financial freedom and flexibility and reduction of debt for South Australians in the future. So, we are in this situation because of the belligerent politicking and intransigent view that members opposite applied for some 500 days. Let me now move on to the assertion contained—

Mr Hanna interjecting:

The Hon. J.W. OLSEN: Are you awake? The member for Mitchell is awake. Welcome; glad to see you. I refer to the assertion contained in the honourable member's question. As it relates to doing a deal with Canberra and signing on with a new tax system, I did so with the Labor Premiers of Queensland and New South Wales. So, let the shadow Treasurer not be two-faced about this as is so often the case with him. The honourable member is two-faced about his policy position: on the one hand to this audience, on the other hand to that audience. There is a day of reckoning in those circumstances when you bring the two together. We will bring the two together to constantly demonstrate that the shadow Treasurer is way off the mark in financial management planning and the application of policy principle.

Let me finish with the third component of the honourable member's question. This new tax system in the long term will be very beneficial to South Australia and its future. That is the basis upon which we have made arrangements to join the deal. There will be substantial, positive revenue flows in the future. Mr Speaker, you will recall that the original deal signed by the Labor and conservative Premiers and Chief Ministers in this country was predicated on the base that the GST was all encompassing. That is not the way that it has come out of the Senate. As a result of that, the base upon which growth is there is lower; therefore, the growth path in the future will be lower; therefore, there is an extended time line of where positive growth comes in.

I would be interested to know what is the Labor Party's policy on the roll back of a new tax system. Like the shadow Treasurer, they have no policy until they get to an election campaign. So, we have to wait two years to hear any idea, any plan, any policy. In the meantime they can be totally irresponsible, not accountable—all things to all people at all times. The public of South Australia will see right through you.

RURAL HEALTH PROFESSIONALS

Mrs PENFOLD (Flinders): My question is directed to the Minister for Human Services. Will the minister outline to the House—

Members interjecting:

The SPEAKER: Order!

Mrs PENFOLD: Will the minister outline to the House how the government is helping to ensure that rural and remote areas have access to skilled health professionals?

The Hon. DEAN BROWN (Minister for Human Services): I think everyone realises that there is an enormous challenge to ensuring that there are enough qualified health professionals in country areas of South Australia, as there is through the rest of Australia. I have talked in this House previously about the decline in the number of doctors in country areas and the impact that has potentially on health services within those small country communities. I am delighted to report that today we have about 50 more doctors registered in country areas compared with two years ago. That is a very significant advance. It has been brought about by a number of initiatives by this government, with some support from the federal government.

One was the rural enhancement scheme. Another was negotiating with the federal government for a new package for overseas trained doctors and a recruitment program we put in place to go out and find overseas trained doctors prepared to come to South Australia. Under the new package, overseas trained doctors can now stay in South Australia—they can stay in the country—for five years, whereas a couple of years ago they had to leave the country after three years. Now they can stay and become permanent GPs within those country communities, once appropriately qualified.

I understand that the situation in the country will continue to remain tight. I am not suggesting for a moment that those 50 doctors have overcome all the problems. In many country areas you have growing populations and there is increasing pressure, through drop out of private insurance and so on, on those GPs in particular who have to service their normal practice as well as provide services to our country hospitals.

We have been working with the Nursing Federation, the union, to ensure that more money is put into nurse training for country areas. Under the enterprise agreement we have allocated an extra $1 million a year for nurse training in rural areas. We are also working with them in terms of how we help recruit more nurses and trainee nurses for country areas. For instance, we have a scheme in the Riverland, at Barmera, where we are providing accommodation for up to 15 trainee nurses so that they can receive their training in the Berri Hospital, and we are providing hostel type accommodation for those nurses. But, again, we are facing ongoing problems in that area.

For example, there is a shortage of midwives in the Barmera area. Some of these shortages are directly attributable to the fact that 10 years ago minimal effort was put into training rural professional people and trying to recruit professional health workers such as doctors and nurses to country areas. My former colleague came into the health portfolio and did a great deal through schemes such as the rural enhancement package.

Members interjecting:

The Hon. DEAN BROWN: My former colleague, the Minister for Health. He is still my ministerial colleague, but he is my former Minister for Health. The former minister also introduced a scholarship scheme whereby we are taking people from country areas, giving them training in Adelaide with $5 000 support for three years during their graduate training, and then taking them back out to country areas again.

I am delighted to report that, as a result of that scheme introduced by this government and by the former minister, 60 health professionals have now been involved in that scholar-

ship scheme and many of those are now back out in country areas. I have just recently announced another 12 scholarships, 10 by the state government and two by the Wyatt Benevolent Trust. I appreciate the support of the Wyatt Benevolent Trust which has taken this on as one of its schemes to help ensure that people in country areas get the same standards of health care, if possible, as those in metropolitan areas.

However, I acknowledge the problem, particularly in mental health, of being able to recruit mental health workers into rural areas. A classic example is Mount Gambier, which has three or four vacancies at present. We will continue to work with the professional groups to put into place a range of programs—as we have done. In addition to what I have talked about, we have put in place SARRMSA and we have put in place an ongoing training program for GPs as well as a number of other proposals which specifically make it more attractive for country health professionals to stay in the country or for people from the city to move into country areas. We are a making some headway. The challenge is enormous and it will continue to be enormous, but this government is making a very real commitment to health services in country areas.

GOODS AND SERVICES TAX

The Hon. M.D. RANN (Leader of the Opposition): My question is directed to the Premier, who appears to be disputing the official commonwealth Grants Commission figures on health. Given the crippling cost to small business of setting up systems to collect and account for the GST, will the Premier ask the Prime Minister to increase the amount of $200 given to small business to assist them with GST compliance?

South Australia's Small Retailers Association has informed me that an average small family business needs to spend around $5 000 on computer information systems to cope with the GST, and that is before the costs of accountants' and lawyers' fees and information seminars are taken into account. The Small Retailers Association also estimates that the time cost of administering the GST for a small business is about an extra seven hours a week, taking the total time spent in administration by the average small business to around 12 hours a week. In his days as a Senator on 3 March 1992, the present Premier lauded the GST as a boom for small business—and this quote will be going out to every small business in the state. He said:

> GST certainly will be easier for small business to administer than is the wholesale sales tax. It is a whole new vista for small business, an even break, a fair break, a new start.

The Hon. J.W. OLSEN (Premier): Might I pick up the throwaway line of the Leader as he asked this question, that is, in relation to the former question on the 78¢-$1.15 component? I give one piece of advice to the Leader of the Opposition: check your facts before you repeat them because the statement was challenged by the Minister for Human Services and was corrected. The 78¢ figure is wrong and is acknowledged to be wrong, so the Leader, before he goes out and picks up a newspaper article—

The Hon. Dean Brown: They withdrew it.

The Hon. J.W. OLSEN: They withdrew it. Before the Leader goes out and repeats these things, he should do some fundamental checking of his facts. If you check the facts you might have some solid ground on which to stand. If you do not check your facts, you are wrong and you have been proved wrong.

The Hon. Dean Brown interjecting:

The Hon. J.W. OLSEN: Yes. You might like to ask the Minister for Human Services a question on the matter, and that will put it back into context for you; I can assure you of that.

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! I warn the Leader for the third and last time.

The Hon. J.W. OLSEN: In response to the other component of the Leader's question, he conveniently ignores the two sides of the ledger: the advantages and disadvantages in a new tax system; the reduced taxation scales to be put in place; and the capacity of small business, in particular, to have retained earnings before remittal of that tax system to the taxation office. These are offsets to the so-called costs as put forward by the Leader of the Opposition. Yes, there is a responsibility on the Australian Taxation Office and the federal government to explain and assist the smooth introduction of this new taxation system. But it is a responsibility of the federal government. As to whether we have taken up issues with the federal government over a period of time, yes we have, and we will continue to do so. But let us look at the bottom line, which is: will South Australia as a state be the beneficiary in the longer term? The simple and unequivocal answer to that is 'yes'.

MURRAY RIVER

Mr LEWIS (Hammond): My question is directed to the Minister for Water Resources. What will be done to tackle and ameliorate the flood irrigation problems and help irrigators fix their irrigation infrastructure and improve outcomes for themselves, South Australia and the river and its natural ecosystems?

The Hon. M.K. BRINDAL (Minister for Water Resources): Both yesterday and today in the house, we have seen consecutive academy award performances by the Leader of the Opposition, performances about grabbing cheap headlines rather than standing up for the good of this state.

Members interjecting:

The Hon. M.K. BRINDAL: Only when there are good lines. I remind all South Australians that only a week ago the Leader of the Opposition was putting up his hand, pleading to go to the ministerial council of the Murray-Darling and saying, 'Me too' in an effort to be bipartisan. He talked about bipartisanship, about working together to ensure that South Australians have an improvement in the quality of water along the River Murray, and to ensure that South Australia was not sold down the gurgler by the eastern states, yet here he is five days later making wild, unsubstantiated allegations about South Australia's own performance in managing the quality of the river. You have to wonder who he is appealing to, whether it is to the people of South Australia or those in Victoria, New South Wales and Queensland who will be absolutely delighted with what he has been saying, and who are already quoting it. So, thanks very much!

Mr Hill interjecting:

The Hon. M.K. BRINDAL: The shadow Minister for the Environment says, 'We want hard facts.' Yes, we do, and I will have much pleasure in sharing them with this House. First, the report of Dr Karen Edyvane and others had nothing to do with the Lower Murray swamp irrigation areas. The 1996 report that the Leader of the Opposition referred to yesterday does not mention specifically the Lower Murray dairy area. The vast majority of the recommendations

contained in that report, entitled 'Biological Resource Assessment of the Murray Mouth Estuary', has already been acted upon by the state government. The only reference to recommendations to the Lower Murray area pollution is in relation to assess the need of point pollution sources upstream—that is in the Lower Murray Lakes, the Coorong and the estuary. This has already been done by the EPA.

The SARDI report, by Edyvane, Carvalho, Evans, Fotheringham, Kinloch and McGlennon, covered the area of the Murray Mouth estuary—that is, the whole of the Lower Lakes, the Coorong and the Murray Mouth area. There are 36 recommendations in the report, and those recommendations are divided into nine categories. I remind the honourable member opposite, through you, Sir, that he said not one had been acted upon. There were 36, but of these, only two categories fall within the responsibility of the Department of Water Resources. Two of the three recommendations on water quality have been implemented already through the work of the EPA on point pollution sources and by SA Water on flow dynamics and algal growth. If members will bear with me a minute, I will show them how wrong they are. They are not just a little wrong—they have completely mucked it up.

The third recommendation under this category is not supported, as the current level of monitoring does not indicate any need for the more detailed assessment of possible contaminants referred to in that report. I am also aware that the majority of the eight recommendations under the category of Wetland Biodiversity Conservation have already been included in the RAMSAR management plan which has been prepared for that area and which is the responsibility of one of my colleagues.

This plan has been out for public consultation and comments have been received and are currently being collated. It will be implemented through the Department for Environment, Heritage and Aboriginal Affairs. Of the report's recommendations on the water flow regime—and I suggest that the member opposite stop reading and listen; he might get a few facts instead of making them up—

Members interjecting:

The Hon. M.K. BRINDAL: I do not mind the member in question: he has a brain. What I object to is his not using it in the best interests of the people of this state. The six recommendations in this category—

Mr Atkinson interjecting:

The Hon. M.K. BRINDAL: I will discuss outside this place and inside in this chamber in a couple of weeks some of the bad precedents that the member opposite might be responsible for, so he had best be very quiet.

In respect of water flow regimes, the six recommendations in this category have all been fully or partially implemented. For example, the Murray Mouth Advisory Committee now seeks advice from recognised experts on the ecology of the Coorong and from the fishing industry prior to making any releases of river water. The Murray-Darling Basin Commission has recently agreed to fund a study of the whole region to improve our understanding of the complex dynamics of the region—something that I thought those opposite would applaud.

The study will include modelling of river flows and sediment movement. A scoping study for this modelling has already been completed. The point made yesterday of the impact of poor dairy effluent disposal and inefficient irrigation practices has been recognised by both the community and the government. That is why we have addressed the issue of dairy shed effluent. All effluent is now either ponded and disposed of well away from the river or reused on pastures where it will have minimal impact. The impact of dairy shed effluent on the river has been minimised and gives the lie to the opposition's wild allegations of a 'cocktail of manure and urine and chemical fertilisers being pumped into the river'.

But the Leader of the Opposition has never been too worried about the truth: he is worried solely about the 10-second grab on TV, which might be why some people refer to him as 'Media Mike'. Irrigation drainage in the river is the next target for improvement, and the community-based Lower Murray Irrigation Action Group has sought Natural Heritage Trust funding to rehabilitate the irrigation area to current standards. Demonstration and trial projects have already been funded and undertaken.

Members interjecting:

The Hon. M.K. BRINDAL: There are 36 recommendations. Rehabilitation will address aspects such as minimising irrigation drainage, disposal of drainage water, improving water delivery systems and metering water allocations. A whole-of-government approach to improvement measures is under way. A steering committee, led by PIRSA with representations from the Department of Water Resources, SA Water and the EPA, the Department of Human Services and the River Murray Catchment Water Management Board, has been set up.

Under the improved options being examined, drainage returns to the river will be greatly reduced. I am advised that last year SA Water engaged consultants to conduct community consultations among 120 irrigators. This effort, focused on the Lower Murray irrigation area, follows the successful irrigation rehabilitation further upstream in the Riverland. Under this process of rehabilitation there will be some rationalisation of the industry. Indeed, some irrigators will opt to transfer or sell their water allocations to higher land irrigation purposes rather than to continue to operate flood irrigation enterprises on the swamps, a progressive step that we have already taken.

In 1995, when the cap on water allocations across the Murray-Darling basin was negotiated, it was recognised that a rehabilitation program was needed. It is proposed to submit a revised cap volume for the Lower Murray swamps prior to the next meeting of the Murray-Darling Basin Commission Ministerial Council in August. So, far from hiding from our failings in this state, we have, as the Premier and these ministers have on all other issues, been up-front with everyone about our good points and about our bad points. We have been honest in seeking to work with all our counterparts to get the health of the river right.

Finally, despite claims by the opposition and those reported to Dr Edyvane, extensive water quality monitoring is undertaken from source waters. In summary, the Leader of the Opposition claims he is fighting for our sake and fighting for the interests of South Australians, but when he and his shadow minister do not bother to contact me or my department to get the truth and when he comes into this place with a stunt, my colleagues and I can be excused if we think the less of him for it. The public will make its decision, but we will also make ours. It simply gives his Labor mates in the eastern states—Premiers Carr and Bracks—the alibis and the excuses they need to carry on doing what they want to do to the river with no regard to South Australia. The Leader of the Opposition is playing very dangerous politics.

In conclusion, the Premier has won them over. The Premier has done a lot, as has every member of this government who has tried to assist with the process.

Mr FOLEY: I rise on a point of order. I refer to standing order 98. The member is clearly debating the answer; this is an absolute nonsense.

Members interjecting:

The SPEAKER: Order! Members on my right will come to order. There is no point of order. In the opinion of the chair, the minister is still delivering facts to the chamber. If, in the event, the minister starts to debate the issue, he will be brought to order.

The Hon. M.K. BRINDAL: The Premier has shown national leadership on this issue, as have senators such as Senator Robert Hill. We are interested in the health of this river. We are interested in the good of this state. The Premier and all his ministry will continue that commitment despite those opposite, but what we would hope for is the bipartisan approach that the Leader of the Opposition talks about ad nauseam, yet does nothing about.

GOODS AND SERVICES TAX

Ms WHITE (Taylor): My question is directed to the Minister for Education and Children's Services. Does the admission by the former education minister (Hon. Rob Lucas) that public schools could not charge tuition fees but could only charge material and services fees mean that the GST will apply to school fees paid by parents in South Australian public schools, whereas tuition fees in private schools are exempt from GST? The federal government's GST tax package says that, while most educational courses are GST free, goods and services that are normally subject to GST will remain taxable even when they are provided by schools.

In 1996, the Hon. Rob Lucas, the former Minister for Education, issued an instruction that, because government schools could not legally charge tuition fees, all school fees in future were to be charged for materials and services only.

The Hon. M.R. BUCKBY (Minister for Education and Children's Services): In relation to the goods and services tax and how it relates to the materials and service charges fee—and some areas are still being cleared up—we know that those fees which are directly attributable to education resources and which are used by children in their normal schooling are not GST rateable. However, where it is in competition, for example, hiring a musical instrument and those sorts of things, it will be subjected to a GST. We are advised that things such as school excursions will not attract a goods and services tax, as long as they are attributable to the subject that is being studied. However, where it is purely of a leisure activity, then yes, there will be a tax on it. The fact is some areas are being worked through here.

With respect to the issue of school fees, as the honourable member knows we do not charge a school fee in public schools, but the materials and services fee is charged to all schools, and whether that materials and services fee is taxable depends on what it covers. We know that many items such as pens, pencils and paper will not be GST taxable, because they are part of the normal materials used in the education of our children. As I said before, those that run into competition with the private sector, such as books, are GST rateable. For instance, you will still be able to take out a loan on a book in a library but, where you purchase a book that is outside the school curriculum or where it can be purchased from a retailer, we are advised that it will be subject to the tax. In answer to the honourable member, we are ensuring that our school community is well aware of the administration requirements set down for the GST, and we are providing training to all the SSOs who deal with this and also information to parents so they know exactly what they will be up for in GST and the materials and services fee.

SCHOOL CLOSURES

The Hon. G.A. INGERSON (Bragg): Will the Minister for Education, Children's Services and Training advise the House of the details of discussions involving school reviews currently being undertaken in the north-eastern suburbs?

The Hon. M.R. BUCKBY (Minister for Education and Children's Services): I take it that the honourable member is relating to the half baked truths about school closures that are being peddled around the electorate of Hartley by Labor's candidate. They are not only half baked but they are not even original. You could give a little credit for originality, but these I would suggest have been begged, borrowed or stolen from the education unit, and I would have thought that the heir apparent might have had a little more imagination. Not only that: if he is going to speak about education he might have done his homework beforehand. Let us look at what he is saying.

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

The Hon. M.R. BUCKBY: Let us look at what he is saying:

> John Olsen's uncaring [government] have set up a committee to close down our local schools.

The candidate counters that with a campaign: 'Save our schools.' Well, first, it is not original and, secondly, I would suggest the union is right behind him. Let us have a look at the two schools which the candidate is talking about and which concern him so much. One is Newton and the other is Hectorville. In their heyday the enrolments for both these schools were 1 100 students. Within five years the combined enrolment levels are projected to be less than 200 across both schools. The candidate accuses the government of waste, and I take it that he is pushing Labor's line, but the point is that the waste caused in this state by the previous Labor government was unprecedented.

The question is whether the government should leave the two schools, which are greatly underutilised, having gone from a maximum of 1 100 down to 200, and spend millions on their upkeep, or invoke a review of the two schools to determine the best educational outcome for the children of those schools. Well, we did set up a review panel, and it used the process of this House, the very process set up in 1997-98 by this House. That review process was set up not by John Olsen but by this House. It includes a unionist, a city alderman and parents from both schools. Do we put our head in the sand and pretend that within a couple of years the schools will be full again and built back up to their 1 100 enrolments, or do we look at the best educational outcomes for the children of those schools? We know what side of the House stands for responsible government here, and that is this side of the House, certainly not that side.

That is the reason why I have instructed that a review committee be set up to look at the local circumstances of those schools. That review will be conducted according to the standards set down by this House. If I decide to go against the review, members well know that I have to explain to this House my reasons for going against the recommendations of that review committee. That is the ministerial accountability

which has been set down by this parliament and which I will adhere to. What the Labor Party has forgotten to tell its candidate in Hartley is that it is this House of parliament that has set the rules for school closures, and this House that has set the rules by which the minister must abide.

MATTER OF PRIVILEGE

The Hon. M.K. BRINDAL (Minister for Water Resources): I rise on a matter of privilege. Erskine May states at page 396:

> A member speaking to order must simply direct attention to the point complained of, and submit it to the decision of the Speaker. . . .On 1 July 1952 the Deputy Speaker [of the House of Commons] deprecated a growing practice of interruptions of debate by Members who, 'when the hon Member who is speaking refuses to give way, think that the only way that they can get their word in is by raising a point of order'. He stated that in his opinion such interruptions constituted fraudulent points of order, and should be stopped.

On page 395, under the heading 'Obstruction of the business of the House other than by disorderly conduct or persistence in irrelevant or tedious repetition', it states:

> It would seem, therefore, that a member so obstructing the business of the House cannot be required under Standing Order 43 to withdraw from the House. . . He may be, however, guilty of a contempt of the House. . .

There are many instances in the life of this parliament where it is apparent that some members may flagrantly disregard the use of points of order either to enter the debate or to draw the media's attention to themselves. I therefore would ask whether this action constitutes a contempt of this House.

Members interjecting:

The SPEAKER: Order! The chair is of the view that, in the absence of anything specific that should be raised at the time and then developed into the point of privilege to which the honourable member is referring, I cannot see that a matter of privilege could be involved at the moment. I would suggest that, if the occasion arises in the future where the honourable member believes that a matter of privilege has been transgressed, that would be the appropriate time to raise it.

ABORIGINAL LANDS

The Hon. D.C. KOTZ (Minister for Aboriginal Affairs): As the Minister for Aboriginal Affairs I seek leave to make a ministerial statement.

Leave granted.

The Hon. D.C. KOTZ: On 23 February 2000 the Department of State Aboriginal Affairs reported that it had been made aware of an urgent situation that existed in some Aboriginal communities on the AP lands caused by heavy rains which had cut the delivery of foods to communities. Investigation found that Pipalyatjara, Kanpi, Nyapari and Amata communities were isolated with urgent food shortage problems. Weather conditions and forecasts were not favourable and road access was unlikely for some time. Information regarding the conditions of the roads leading to the isolated communities provided by the State Emergency Service suggested that DOSAA explore all the commercial transport possibilities to ensure that the food supplies required for the communities could be delivered, and this included the air movement of supplies by commercial helicopter or aircraft services in the area.

In the first instance, the Division of State Aboriginal Affairs was able to contract a small helicopter operating out of Uluru to deliver emergency food supplies to communities where the airstrip was unserviceable. Five half-tonne consignments of emergency food supplies were delivered to Nyapari, Kanpi and Pipalyatjara on Thursday 24 and Friday 25 February. In addition, two aircraft from PY Air, Alice Springs, were contracted to deliver two tonnes of emergency food supplies to Amata on Friday 25 February. These small food consignments catered for immediate need but could not sustain the community's long-term demand. The State Emergency Services were contacted, and they in turn sought assistance from Emergency Management Australia in Canberra.

An Army helicopter stationed in Townsville was deployed for assistance in the region. This helicopter arrived at Uluru late Saturday 26 February, and larger food consignments were delivered to Kanpi and Pipalyatjara on Sunday 27 February. A further consignment was delivered to Pipalyatjara on Monday 28 February. Assistance for the transfer of food supplies was provided at Uluru by the Northern Territory Emergency Service and Goodfellow Transport Company. Further food consignments were delivered to Amata, Nyapari and Pipalyatjara over the next two days, and the mission was terminated on 1 March 2000. The Army helicopter was urgently required to assist with flood relief efforts in the eastern states.

On Friday 17 March advice was received that road access was again available and that road transport food deliveries had boosted stocks at all the abovementioned communities. There were no reports of injury or health-related problems, and the communities were successfully supported throughout the crisis with respect to their essential services, food and medical requirements. I take this opportunity to thank all personnel involved, from the officers of the State Division of Aboriginal Affairs, whose coordination of the logistics of the exercise ensured its success, to the State Emergency Services and the Northern Territory Emergency Services for their professional assistance and the commonwealth defence forces for their transport support to complete this massive operation.

GRIEVANCE DEBATE

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

The Hon. M.D. RANN (Leader of the Opposition): It is very important today that we enshrine a measure of bipartisanship on the issue of Daimler-Chrysler's purchase of a controlling share in Mitsubishi Motors in Japan. Certainly, we want to place on record today the Labor opposition's offer to the Olsen government and to the Premier of Labor's full support for any talks with Daimler-Chrysler to help secure the long-term future of the two Adelaide Mitsubishi plants. We are happy to participate in any meetings with company representatives. Of course, the industry and trade minister, Rob Lucas, has previously indicated that the government would be seeking talks with the company as soon as possible. It is important for the company to know of the strong commitment of both major political parties.

Daimler-Chrysler needs to understand that both the government and the alternative government strongly support

the car industry in this state. I am sure all members would regard the Tonsley and Lonsdale plants as vital parts of the state's manufacturing base, employing thousands of workers not only at the plants themselves but also in dozens of automotive component suppliers. We have proven in the past that, when we work together in a bipartisan way, we can win for the car industry. Both the Premier and I and industry and union representatives were involved in intense lobbying to maintain car tariffs when the Howard federal government was considering a Productivity Commission report to head to zero tariffs. Together, along with the support of Kim Beazley and federal Labor, we fought off that move, of course, with the threat of a vote against it in the Senate.

In September 1997, I visited Mitsubishi in Japan at the same time that the Premier was there to reinforce our bipartisan commitment to the future of the car industry and our position in relation to car tariffs. In September 1999, I visited General Motors in Detroit and Mitsubishi and Bridgestone in Tokyo for talks with senior company executives. Certainly, it was very important in my view that we first of all heard what the industry's views were in relation to the transition to the GST. There were concerns in both Tokyo and Japan about a possible buyer's strike, which indeed occurred, with people forestalling and delaying their purchase of new motor vehicles because of the promise of cheaper car prices at a later stage. So, the message that I took back from my meetings in Tokyo was that it made absolute sense to lower the wholesale sales tax rate in a transition to the GST in order to ensure that people did not delay their purchases. Unfortunately, those views, the views of the industry, were ignored by the Howard government and, as a result, it has cost jobs and also risked investment decisions.

Of course, it was also important to bring back the message from overseas about the attitude towards car tariffs. It is not conceivable to people making investment decisions in Australia how Australia would continue to reduce car tariffs to allow our competitors to export cars to Australia while at the same time they maintain massive tariff and non-tariff barriers against us selling our cars in their market places. Indonesia is one of the worst examples, along with Malaysia, India and a number of other countries. Korea, again, is a major exporter of cars, one that makes it impossible for us to sell cars in their market place.

The point that I made to the head of the World Trade Organisation is that the WTO is always forcing compliance by Australia with WTO moves towards free trade but does not enforce it with its other members, including Korea, Indonesia and Malaysia. There is absolutely no sense in one-way free trade, which can only benefit car workers and car industries in other countries. So, it is vitally important that we talk to Daimler-Chrysler. It is yet unclear as to what impact the new deal with Daimler-Chrysler will have long term on the operations at Lonsdale and Tonsley. We all hope that it is a positive one, and Labor will work hard with the government to support any efforts to achieve that.

The Hon. D.C. WOTTON (Heysen): Most members in this place would be aware of the Torrens Parade Ground as being an important part of the state's heritage and, of course, a very significant part of the City of Adelaide. Most of us would also be aware that a subcommittee of the cabinet, comprising the Treasurer and Minister Lawson, has been out consulting informally with a number of organisations on the future use of the site. Of course, these discussions have been predicated on the basis that the state government has no preconceived plans for the site, and I believe that is quite appropriate.

I am advised that the subcommittee has reported back to the Cabinet committee on these discussions and the views expressed are now being considered as part of the committee's ongoing deliberations on the broad parameters concerning the future use of the site. Earlier this year, I attended the eightieth anniversary of the Return Services League in Stirling, and I was very pleased to be able to do that. The RSL in Stirling is made up and has been made up over the years of people who are very committed to their cause and to the local community and who have done a significant amount to assist the Stirling community and surrounding districts.

I was made aware at that dinner meeting of the very real interest of the RSL (the Returned Services League of Australia) in the future of the Torrens training depot. I am aware that it has made representations to the Chair of the Centenary of Federation of South Australia and also has had discussions with the Cabinet subcommittee to which I have just referred. It is very keen and has made known that it wishes the building and its surrounds to be retained with a defence flavour. The President of the RSL, Mr John Bailey, indicated that there had been a strong move by the majority of veteran groups within the state for the RSL to take over and administer the premises under a trust agreement. This would mean that the building would be able to retain its links with the defence community through use by the various regimental and ex-service organisations, those organisations being the RAAF Association, the Vietnam veteran groups and so on. It is very appropriate that that should happen.

The RSL, as the pre-eminent national and state representative of the veterans' community, has both the expertise and administrative infrastructure to manage the use of the premises on behalf of the state. It would also enable the continued use by those community organisations that now utilise the facility, as well as allowing for the smaller ex-service associations to be housed within the complex.

I realise that much deliberation is to be carried out on this matter, but I bring to the notice of the House and to the ministers involved my support for the submission that the RSL put forward, and all that I can do is ask that those ministers and that subcommittee take into account those views and give consideration to the request that has been made by the RSL which I believe would be supported by many South Australians.

Ms BEDFORD (Florey): With the kind assistance of the Speaker (Hon. John Oswald), Parliament House is hosting this week and next a visit of an exhibition of tapestries that are housed in Centre Hall. The theme of the exhibition is 'world peace' and the visit of the tapestries will highlight to us as leaders and decision makers within the community the importance of a prevention rather than cure plan for the future of the world.

The artist behind the tapestries is a wonderful woman who works in a studio in the hills at Oakbank. Ms Mary Cassini trained in fine art at the Sidney Cooper School of Art in Canterbury, England. In 1978, under the tuition of her husband, master weaver Mr Peter Stapleton, she began weaving at their studio and is now known as the 'Oakbank Weaver'. Her tapestries have increasingly become philosophical works to illustrate her peace initiatives.

Ms Cassini began working for world peace in 1983, when the growing threat of nuclear war became something she felt

compelled to avert. She attended a peace vigil in Victoria Square here in Adelaide. That protest and many like it continue to this day, marking anniversaries important to the peace movement and to the many people who have been involved in that protest group over many years.

The feeling of solidarity which Mary experienced that evening showed her the importance of people power and galvanised her determination to change what must have been then and still feels sometimes now an almost inevitable reality. She heard about the three minutes world silence, which was a peace initiative worldwide and has worked here and throughout the world to make sure that it has become well known. Mary sent letters to world leaders and, together with her husband, had the courage of her convictions and bought airline tickets and travelled to see many of those world leaders to drive home their point. They were granted audiences with prominent people from the US and the Soviet Union and many other countries. Most of those leaders offered their near total support. The trip attracted front page media coverage in many places.

This year Mary and her husband Peter again plan to retrace their steps to reinforce the message, taking with them these tapestries that we have with us in Centre Hall. There are five tapestries in the exhibition. The first one, entitled 'Remember', depicts the Arc of the Covenant. Mary hopes that this tapestry will be hung in theatres of conflict to remind those fighting of the futility of their actions. The second, called 'Healing of the Nations', depicts a gate of Jerusalem decorated with the 12 fruits of the trees of life. The hands of a church clock stand at the eleventh hour. This tapestry has been exhibited in the United Nations Palais des Nations and at the World Council of Churches, both in Geneva, in 1993. 'Alpha and Omega', the third tapestry, talks of the beginning and the end and features the Book of Life with the last fishing boat in the foreground. The nations of the world gaze at the book while materialism is symbolised by the buildings. Three flying ducks are also in the tapestry.

Another, called 'King Midas and his Daughter', illustrates the legend of King Midas, who worshipped gold. The story I am sure is known to everyone here. The last tapestry is called 'The Angel of Peace looking after the World'. This tapestry was woven by Mary to give a sense of security and protection to people, especially children, often victims of world troubles. I urge all members to take advantage of the exhibition during its time here and urge them and any visitors who are coming to see them or school groups coming through to have a good look at these tapestries. They are beautiful works of art, and I urge people to take in their message and make peace a priority in their lives.

I also take this opportunity to thank the Speaker and the President of the Legislative Council (Hon. Jamie Irwin) for their help in mounting this exhibition, along with the Parliament House staff who have gone out of their way to make sure that it is prominently displayed and available for all of us to share.

The Hon. R.B. SUCH (Fisher): I will canvass a range of issues today. First, I encourage both the Minister for Education and Children's Services and the Minister for Human Services to consider the possibility of reintroducing screening of primary schoolchildren, possibly in year 3, in terms of their physical and mental wellbeing through psychological testing, as well looking for learning disabilities. This was something that happened many years ago, and members in this Chamber would recall the days when they striped off to their jocks and socks and fronted up to the school medical service for a check.

I see the member for Goyder looking quite puzzled, but he is only a youngster so it probably did not happen to him. I believe there is merit in prevention of illness and disease, as well as correcting other physical problems, along with highlighting those youngsters who have psychological problems and severe learning disorders. Some people would suggest that these aspects are picked up now. They are, but it is on an ad hoc, random basis and I would like to see a systematic approach. People argue that breast cancer screening is not effective. I have an open mind about that. They also point to doubts about doing something similar for prostate cancer for adult males. In terms of children, I think it is a different situation and I would like those two ministers to actively pursue this matter and to evaluate the merits or otherwise of the reintroduction of the screening of primary school children.

Another matter, which I am pleased to see has not fallen by the wayside, is the introduction of school cadets. It is something that has been a hobbyhorse of mine for many years, both when I was minister and since that time. I am aware that a committee is progressing that issue and I will be delighted when that scheme is operational in our schools. We are talking here not simply about military cadets; we are certainly not talking about aggressive behaviour, even for the military cadets. We are talking about the Country Fire Service, SES, St John Ambulance, and so on. I trust that it will not be long before we have that scheme operating throughout our schools, as is the case in Victoria and Western Australia where similar schemes have been operating for many years.

Another matter of longstanding interest and concern to me is the need, I believe, for a standardised curriculum in our schools. Until recently we had what was called 'statements and profiles' which, in my view, was a fairly waffly approach to learning, stages of learning and consideration of achievements of learning. It is now being replaced by a curriculum framework. If that means that at the end of the day schools will have a standardised curriculum at all levels which still allows for local variation, then the sooner we have that the better. Teachers in our schools do not have time for each of them to be generating their own curriculum. In my view they would be better served and more effectively utilised if they had access to a standardised curriculum. That means, also, we can have some common assessment across our school sector because one of the things that parents want, and I believe students need and should be aware of, is to know where they sit relative to the achievements of other students. For too long we have had this namby-pamby nonsense, airy-fairy wishwash of not telling students and parents exactly where the student is in relation to where they should be in terms of not just literacy and numeracy but right across the whole curriculum.

I will be delighted if this current focus on the curriculum framework brings about some structure in our school system, still allowing for variation according to the local district but generally providing a facility so that, if someone moves from one school to another, there is a consistency and a congruence in terms of the curriculum that is offered across the state—and one would hope eventually across this nation. Let us go from the fairyfloss wishy-washy which has often plagued our education system to a more structured focus on a standardised curriculum which still encourages innovation and creativity

but which enables parents and students to know where they are at.

Mr HILL (Kaurna): This afternoon I would like to talk about the Mobil Oil Refinery which is in the O'Sullivan Beach-Lonsdale area close to my electorate and which is an important employer and industry in the southern suburbs. For some time now, the Mobil Oil Refinery has been looking at ways of reducing its costs—and one understands why it needs to do that, given the rumours about oil refineries in Australia. One of the things that it has attempted to do is to reduce the amount of rates it pays to local council. Under the indenture act which was established 20 or 30 years ago, Mobil pays $1.1 million a year to the council. It believes that is an excessive amount of money. It argued that the amount it should pay, based on parity and looking at refineries across Australia, was about $300 000. So it approached government and said, 'We need a cut of $800 000. We need the indenture act changed and we need a saving of $800 000.'

A cut of $800 000 would be good for Mobil but it would mean $800 000 would come out of Onkaparinga City Council's budget and that would mean $800 000 worth of services that the people who live in that district would miss out on, or it would mean $800 000 worth of extra rates that the people in that area would have to pay. So members can understand that the residents of the southern suburbs were not very impressed with this approach to Mobil's cutting its costs. In fact, I have had many calls to my office—and I know the council has had many calls to its office, and I am sure the other local members have had many calls from local residents—saying, 'Please, don't let Mobil get away with this cost cutting. We don't want to pay the extra rates. If there is going to be a cut in the amount of money from Mobil, it should come from the state coffers, not from local government coffers.'

I think there is some sense to that argument. Mobil is an industry which services all South Australia; it is not just one for the southern suburbs. If it needs subsidies and support, then we all in South Australia should pay it—and that is certainly the position that both the member for Reynell and I have put consistently over the past couple of years. I would like to see Mobil stay in the district. It is an important industry. We need that industry in South Australia; we need it in the southern suburbs and I would like to see it sustainable. If it needs to cut costs, that is something it should be helped with.

For two years now it has been attempting to have this rate cut. Unfortunately, it has been negotiating with the state government but neither the state government nor, I understand, Mobil until recently has brought the Onkaparinga council into the picture. On 23 March the state government through the Department of Industry and Trade went to the city council and made an offer to it about how this reduction of rates could be managed. Essentially, the government is saying that the rates should be reduced to $300 000. To give you a flavour of the government's position on this issue, Mr John Cambridge in a letter of 27 March to Ray Gilbert, the Mayor of the City of Onkaparinga, writes:

> Mobil has been willing to bear the burden of excessive rates for a considerable period of time and has made a substantial contribution to council revenue. It is not reasonable to expect Mobil to continue bearing this burden, regardless of the company's financial or competitive position.

The government believes that Mobil should have a rates reduction. But I say two things about this: first, it believes that and, secondly, it is prepared to offer some sort of compromise deal to the council. I applaud it on that. In fact, what it is offering is a package worth $560 000 a year for each of two years by way of transition. It would mean that in the year ending 30 June 2001 the refinery would pay $700 000 and a $560 000 package would be provided by the government. In the following year the sum would be $300 000 and another $560 000 package would be provided by the government. From the third year the council would be receiving $300 000, in other words a $800 000 cut.

I want to say three things about this. First, it means that Mobil will be paying rates which are too low. The parity issue does not work. The piece of land on which Mobil is located is such that it should be paying higher rates. Secondly, there is not enough cash going to the council. It is only about $100 000 a year. Thirdly, the period over which this deal is being brokered, that is, two years, is not long enough. If the government seriously wants to help the council it should broker a deal over, say, a five year period. The amount of cash going to the council should be more significant to support the programs that the council is running over that time, and the base amount of money that Mobil should pay into the future should be greater than the $300 000.

Mr SCALZI (Hartley): On 8 March I was privileged to take a delegation from the Campania region led by Dr Enzo Marmorale through Parliament House. That evening was most enjoyable because I was a guest at the neapolitan songs festival by Comm. Aurelio Fierro coming from the Campania region. Members would be aware that the former Labor government established a twinning agreement with the Campania region and that over 37 per cent of Australians from Italian background come from the region. As a government we have continued with that and in 1996 we signed the first university agreement with the University of Naples. It was a most enjoyable evening. Over 500 people attended to hear the old neapolitan songs. I was privileged because I remember those songs as a child before I migrated to Australia.

That evening I was asked by Cav. John Di Fede, from Italian Radio, who is also the President of the Campagna Federation in Australia, if I would attend Italian Radio at the Adelaide Produce Market. I said that I would do my best. The following day, I went to the Adelaide Produce Market at Pooraka, and I must commend Italian Radio for broadcasting from there. As members would be aware, many Australians from Italian background have been involved in the industry not only as market gardeners or retailers but as stallholders in the Adelaide Produce Market.

I was fortunate that, whilst on air, Des Lilley, the Chairman of the Adelaide Produce Market, offered a gift of $200 worth of fruit and vegetables to the primary schools in my electorate, so it is just as well that I got up early and went to the market that morning. The six primary schools in the electorate of Hartley—three state schools and three private schools—have all been fortunate in each receiving this gift worth $200, and I would like to thank the Adelaide Produce Market for their commitment to actively providing good health education by way of giving fruit to those schools.

The Hon. Dean Brown interjecting:

Mr SCALZI: I am told by the Minister for Human Services that they are working with the Health Commission to promote a healthy lifestyle. I would like to read the letter from Des Lilley, as follows:

> Dear Joe,
> Thank you for taking the time to visit the APML during our

special day, having the Italian Radio station broadcast from Adelaide Produce Market. As I outlined on air, APML will donate $1 200 value of fresh fruit and vegetables for distribution to the six schools in your area. It is my understanding that there are three private and three government schools which will benefit. Please inform me on how you would like us to proceed to deliver the fresh produce, i.e. time and place.

Great to have you with us, and if we can assist to promote Eat Well SA and the Adelaide Produce Market in the future, do not hesitate to contact me.

There is an important industry that is making a commitment. The six schools are East Marden Primary School; Hectorville Primary School; Newton Primary School; St Joseph's Primary School, Hectorville; St Joseph's Primary School, Tranmere; and Sunrise Christian School, Paradise. I am making arrangements for those schools to have that fruit and vegetables delivered. Some might say that $200 is not much, but it is a significant commitment by an important industry in our state to promote healthy eating and a healthy lifestyle. As a former schoolteacher, I know only too well of the number of students who come to school and often do not have a good basic diet. This will go some way towards helping them.

Time expired.

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

A quorum having been formed:

PARLIAMENTARY COMMITTEE ON OCCUPATIONAL SAFETY, REHABILITATION AND COMPENSATION: LEIGH CREEK COAL MINE

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

That the second report of the committee be noted.

In so moving, I shall be brief. I wish to draw to the attention of the House the fact that the committee has looked at the matter of the effect of past and present coal mining operations on the health of workers and residents of Leigh Creek and environs following a reference from another committee. In so doing, we were made aware of large numbers of allegations—

Members interjecting:

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

The Hon. M.H. ARMITAGE: We were made aware of a large number of allegations which had been looked at in the past and on which, people contended, there was evidence they had just been updated. Accordingly, in examining this matter, I asked for my department to look at all the evidence that had been presented on many occasions, because this particular matter is not new. The matter has actually been looked at frequently in many different fora and with different reports being presented. In this matter, the department brought back a comprehensive review of the allegations and accusations, and it had identified that there was no new evidence for this committee to take into account.

Accordingly, given that large numbers of investigations had been carried out without there being cogent new evidence of concern, the report was put and debated at the parliamentary committee. I acknowledge that the committee was divided in this matter. However, in my personal view—and it was the view of the committee as well, given that it voted that we table this report and note it—there comes a time when, despite a series of allegations, no matter how well meaning those allegations may be—

The Hon. G.M. Gunn: Or misguided.

The Hon. M.H. ARMITAGE: Or misguided. No matter how well meaning or misguided those allegations may be, in the absence of new evidence, there comes a time when someone in the system must say that we will not continue to investigate these allegations. That is not only because it is actually expensive to do so and the taxpayer has done so on a number of occasions previously, but also because it may well hold out false hope to people who believe that an investigation will necessarily turn up new evidence and see their claims being verified at last. None of these claims has not been investigated before. Accordingly, the committee moved that the report recommending that we not take these investigations further be presented to the parliament. I understand that upsets some people but, in the absence of any new evidence, that was the view of the committee.

In identifying that, as chair of the committee I was quite clear in pointing out to committee members that if they had new evidence at any stage they should present it to the committee, and as chair I would be more than delighted to take that up. I say that because one of the things in which I had the greatest interest in my previous career as a medical practitioner was the issue and evolution of the understanding in society of the disease asbestosis.

When these allegations were first brought to my attention many years ago, well before the existence of this committee, I indicated to people that I had no desire to be the minister who missed the next episode of asbestosis and, accordingly, that I would chase the evidence until the evidence indicated that the trail was no longer worth pursuing. With that open acknowledgment to the committee, which I reiterate now in front of the parliament, if any member of Parliament had new evidence—not old evidence revisited but new evidence upon which we could get scientific review and not emotional review—I would be happy to take another reference and look at it. However, as I indicated, in the absence of that evidence the committee has decided that it will not progress this further, although I recognise that that does not please everyone.

Ms KEY (Hanson): As a member of the committee, I would like to make a few comments. It is very difficult for me to vote against the report being noted, because of the standing orders of the parliament, but there are some points that I would like to raise. First, the information with which we were provided as committee members (Background Paper for the Parliamentary Committee on Occupational Safety, Rehabilitation and Compensation) supplied a number of papers that had been in circulation for quite some time. We received a paper from the Public Works Committee report and evidence given to the Public Works Committee which, as members know, gave this reference to our committee.

We also had the benefit of seeing the 1994 WorkSafe Australia report, the 1995 WorkSafe Australia report, the 1995 statutory authorities review report, the 1998 Public Works Committee report and a review (with a couple of confidential papers) from the Department of Administrative and Information Services, looking at information contained in departmental files. Having read this report very carefully, and having read some documents for the second or third time, I did not feel as compelled as the minister obviously does that

there is no new evidence or no reason to follow through with the inquiry that we had before us.

I would like to quote briefly from the Statutory Authorities Review Committee which, as people who were here at the time may remember, was charged with undertaking a review of ETSA, in which the committee was asked to look at health and safety issues that had been raised with regard to the Leigh Creek mine. Part of that report looked at Department for Industrial Affairs' improvement notices that had been lodged in February 1994, whereby an inspector of the Mining and Petroleum Branch in South Australia, in the then Department of Industrial Affairs, served four improvement notices on ETSA. These were not prohibition notices but improvement notices. In brief, those improvement notices stated:

- A supplied air line respirator is not provided to the dozer operators working on coal fires in the surface crushed coal stockpile adjacent to the train loader.
- The coalfield employees, all of whom are to some degree exposed to oil shale and/or coal dust or fumes from fires in such materials, are not being medically monitored to the degree necessary to detect and control known occupational related disease, including acute and chronic bronchitis and the epidemiology. . . .scrotum [and other cancers].
- That employees who are exposed or work in proximity to coal and oil shale dust and fumes and ash are not decontaminated to minimise the risk of occupational disease prior to those employees leaving the coalfield by company bus each day.
- That the public in the Leigh Creek South township may be exposed to harmful contaminants brought off the coalfield by dirty vehicles and clothing.

The only thing we have heard from government members on this issue is abuse of people, including this inspector, who dared to raise issues about concerns that they felt were attached to the instant combustion of the oil shale in Leigh Creek. The minister has already said—and I believe that he is sincere in his comments—that if this was going to be another Wittenoom episode or an episode of great extent he would be concerned, but I disagree in that I do believe there is an issue. Even the survey done by WorkSafe involved a number of problems.

The WorkSafe team had problems comparing exposure levels, because it did not have adequate industries with which to compare the oil shale problem at Leigh Creek. It only had something like 9 per cent of the workers who were exposed to the oil shale burnoff in their survey. Much criticism was attached to the survey because it could not be considered to be definitive. There were some other comparisons in that report of 14 other coal areas, but none really exemplified the work that has been done with brown coal at Leigh Creek.

A number of comments were made by the Statutory Authorities Review Committee about the fact that none of the work up until that date had really covered the issues that had been raised at the time by workers and residents in both Leigh Creek and Leigh Creek South. The WorkSafe report noted that Leigh Creek's mobile population prevented firm conclusions being drawn about whether there were links between an increase in the prevalence of cancer and Leigh Creek township or mine exposures.

Furthermore, the report pointed to the probability that people developing cancer as a result of such exposures would have done so after leaving Leigh Creek either for work or health reasons. Certainly, the people from whom I have heard in the past few years are people who have left Leigh Creek and have found that their health may have improved in some instances, but also a number of people have died since working at Leigh Creek from various cancers or respiratory problems.

Another point raised by the Statutory Authorities Review Committee on page 10 of its report addressed the matters of respiratory diseases and asthma. The report concluded that, on the basis of the available data, it was unknown whether the prevalence of asthma cancers or respiratory illnesses were related to living at the Leigh Creek township or working in the Leigh Creek mine. Again this is from the 1994 report. As I mentioned earlier, the Statutory Authorities Review Committee also saw that there were limitations in the survey methodology and that the survey could not be considered as a definitive epidemiological study to prove no effect exists. The current minister and the previous minister may well be right in saying that there is not a problem, but my concern is that we have no evidence to say whether or not there is a problem and a connection. A real opportunity was given to the parliament by the Public Works Committee to see whether we could establish some concerns and whether further research was needed and that opportunity has not been taken.

The other point I make is that a number of the members of the committee were interested in looking at more recent data. Of all the information with which our committee was supplied—and I am grateful to the work that had been put into this by Workplace Services as part of DAIS—the latest information we have is from 1998. We have no recent medical or scientific evidence to support the fact that there is not a problem. We do not have any testing advice using the technology and the testing that is available now. None of that information was supplied to the committee as an option for looking at the fact that there may be evidence of what people are claiming.

In closing, I make two points. First, as I mentioned earlier in my address, I have received a lot of information from workers and residents ex Leigh Creek who have raised numerous concerns and who, as the minister has said, have made a number of allegations and I am concerned that we have not followed up on them. Secondly, I give notice that I intend to move a motion to say that this inquiry needs to be referred back to the committee and the committee needs to do a proper job in making sure that there is not an issue as suggested by the minister.

The Hon. G.M. GUNN secured the adjournment of the debate.

PUBLIC WORKS COMMITTEE: FLINDERS MEDICAL CENTRE CRITICAL CARE MEDICINE UNIT REDEVELOPMENT

Mr LEWIS (Hammond): I move:

That the 109th report of the committee, on the Flinders Medical Centre critical care medicine unit redevelopment, be noted.

Flinders Medical Centre is a teaching hospital of 430 beds collocated with Flinders University of South Australia and Flinders Private Hospital. It includes 24 critical care medicine beds, nine of which are temporary. The primary roles of the critical care medicine unit are: level 3 adult intensive care unit, trauma centre for southern and eastern South Australia, post-operative support for cardiac surgery patients, post-operative support for general patients, paediatric intensive care, obstetric and gynaecology intensive care, and teaching, training and research.

The centre provides the only public level 3 intensive care facilities in the southern metropolitan region of Adelaide and to the southern and eastern areas of South Australia. The

centre is also one of only two adult trauma centres in South Australia and the only one with capacity for paediatric intensive care. The Repatriation General Hospital and Noarlunga Hospital depend on Flinders Medical Centre as a tertiary referral centre for level 3 intensive care and as a teaching hospital. The Flinders Private Hospital CCMU essentially caters for post-operative surgery support for elective surgery patients who have private health cover—and that is approximately 30 per cent of South Australians.

Flinders Medical Centre CCMU primarily caters for trauma, medical emergency and cardiac surgery patients for the vast majority of public patients who do not have private health cover and therefore are not eligible to get access to Flinders private hospital facilities. With an increase in the population of the southern suburbs and the southern part of South Australia and the ageing of our population it is expected that the demand on the Flinders Medical Centre, and in particular the CCMU, will continue to increase. The current facilities include 15 intensive care beds and a further nine beds located in an adjacent ward, 3E. The total area of the unit is about 1 300 square metres. The 15 bed unit is cramped. It was built as an 11 bed unit, but was expanded to 15 beds in 1991.

There is inadequate working space around the beds, patient visibility from the staff station is restricted and equipment and supplies are inefficiently stored because they are difficult to access. Furthermore, staff areas do not comply with occupational health and safety standards. The temporary use of ward 3E is unsatisfactory and it fails to meet the Australian Council of Health Care Standards for Intensive Care Units. There are major inadequacies with electrical systems, air-conditioning, medical gasses, space allocation and biomedical equipment. These shortcomings of the present facilities diminish the functionality of the CCMU.

Members of the committee inspected the current CCMU on 3 November 1999 and noted conditions that included: an old kitchen being used as a seminar room and the radiologists area; insufficient space for visitors; inadequate area for interviews to be held; placement of the photocopier in the preparation room; storage rooms that had been converted into offices and the fifteenth bed in the CCMU having to be placed in an isolated area; insufficient rooms to properly cater for isolation of highly infectious patients; insufficient space and specialist offices for filing cabinets and other necessary office equipment; and a very small room which is shared by 10 trainees for both study and sleeping. Members can imagine what that was like, given that they were working different shifts—a very small room shared by the 10 of them in which to study and to sleep. Clearly, if you wanted to sleep you had to be very tired and if you wanted to study you had to be very, very dedicated and capable of intensive concentration in spite of the distractions of those others in that dog box. Other conditions noted included: some equipment having to be stored in cupboards built in the hallway outside the CCMU; the need for the CCMU to take over space in the intensive care unit, including space in the interview room; and the lack of opportunities to expand the CCMU to gain extra space.

The committee also noted that the original lighting in the CCMU does not meet modern standards. It is not as bright, and dark areas exist around patients' beds and hamper the vision of medical staff trying to treat them and use sophisticated modern equipment standing outside the bed in the dark area. The air-conditioning in the intensive care unit area does not meet the needs of the CCMU. The committee was told that the temperature reached 29° late last year just before we visited the hospital when nine CCMU patients needed to be placed in the area.

Imagine what it would have been like had there been 15, with all their attendant equipment attached and operational. The electronic equipment in the CCMU is ageing and is not able to satisfy modern medical needs. The proposal is planned to provide a more suitable environment and facilities to meet intensive care standards and to meet the needs of the community in terms of satisfying the growing demand and the increase in acuity of emergency, trauma and cardiac surgery patients. The key aims of this work are: to provide an appropriately designed and equipped CCMU with a capacity of 24 beds; increase the physical capacity of appropriate facilities in the CCMU to cater for the escalating demand for critical care services within the outer southern metropolitan and southern and eastern regions of South Australia; to improve the ability of the CCMU to meet appropriate standards of critical care medicine; and to provide appropriate physical capacity for Flinders Medical Centre to fulfil its role as a trauma centre.

The proposed solution will incorporate specifically designed areas for management of trauma patients; for management of medical patients; for management of post-operative cardiac surgery patients; for management of paediatric patients; for management of obstetric and gynaecology patients; for management of overdose patients; and extended observation and management of level 3 intensive care patients, with areas also designed for undergraduate/postgraduate teaching and training. Additional facilities will be provided to facilitate teaching and tutorial administration and staff facilities as well as a unit based radiology service.

The proposal will allow rapid access to every space with a minimum of cross traffic. It will take into account the need for direct visual access to all patients from the central clinical support areas in which the staff work. It will provide sufficient circulation space in each patient bed area to accommodate medical equipment and allow free movement of staff in the provision of patient care. (I say there that, tragically at the present time, if flatulence is a problem for anyone in the intensive care unit all must suffer the consequences). It will provide visitor facilities in the reception and waiting area, and it will provide protection of visual, auditory and olfactory privacy to which I have just referred. (It is not really very edifying when you are trying to treat someone with a condition to have to put up with the odours that inadvertently emanate from somebody who may be a patient, a staff member or even, for that matter, a visitor). It does this while recognising the need for observation of the patients. Entirely appropriate in the opinion of every member of the committee, the design will facilitate the concept of a hot floor which provides the collocation in close proximity of the same level of critical services and departments.

The committee is told that the project will increase the capacity of the Flinders Medical Centre CCMU to safely accommodate the increasing critical care needs for the area served by that hospital; to improve patient facilities to meet national standards; to avoid the risk of adverse patient outcomes associated with unnecessary patient movements; to improve functional relationships within clinical and support facilities; to facilitate closer functional links with the cardiac intensive care unit and to facilitate closer functional links with the emergency services department; to improve the working environment for staff and specifically reduce the

incidence of staff back injuries; to improve visitor facilities, including overnight stay accommodation; and to relieve space pressures on level 3, which will thereby enable future development of this level for operating theatres and the emergency department.

The committee is told that the complete relocation of the CCMU clinical facilities to the northern courtyard is the only option that is available to meet all the standards and guidelines associated with a facility of this type. So, pursuant to section 12(c) of the Parliamentary Committees Act, the committee reports to parliament that it recommends the proposed work.

Ms THOMPSON (Reynell): I rise to support the committee's recommendations and the comments that have been made in its report to this parliament. I wish to extend my congratulations to the staff of the Flinders Medical Centre critical care unit for the excellent work they are currently doing in extremely difficult situations. The member for Hammond has referred to the cramped quarters and the risks of occupational injury. There is also a lack of lighting; the lighting facilities are not suitable for a top level intensive care facility. The staff do not have the ability to get the light directly down to the work they are doing while maintaining a quiet light in the background area. The air conditioning is clearly inadequate. In fact, on the day we were there, which was not particularly warm, we were nevertheless aware of the close atmosphere as we moved through the facilities.

I certainly find the opportunity for us to undertake site inspections very useful in our ability to tackle our task of assessing projects put before us; and the fact that the Public Works Committee has recently looked at intensive care and critical facilities at the Queen Elizabeth and Royal Adelaide Hospitals, the Flinders Medical Centre and the Lyell McEwin Hospital means that we are beginning to understand just what is involved in intensive care facilities. We also looked at A and E in most of those hospitals, so we can see the close relationship that exists between accident and emergency facilities and intensive care facilities. I trust that the House will benefit from our increased understanding of the way these services operate and the types of physical facilities required if our community is to get the best services in times of great crisis and if the highly trained staff we have are able to give of their best.

The member for Hammond has mentioned the cramped conditions in which the staff in the intensive care unit have to try to sleep and study at times, and the fact that their professionalism was maintained despite this was quite evident. It was also a matter of some pride for all of us that it was clear that training as an intensivist at Flinders Medical Centre is highly desired and that people seek such training positions from many countries across the world; and we can all take pride in the excellence of the training that we are offering there. During informal discussion with staff members it was also interesting to learn of the interest they take in informal peer reviews and the fact that they read coroners' reports, particularly from other facilities, quite intensively to see how they can improve their own performance. Such excellence needs to be recognised, and I certainly do so.

The needs of the facility have clearly outgrown the existing physical facilities. We have mentioned the fact that beds are placed in a secondary bay, and it was important for us to look at whether we could be confident that this demand for facilities would continue if we were about to spend so much money on this important facility. We learnt that the critical care unit activity is driven largely by the admission of patients in critical conditions requiring multi-system life support for indefinite periods.

In 1998-99, 1 418 patients were treated, and the overall occupancy level has increased by 8 per cent over the past 12 months from 88 per cent to 96.6 per cent in terms of the official 15 bed number. Nevertheless, the nature of critical care medicine and trauma management is not fully, we are told, nor meaningfully illustrated by a flat annual occupancy figure. It is not possible to prevent or control activity in the same manner possible in other wards or units. The average number of patients is 15, with a range of six to 24 patients; 40 per cent of the year the bed occupancy level exceeds 15 beds, and for 10 per cent of the year bed occupancy levels exceed 20 beds. So, this clearly indicates the need for an expanded unit.

Of course, with any proposal such as this there are some winners and losers. With the facility being built by filling in a courtyard, some staff and patients will lose access to daylight, but we understand that this matter has been well consulted, particularly with the staff, and they are prepared to change their way of living to the benefit of the critical care unit and also to that of the paediatric patients who will now have a play area at the same level as the paediatric ward. So, that is an important addition.

One matter disturbed me in the process of the questioning about the proposal, and that relates to the situation with the GST. The project proposal indicated to us that there was no allowance for GST. When I inquired about what was to happen with GST costs and who would absorb them, the reply was as follows:

> There has been a fair bit of discussion with state Treasury for some time as to how it could be computed. Our cost experts like Ryder Hunt and other people in the industry have not been able to definitively agree on what the escalation is likely to be. We have a difference of view from 5 to 6 per cent net impact, whereas other people in other parts of government say it could be even a reduction. With the agreement of Treasury we have provided for normal building and cost escalation and can predict accurately, and because we do not have legislation at the moment, and as there are a huge number of amendments, we have excluded the GST and are asking Treasury to give us a budget adjustment in due course based on the legislation brought down.

It is a bit of a worry that this facility is not properly costed in relation to the GST. The committee has asked for regular reports on this issue. We have had no further information to date, so we are not able to report fully to the parliament on just what the cost implications will be, but we will certainly do so as soon as we are made aware of the impact of the GST. With those remarks, I commend the report to the House.

Mrs GERAGHTY secured the adjournment of the debate.

PUBLIC WORKS COMMITTEE: SOUTH COAST WATER SUPPLY AUGMENTATION PROGRAM

Mr LEWIS (Hammond): I move:

> That the 110th report of the committee on the South Coast water supply augmentation program, stage 1, be noted.

The Public Works Committee has examined stage 1 of the proposed South Coast Water Supply Augmentation Program. The proposal involves an estimated cost of $18.32 million. Works are contained in the United Water 'in scope' area and in the SA Water outer metro south area. Two projects have therefore been created according to area of responsibility: SA Water will be responsible for the project management,

design and administration of the augmentation of water supply to Victor Harbor and Goolwa, and United Water International will be responsible for the project management, design and administration of the Happy Valley-Myponga water system upgrade.

In accordance with the terms of their variation agreement with SA Water, United Water's proposed project delivery fee and target construction cost have been independently assessed. One project is to upgrade the Happy Valley-Myponga water system by providing new infrastructure and adjustment of the Happy Valley-Myponga interface to utilise excess capacity of the Happy Valley water treatment plant. The second project will augment the water supply to south coast townships by upgrading and providing new infrastructure to meet the peak demands up to the year 2005.

The committee is told that the specific objectives of the proposal are: to meet the existing and future demands of filtered water to the areas south of the River Onkaparinga, including the south coast townships of Victor Harbor, Port Elliot, Middleton and Goolwa up to the year 2005; to improve the water quality of the supply to south coast townships during the peak demand period (mid December to mid/late April); and the stage 1 works are being targeted for completion by November 2000. The committee is told that they are the minimum needed to achieve the objectives for approximately the next five years.

Implementation of the works will enable further review and investigations of the system to determine future demands. Excess capacity available at Happy Valley water treatment plant will be utilised to meet the demand of areas south of the Onkaparinga River that are presently being served by the Myponga water treatment plant. The available filtered water from the Myponga plant will be diverted to the south coast townships, and their additional demand will be balanced through a new lined storage with a floating cover at Nettle Hill.

Demand from areas served by the Myponga water treatment plant will exceed the capacity of the plant by approximately 15 megalitres a day in 2001. These areas are experiencing a rapid growth in permanent population, as well as a significant tourist influx during the peak demand season. Farming methods are also undergoing a change from dry land farming to crops such as vines and almonds that seem to be capable of absorbing at cost potable water as a production input, that potable water coming from the domestic water supply.

The supply to the south coast townships from the Sellicks Hill pumping station has been below the peak demand since 1997, and there is a shortfall of 10 megalitres a day during the high demand period. The additional demand is balanced through the Hindmarsh Valley reservoir. However, the level of demand and the high rate of growth in the area have caused the storage capacity at the Hindmarsh Valley reservoir to drop below the emergency level. The committee is told that, due to the existing restrictive capability of the system to replenish the reservoir during the peak period, it will be difficult for it to meet the additional demand by the summer of 2001.

The committee is told that SA Water is likely to introduce water restrictions during the coming peak demand periods in the south coast townships/areas south of the Onkaparinga River due to the existing restrictive capability of the system to replenish the Hindmarsh Valley reservoir during that period. The committee accepts that urgent action is needed to maintain emergency storage levels and system capability to prevent the need for water supply restrictions being introduced. The committee is also concerned that the water that passes through the Hindmarsh Valley reservoir deteriorates in quality, and the open storage is also vulnerable to contamination by pathogenic parasites such as giardia and cryptosporidium.

There are two guideline values in relation to turbidity in the Australian drinking water guidelines. Neither of them are met when Hindmarsh Valley reservoir is in use. Implementation of the proposed project will enable water to be diverted to the south coast to meet those demands up to the year 2005. It will do that by reducing the load on the Myponga plant and use some of the capacity of the Happy Valley treatment plant. It would also enable supply of filtered water, which is in compliance with Australian drinking water guidelines by abandoning the existing open storage at Hindmarsh Valley. It will provide a positive impact on public health and safety. It will give an improved availability of water up to year 2005 and prevent the likelihood of water supply restrictions, which otherwise loom large indeed. It will ensure that irrigators in the region have access to spare off-peak transport capacity. The demand for new vines and other crops will support economic growth in the region. It will provide a positive impact on small business and regional development by facilitating tourism and residential development in the Victor Harbor-Goolwa district.

Approximately 2 000 to 3 000 consumers will be affected by the change in the direction of flow of water when the locked valve is removed from Quarry Road to Tatachilla Road. Customers will be notified through the media, and water quality will be monitored during the reversal of flows, according to the advice the committee has received. Water detected as not complying with water quality guidelines will be discharged from valves in the appropriate manner.

The committee accepts that the proposed scheme is more flexible, less complex and lower in capital cost than other options that were considered. The project will provide the level of supply needed during the next five years and also enable further review and investigation of the system to occur during that period to determine how to meet future demands. The committee would be concerned if this project's potential to compete with the Willunga Basin Pipeline (Recycled Water Reuse Scheme) Project mitigated against waste water reuse. We do not want to see this project competing with the Willunga Basin pipeline recycled water reuse scheme. We urge SA Water to develop waste water management plans. We do that because at present that waste water, which could be cleaned up through wetland and used for irrigation, just runs to sea and carries with it high levels of turbidity which as you, Sir, and other members will know is devastating in its consequences for seagrass meadows.

The business case incorporating revenue projection shows that the break-even point corresponds to an 8 per cent penetration into the irrigation areas and a 50 per cent off peak irrigation sales of spare transport capacity in the system to generate a positive net present value of $7.2 million, with a benefit cost ratio of 1.25. The corresponding economic evaluation, which includes those factors, demonstrates a positive net present value of $19.2 million and a benefit cost ratio of 1.24. If no revenue for irrigation is considered, the project has a positive net present value of $6 million and a benefit cost ratio of 1.2. So, it will stand alone on its merits, even if no irrigation sales off peak are made. That is an additional bonus then which is generated by the scheme for the region in terms of additional economic development.

During examination of the proposal the committee asked for an assessment of the potential use of the Hindmarsh Valley reservoir for direct irrigation purposes. The results show that on a stand-alone basis the option would generate a favourable economic outcome of $12.2 million positive net present value, with a benefit cost ratio of 1.95. If the committee has done nothing else it has awoken the powers that be to the way we can best use Hindmarsh Valley reservoir.

SA Water will investigate this option on the assumption that there is no conflict with other potential purposes for the reservoir (whatever that meant) before concluding which option is to be pursued further in relation to that reservoir. The analysis indicates that irrigation could provide a beneficial usage of that reservoir and a benchmark on which to compare alternative options for the facility. Why would you destroy an existing catchment and storage capacity that would be used to expand the economy of the region by so much money when the attendant recoverable increase in real estate value by making that destruction would be far less, indeed negative?

Future stages of the overall program will be reviewed, investigated and developed in order to meet projected demand growth through to the year 2021 (or so we were told) and we were also told that they would be subject to future Public Works Committee submissions. They had better be! Given the above, the Public Works Committee reports to the Parliament that it recommends the work.

Ms THOMPSON secured the adjournment of the debate.

PUBLIC WORKS COMMITTEE: NETLEY POLICE COMPLEX

Mr LEWIS (Hammond): I move:

That the 111th report of the committee on the Netley police complex be noted.

The Public Works Committee was told that the SAPOL (South Australian Police) strategic review process has identified an undesirable gap between service objectives and available support facilities for policing at Glenelg and for operation of the special tasks and rescue division. The problems identified reflect the limitations of old buildings to cater for the natural growth in policing, the impact of modern policing methods and other site constraints.

SAPOL proposes to vacate premises at Mosley Square, Plympton and the Thebarton Barracks and move into facilities that will better assist the delivery of policing services. Strategies to make best use of the Glenelg police complex are unable to satisfy long-term operational requirements, and options for improvement are limited by inflexibility of the site and general overcrowding. SAPOL's requirements at Anzac Highway, Plympton have diminished markedly since the implementation of a revised policing structure in 1997 (or so we are told) and only a small police station function comprising three staff continues to operate. We were not given any evidence that would enable us to come to any view one way or other about that assertion. We simply accept that it is so, in spite of what public disquiet we read in the newspapers and hear on the electronic media.

The Special Task and Rescue Division is accommodated in several buildings dispersed within the Thebarton Police Barracks. However, in the long-term the fragmented nature of the accommodation, the poor standards and poor security there cannot support overall operational efficiency. The standard of accommodation at all locations falls well below required standards and I will give examples of that. The buildings are not designed to adequately integrate the technology or the practical work spaces needed. Outside toilet facilities, overcrowding and lack of locker and change facilities, particularly at Glenelg, are examples of matters that need to be addressed. I do not think you should have police officers stripping from their civvies into uniform and vice versa in what has to be considered to be quite unacceptable circumstances where there is no privacy whatever, regardless of the sex of the officer.

There are outside toilet facilities, which are also overcrowded, and there is a lack of locker space, as I have already pointed out. They are examples of matters that must be addressed. The rear of the Glenelg site is adjacent to a busy car park and public thoroughfare that is difficult to protect. At Thebarton the open nature of the site, together with the dispersal of buildings, is similarly difficult to protect. Terrorists, or indeed organised criminals, could easily bomb out both facilities if they wanted to. Access and egress from the Glenelg site are becoming a problem due to the increasing pedestrian and vehicular traffic and the onset of commercial development.

At Glenelg facilities for sensitive treatment of the public within the station are not available. Interview facilities are minimal and confidentiality is difficult to achieve. The Glenelg site lacks adequate car parking space, and there is no opportunity to expand further on that site. The Thebarton Barracks are restricted by the historical significance of the site. One cannot knock them down to change their floor space available for one or other of the purposes for which they might otherwise be used. There is a heritage classification on many of those buildings—quite properly so—and the identification of the barracks as part of the land affected by the parklands management strategy also restricts that option. The committee undertook a site inspection in delegation form and confirmed those points. The necessity to resolve the issues has assumed greater importance as the Glenelg site has been identified as a project site for Holdfast Shores development and SAPOL will be required to vacate the site as early as possible (and maybe as soon as August this year) in line with the development agreement.

The committee again makes the point that a project referred in such circumstances fails to properly understand the committee's statutory obligations to thoroughly examine significant public works to safeguard the public interest. The proposal involves establishing a small local police station at Glenelg to maintain a public contact service at Glenelg and provide a base for specialised police operations as required; and a facility at Netley to replace Glenelg, accommodate the divisional administration, a replacement of the Plympton police station and a base for mobile patrols, stores and amenities. The site, located at Netley Commercial Park, comprises over 14 000 square metres. It has private access to the north and frontage to Marion Road on the eastern side. It is government owned and ideally located to provide services to the patrol area and enable ready access to the local community. Netley is a suitable location to base patrols, given the better position relative to the policing area as a whole. The site allows a good access and egress but with reasonable opportunity to establish a desired level of security. In addition, the proximity of the Adelaide Airport is well suited to the need of the STAR Division for a high level of emergency response through the use of aircraft.

In particular, the proposed capital works will provide a modern purpose built police complex; provide a building

more suited to dealing with sensitive issues raised by clients through inclusion of well designed public contact spaces; and provide space for both current and predicted future requirements with building expansion capabilities factored into the design. It will provide secure and safe accommodation for police through access to the building and the position of key functions; provide improvements in both the number and the design of general and video interview facilities; provide upgraded standards of training facilities, particularly for the high skill requirements of the STAR Division; provide storage facilities that are properly secured and organised; provide emergency operations facilities designed to be easily made available for local incidents, natural disasters and the like; provide a design for the police station to achieve an efficient general office and public reception area; provide adequate and secure car parking; provide specific information technology requirements integrated with the design of the building; and provide a building incorporating high level energy efficiency, as well as a building in design which is flexible through use of lightweight partitioning of office areas to accommodate change whenever necessary.

The capital cost of the proposed project is estimated to be $9.795 million. Recurrent operating costs are estimated to be $437 000 per annum, an increase of $223 000 over existing operating costs. Some of this increase is due to the cost of maintaining a substantially larger building. There are also additional recurrent rental costs of the shop front at Sussex Street, Glenelg.

The DEPUTY SPEAKER: Order! The time for the debate on Standing Committee reports has concluded. Before calling on Notices of Motion, the Speaker has asked me to inform members that he has approved a change in format for bills to assist in the move to electronic format. There has been no change to the substance of the text but a new cover sheet has been added and the 'summary of provisions' moved to the second page. One change, which has not yet been effected, is a common numbering system between the Houses and Parliamentary Counsel. That change will be essential when bills are on-line on the Internet, and the Speaker's officers are continuing to work on that issue.

CHILDREN'S PROTECTION (MANDATORY REPORTING AND RECIPROCAL ARRANGEMENTS) AMENDMENT BILL

The Hon. DEAN BROWN (Minister for Human Services) obtained leave and introduced a bill for an act to amend the Children's Protection Act 1993. Read a first time.

The Hon. DEAN BROWN: I move:

That this bill be now read a second time.

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

Leave granted.

This bill makes two separate amendments to improve the community protection of children.

Firstly, the amendments add pharmacists to the list of persons who are required to notify their suspicions that a child has been or is being abused or neglected.

Pharmacists were required under previous legislation to report their suspicions of child abuse and neglect, however they were omitted from the list of mandated notifiers in the *Children's Protection Act 1993*. The Pharmacy Board of South Australia has recently expressed its strong view that pharmacists should be required to report any signs of child abuse. Medication and other materials from pharmacies are used to hide signs and symptoms of child abuse. Pharmacists are in a key position in the detection of child abuse, often before other professionals or community members become aware of the situation.

The inclusion of pharmacists in the list of persons required to notify will assist children by providing an additional important community avenue of detection, and associated early intervention. Such early intervention provides a further measure of protection for children, and assists families in their important role of providing appropriate care and protection.

Secondly, the bill implements national agreements for the efficient transfer of child protection orders and proceedings for children who cross borders between the States, the Territories and New Zealand. Considerable difficulties have been experienced in the past in the transfer of child protection orders across jurisdictions, due to differences in State, Territory and New Zealand child welfare legislation and procedures. This often meant that a child under the Guardianship of the Minister in a particular State could not remain with foster parents who were relocating to another State. In some cases, the most appropriate placement for a child under Guardianship was with extended family members living interstate. In such situations it was often very difficult to ensure the interstate department, who had no mandate to accept the responsibility, provided the appropriate support to the child and the placement.

The transfer of Care and Protection proceedings between jurisdictions was even more difficult. For example, the South Australian authorities may have commenced an investigation into quite serious child abuse, or may have lodged an application for a Care and Protection order in the Youth Court, but the parents removed themselves and the child interstate. It has not been possible, prior to this legislation, for such child protection proceedings to be transferred to the jurisdiction to which the family had relocated.

In 1999, Community Services Ministers across Australia and New Zealand established a Protocol for the Transfer of Child Protection Orders and Proceedings and agreed to introduce amendments to their respective child welfare legislation to ensure the appropriate protection and support of children who are moved across borders.

The amendments therefore provide for the transfer of child protection orders, and the transfer of child protection proceedings.

This bill permits the transfer from South Australia to other States or Territories of Australia and to New Zealand of final child protection orders under the *Children's Protection Act 1993* that give responsibility in relation to the guardianship, custody or supervision of the child. South Australia could receive the transfer of final child protection orders from other States and Territories of Australia and from New Zealand.

Such orders could be administratively transferred if the Chief Executive Officers in the sending and receiving States agree to the transfer, and if the various people with parental responsibilities in relation to the child consent to the transfer. The order could be administratively transferred if it is not subject to an appeal or review in a Court, and if the Chief Executive Officer in the sending State believes that once the order is registered in the receiving State, it will be able to become an order which involves a similar allocation of responsibilities.

When it is not possible to find a comparable order between the sending and receiving State, it will be necessary for the matter to go to the Youth Court. A child protection order or proceeding may be judicially transferred when an application is made to the Youth Court by a the Chief Executive Officer in the sending State, and the Chief Executive Officer in the receiving State agrees to the transfer and the proposed terms of the order. An application to the Youth Court for a judicial transfer of an order or proceeding will not necessarily require the consent of interested parties. However there are quite extensive review and appeal provisions to ensure that any person who has a legitimate interest in the child's welfare has mechanisms for their concerns to be raised.

Once a child protection order is transferred and registered in the receiving State, that state will assume all responsibilities for the care of the child.

In relation to administrative transfers of a child protection order, South Australia's Chief Executive Officer would determine what order in the receiving State would achieve the allocation of responsibilities which is as close as possible to those in the original order.

In relation to a judicial transfer of a child protection order, the Court in the sending State would determine what the order would become in the receiving State. The child protection order in the receiving State would be either:

(a) the order in the receiving State which the Court believes would achieve the allocation of responsibilities which is similar to the allocation in the original order; or

(b) the order in the receiving State which the Court believes would otherwise be appropriate for the child.

The duration of the order will be as similar as is possible in the receiving State or, if it is a judicial transfer, it could be for any period that is possible under the Child Welfare Law of the participating State and that the Court considers appropriate.

The registration of a transferred child protection order extinguishes the original child protection order.

In relation to the transfer of child protection proceedings, it will be the responsibility of the Court in the receiving State to determine the most appropriate course of action to ensure the safety and best interests of the child. A child protection order could be granted in the receiving State, even if the events, which led to the application, occurred in another State.

The bill addresses the issue of transfer of information and expands confidentiality provisions to enable State Departments to transfer information that would assist each State to perform its child protection functions.

I commend this bill to honourable members.

Explanation of Clauses

Clause 1: Short title

Clause 2: Commencement

Clauses 1 and 2 are formal.

Clause 3: Amendment of s. 6—Interpretation

Clause 3 inserts two new definitions into the principal Act that are required as a result of other amendments.

Clause 4: Amendment of s. 11—Notification of abuse or neglect

Section 11 requires particular people to notify the Department of any suspicion that a child is being abused or neglected. Clause 4 adds pharmacists to the list of people required to do so. It also proposes removing the requirement that proceedings for an offence against this section must be commenced within two years of the date of the alleged offence.

Clause 5: Amendment of s. 38—Court's power to make orders

Clause 5 is a drafting amendment.

Clause 6: Repeal of s. 41

Clause 6 repeals section 41 of the principal Act as this section is now dealt with by the proposed new section 47A.

Clause 7: Amendment of s. 45—Evidence, etc.

Clause 7 proposes an amendment to section 45 to include that in any proceedings under the principal Act the Court must act according to equity, good conscience and the substantial merits of the case without regard to technicalities and legal forms.

Clause 8: Amendment of s. 46—Service of applications on parties

Clause 8 is a consequential amendment as a result of the proposed new Part 8 to ensure that an application brought under that Part for the transfer of a child protection order or a child protection proceeding is served on the appropriate people.

Clause 9: Amendment of s. 47—Joinder of parties

Clause 9 is a consequential amendment as a result of the proposed new Part 8 to enable the Court to join a party to proceedings under that Part.

Clause 10: Insertion of s. 47A

Clause 10 inserts a new section to replace the current section 41 to provide that in any proceedings under the principal Act the Court may, on the application of a member of the child's family, a person who has at any time had the care of the child or a person who has counselled, advised or aided the child, hear submissions the applicant wishes to make in respect of the child despite the fact that the applicant is not a party to the proceedings.

Clause 11: Substitution of Part 8

Clause 11 inserts a new Part 8 into the principal Act to provide for the transfer of certain child protection orders and proceedings between South Australia and another State or a Territory of Australia or between South Australia and New Zealand. The proposed new sections 53 and 54 describe the purpose of the Part and define terms used.

The proposed new sections 54A, 54B, 54C, 54D and 54E detail the circumstances under which child protection orders may be transferred administratively by the Chief Executive Officer. They provide that the Chief Executive Officer may transfer a child protection order to a participating State if—

1. a child protection order to the same or a similar effect as the home order could be made under the child welfare law of that State; and
2. the home order is not subject to an appeal; and
3. the relevant interstate officer has consented to the transfer; and
4. the persons whose consent to the transfer is required have consented.

Under the proposed sections, consent to the transfer is required from the child's guardians and from any person to whom access to the child has been granted unless such a person cannot be found or fails to respond within a reasonable period of time to a request for consent.

In determining whether to transfer a child protection order the Chief Executive Officer must have regard to—

1. any sentencing order (other than a fine) in force in respect of the child, or criminal proceeding pending against the child; and
2. whether the Chief Executive Officer or an interstate officer is in the better position to exercise the powers and responsibilities under the order; and
3. the desirability of the order being an order under the child welfare law of the State where the child resides.

The proposed sections provide for review of a decision to administratively transfer a child protection order. Such a review occurs on application to the Court by the guardians of the child who is the subject of the order, or any other person who is granted access to the child or, if the child is of or above the age of 10, the child.

The proposed new sections 54F, 54G, 54H and 54I detail the circumstances under which child protection orders may be transferred by the Court on application by the Chief Executive Officer. They provide that the Court may transfer a child protection order if—

1. an application for the making of the order is made by the Chief Executive Officer; and
2. the child protection order is not subject to an appeal; and
3. the relevant interstate officer has consented to the transfer.

In determining an application the Court must have regard to—

1. whether the Chief Executive Officer or an interstate officer is in the better position to exercise the powers and responsibilities under a child protection order relating to the child; and
2. the desirability of a child protection order being an order under the child welfare law of the State where the child resides; and
3. any information given to the Court by the Chief Executive Officer in relation to any sentencing order being in force in respect of the child or any criminal proceeding pending against the child.

The proposed new sections 54J, 54K and 54L detail the circumstances under which child protection proceedings may be transferred by the Court. They provide that the Court may make an order transferring a child protection proceeding pending in the Court to the appropriate court in a participating State if—

1. an application for the order is made by the Chief Executive Officer; and
2. the relevant interstate officer has consented in writing to the transfer.

In determining an application to transfer a proceeding the Court must have regard to—

1. whether any other proceedings relating to the child are pending, or have previously been heard and determined, under the child welfare law in the participating State; and
2. the place where any of the matters giving rise to the proceeding in the Court arose; and
3. the place of residence, or likely place of residence, of the child, his or her guardians and any other people who are significant to the child; and
4. whether the Chief Executive Officer or an interstate officer is in the better position to exercise the powers and responsibilities under a child protection order relating to the child; and
5. the desirability of a child protection order being an order under the child welfare law of the State where the child resides; and
6. any information given to the Court by the Chief Executive Officer in relation to any sentencing order being in force in respect of the child or any criminal proceeding pending against the child.

The proposed new sections provide that if the Court makes an order transferring a proceeding the Court may also make an interim order making provision for the guardianship, custody or care of the child in such terms as the Court considers to be appropriate and

giving responsibility for the supervision of the child to the interstate officer in the participating State or any other person in that State to whom responsibility for the supervision of a child could be given under the child welfare law of that State. Such an order remains in force for not longer than 30 days.

The proposed new sections 54M, 54N, 54O and 54P detail the manner in which interstate orders and proceedings transferred to South Australia are to be registered and the effect of that registration.

The proposed new section 54Q provides for appeals against a final order of the Court.

The proposed new section 54R states that once a child protection order is registered in a participating State, the order made by the Court under this Act ceases to have effect.

The proposed new section 54S provides for the transfer of the Court file to the State to which the child protection order or proceeding has been transferred.

The proposed new section 54T deals with the hearing and determination of a transferred proceeding.

The proposed new section 54U provides that the Chief Executive Officer may disclose to an interstate officer any information that has come to his or her notice in the performance of duties or exercise of powers under this Act if the Chief Executive Officer considers that it is necessary to do so to enable the interstate officer to perform duties or exercise powers under a child welfare law or an interstate law.

The proposed new section 54V provides that where, under an interstate law, there is a proposal to transfer a child protection order or proceeding to South Australia, the Chief Executive Officer may consent or refuse to consent to the transfer.

The proposed new section 54W provides that a document purporting to be the written consent of the relevant interstate officer to the transfer of a child protection order or proceeding is, in the absence of evidence to the contrary, proof that consent in the terms appearing in the document was given by the relevant interstate officer.

Clause 12: Amendment of s. 57—Delegation

Clause 12 is a consequential amendment as a result of the proposed new Part 8.

Ms HURLEY secured the adjournment of the debate.

TOBACCO PRODUCTS REGULATION (EVIDENCE OF AGE) AMENDMENT BILL

The Hon. DEAN BROWN (Minister for Human Services) obtained leave and introduced a bill for an act to amend the Tobacco Products Regulation Act 1997. Read a first time.

The Hon. DEAN BROWN: 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.

A recent amendment of the *Tobacco Products Regulation Act 1997*, introduced by the honourable member for Torrens and supported by the government, extended the prohibition on the sale of tobacco products to minors to include prescribed products, being other than tobacco products, which are designed for smoking (eg. herbal cigarettes). Both Section 38, which enacts the prohibition, and Section 39, which enables authorised persons to request evidence of age, were amended.

The amendment is now in force and it is apparent that a further amendment will enhance its operation.

Section 39(3) of the Act specifies the classes of persons who are authorised persons in terms of that Section. These are—

A person who holds a tobacco products retail licence and the employees of such a person;

An authorised officer appointed by the minister

All members of the police force.

An authorised person who suspects, on reasonable grounds, that a person seeking to obtain a tobacco product or non-tobacco product is a child may require evidence of the person's age to be produced. A person who fails to comply with such a requirement (without reasonable excuse) or makes a false statement or produces false evidence is guilty of an offence.

The intention of the earlier amendment was to prohibit the sale to minors of non-tobacco products designed for smoking. Such products, as they are not tobacco products, may be sold by persons not holding a licence to sell tobacco products. As the list of authorised persons currently stands, persons carrying on such a business and their employees are not included. It is clearly desirable that they also be able to require proof of age when in doubt, in the same way that vendors of tobacco products are able to do so. The bill makes provision accordingly.

I commend this bill to honourable members.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Amendment of s. 39—Evidence of age may be required

This clause amends section 39 of the principal Act. Section 39 empowers an 'authorised person' who suspects on reasonable grounds that a person seeking to obtain a tobacco product or a non-tobacco product that is designed for smoking may be a child to require that person to produce satisfactory evidence of his or her age. A person who fails to comply with such a requirement (without reasonable excuse) or who makes a false statement or produces false evidence is guilty of an offence.

Apart from the police and authorised officers specifically appointed by the Minister under Part 5 of the Act, the authorised persons who can currently require evidence of age under this section are persons who hold a tobacco products retail licence and the employees of such persons.

This clause amends section 39 to add to the list of authorised persons who can require proof of age those persons who carry on the business of the retail sale of non-tobacco products that are designed for smoking and the employees of such persons.

Ms HURLEY secured the adjournment of the debate.

HEALTH PROFESSIONS (SPECIAL EVENTS EXEMPTION) BILL

The Hon. DEAN BROWN (Minister for Human Services) obtained leave and introduced a bill for an act to allow health professionals to provide health care services in the State in connection with special events without becoming registered under state law; and for other purposes. Read a first time.

The Hon. DEAN BROWN: 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 purpose of this bill is to provide an administratively simple method of enabling visiting health professionals to legally provide services to visitors participating in special events without breaching local registration laws.

As part of the Memorandum of Understanding with SOCOG and the Commonwealth, South Australia is required to provide for the registration of overseas health professionals, specifically medical practitioners associated with the Olympic Games and more particularly those associated with the Olympic teams that will be visiting South Australia during September this year. New South Wales and Tasmania already have legislation in place. This bill is modelled on the New South Wales Act.

Existing legislation requires that each visiting health professional apply for and obtain temporary limited registration in the public interest from the relevant health professional registration authority. In recognition of the significant administrative burden that would be placed on these authorities by requiring temporary registration, the inconvenience resulting from the application process for temporary registration and the absence of significant risks to the public posed by visiting health professionals, it is considered that the most appropriate means of fulfilling the commitments of the State to SOCOG and the Commonwealth is to enact exemption legislation.

Visiting health professionals will, of course, be strictly limited to providing health care services to the visiting participants with whom they are travelling. The legislation is written so as to allow the minister to make an order declaring a sporting, cultural or other event to be held in South Australia to be a 'special event' if, in the opinion

of the minister, it will attract or involve a significant number of participants from another country or other countries. This will allow the option of providing the exemption for similar events in the future. Visiting health professionals will need to give notice in the manner specified in the relevant special event order of their intention to provide health care services to members of their visiting party.

The bill does not distinguish between different types of health professionals. Each visiting health professional will be exempt from all relevant health registration Acts. This approach has been taken because many health professionals are multi-skilled and are able to provide services that are outside the normal area of practice of their profession.

Medical practitioners are already able to bring pharmaceutical drugs into Australia by operation of an exemption under the Commonwealth *Therapeutic Goods Act 1989*. This bill will permit visiting health professionals to possess, supply and administer drugs from their 'doctor's bag' brought into Australia under the Commonwealth Act, provided they supply and administer the drugs only to those visiting participants they have been engaged to provide health care services to.

Generally exempt practitioners will not be authorised to be supplied with pharmaceutical drugs to replenish their stocks. Nor will they be able to write prescriptions. Consultation with a registered medical practitioner will be required. However, this will not be an absolute restriction. If the organising body of a special event is able to establish that it has suitable administrative arrangements in place for the verification of prescriptions and the credentials of the practitioners, then the minister may authorise visiting practitioners to prescribe pharmaceutical drugs.

I commend the bill.

Explanation of clauses

PART 1

PRELIMINARY

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

This clause provides for commencement of the measure on a day to be fixed by proclamation.

Clause 3: Interpretation

This clause defines terms used in the measure.

PART 2

SPECIAL EVENTS EXEMPTION FOR VISITING HEALTH PROFESSIONALS

Clause 4: Special events

This clause empowers the minister to make an order declaring a specified event or event of a specified class to be a special event for the purposes of this measure. An order can be made in relation to any sporting, cultural or other event that is to take place or is taking place in the State and that, in the opinion of the minister, will attract or involve a significant number of participants from another country or other countries.

Clause 5: Definition of 'visiting health professional'

This clause defines the term 'visiting health professional' for the purposes of the measure.

Clause 6: Definition of 'visitor'

This clause defines the term 'visitor' for the purposes of the measure.

Clause 7: Provision of health care services to visitors by visiting health professionals

This clause authorises visiting health professionals to provide health care services to visitors for whom they have been appointed, employed, contracted or otherwise engaged to provide those services.

Clause 8: Conditions on practice by visiting health professionals

This clause allows conditions to be imposed on the provision of health care services by visiting health professionals.

Clause 9: Issue of prescriptions and supply of certain substances

This clause permits visiting health professionals to give prescriptions for prescription drugs only if authorised to do so by a special event order and empowers the minister, by a special event order, to authorise the giving of prescriptions for prescription drugs and impose conditions on authorisations.

Clause 10: Exemptions relating to offences

This clause provides exemptions from certain offences against Health Registration Acts and the *Controlled Substances Act 1984* where persons do things they are authorised by this measure to do or possess substances in circumstances in which they are authorised by this measure to do so.

PART 3

MISCELLANEOUS

Clause 11: Complaints about visiting health professionals

This clause provides that a complaint cannot be made about a visiting health professional under a Health Registration Act and no disciplinary action can be taken against a visiting health professional under such an Act, but the clause does not prevent the bringing of proceedings for offences against a Health Registration Act.

Clause 12: Application of Act to particular persons

This clause empowers by the minister, by order published in the *Gazette*, to declare that the measure or a specified provision of the measure does not apply to or in relation to a specified person or persons of a specified class.

Clause 13: Regulations

This clause empowers the Governor to make regulations for the purposes of the measure.

Clause 14: Review of Act

This clause requires the minister to review the measure to determine whether its policy objectives remain valid and whether its terms are appropriate for securing those objectives. The clause requires the review to be undertaken as soon as practicable after the period of five years from the date of assent to the measure and requires a report on the outcome of the review to be prepared and tabled in both Houses of Parliament within 12 months after the end of that five year period.

Ms HURLEY secured the adjournment of the debate.

SOUTH AUSTRALIAN HEALTH COMMISSION (ADMINISTRATIVE ARRANGEMENTS) AMENDMENT BILL

The Hon. DEAN BROWN (Minister for Human Services) obtained leave and introduced a bill for an act to amend the South Australian Health Commission Act 1976 and to make related amendments to the Ambulance Services Act 1992, the Blood Contaminants Act 1985, the Children's Services Act 1985, the Controlled Substances Act 1984, the Cremation Act 1891, the Drugs Act 1908, the Food Act 1985, the Guardianship and Administration Act 1993, the Housing Improvement Act 1940, the Institute of Medical and Veterinary Science Act 1982, the Medical Practitioners Act 1983, the Mental Health Act 1993, the Public and Environmental Health Act 1987, the Radiation Protection and Control Act 1982, the Reproductive Technology Act 1988, the Sexual Reassignment Act 1988, the Supported Residential Facilities Act 1992, the Tobacco Products Regulation Act 1997 and the Transplantation and Anatomy Act 1983. Read a first time.

The Hon. DEAN BROWN: 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 purpose of this bill is to make administrative changes to the *South Australian Health Commission Act 1976* to streamline administrative arrangements and more appropriately reflect in legislation what is occurring in practice.

In his 1999 and 1998 reports to Parliament, the Auditor-General expressed concern over the need to clarify the administrative arrangements between the Health Commission and the Department of Human Services.

In order to overcome the concerns of the Auditor-General the Section of the Act relating to the appointment of the Chief Executive Officer is to be repealed. In addition the Auditor-General's concerns relating to the validity of actions taken by the current Chief Executive Officer since her appointment, set out in his reports in 1998 and 1999, are to be addressed through a transitional amendment which validates all actions taken and decisions made by the current CEO.

The bill also seeks to clarify the functions which should reside in the Commission and those that should more appropriately be vested in the Minister.

The Health Commission has been retained as a corporate body and in recognition of its importance within South Australia, has been given a new set of high level functions. These functions all relate to safeguarding the health of South Australians both generally and

specifically. For example, the Commission has a mandate to promote proper standards of public and environmental health in the State generally and will be responsible for generally promoting health and well-being across the State.

The Commission has retained several very significant functions and powers to enhance and protect the health of South Australians. These include prohibiting the sale, movement, or disposal of food that is not fit for human consumption and ordering the destruction of that food under the *Food Act 1985*. The Commission will continue to be responsible under the *Food Act 1985* for publishing or requiring someone to publish a warning against the risk that food is unfit for human consumption.

Similarly, the Commission will continue to exercise some important powers relating to controlled notifiable diseases under the *Public and Environmental Health Act 1987*. These include the powers which provide for the taking of action to prevent the risk of infection spreading.

Staff may be assigned to the Commission from time to time as required. There will no longer be a need for a Chief Executive of the Commission, as most of the functions of the Commission are transferred to the Minister. The bill, therefore, repeals the requirement for a Chief Executive Officer of the Commission.

The administrative arrangements around the Health Commission and the Department of Human Services have become well merged to reflect a broader view of health and well-being. In order to achieve a true human services perspective on work being done, staff and managers are linking into all parts of the Department, rather than having a narrow focus. An integrated system of service must also be reflected in an integrated Department to ensure that systems work well together.

Even though in practice, these two legally separate bodies have merged their functions, nevertheless the accounting arrangements and financial reporting on the amounts specifically spent on each function must continue to be kept separate under current legislation. Continuing to maintain separate accounts for the Health Commission and the Department of Human Services is administratively inefficient and consumes excessive amounts of staff time. It also increases the possibility of an accounting error occurring which may be misleading.

It is not possible to subsume the financial reporting requirements of the Health Commission into those of the Department of Human Services through a simple mechanism, however. Instead it is necessary to transfer many of the functions of the Health Commission to the Minister who will have the ability to delegate those functions to the Chief Executive of the Department of Human Services. The Chief Executive of the Department of Human Services will then be responsible for financially reporting on the Department as a whole. The amendments contained in this bill will achieve these changes and reflect what is now occurring in practice.

The South Australian Health Commission is responsible for administering several other Acts within the Human Services Portfolio. This bill will make consequential amendments to each piece of legislation by substituting 'Minister' for 'Commission' wherever it appears and will make any associated changes. Consequential amendments are also made to other Acts or instruments under which the Commission currently has a role.

I commend this bill to honourable members.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

The measure will be brought into operation by proclamation.

Clause 3: Amendment of s. 3—Objects of this Act

This is a consequential amendment.

Clause 4: Amendment of s. 6—Interpretation

A cross-reference to another Act is to be up-dated. A definition of "the Department" is also to be included for the purposes of the Act.

Clause 5: Substitution of heading

Clause 6: Substituting of heading

These clauses make consequential amendments to headings.

Clause 7: Amendment of s. 8—Constitution of Commission

It is proposed to remove the distinction between full-time and part-time members of the Commission.

Clause 8: Substitution of s. 10

This is a consequential amendment.

Clause 9: Amendment of s. 11—Removal from, and vacation of, office

A notice of resignation from the Commission should be provided to the Minister.

Clause 10: Substitution of heading

This clause makes a consequential amendment to a heading.

Clause 11: Substitution of s. 15

Clause 12: Substitution of s. 16

The functions of the Commission and the Department (essentially represented by the Minister) have been reviewed. New section 15 is based on the functions of the Commission under the Act as it currently stands.

Clause 13: Substitution of s. 17

The delegation provision has been revised.

Clause 14: Amendment of s. 18—Appointment of advisory committee

Advisory committees will be appointed under a general power currently contained in section 18(1)*(d)* of the Act.

Clause 15: Substitution of Division

The staff of the Commission are to be persons assigned by the Minister.

Clause 16: Amendment of s. 22—Property

The Minister will now be the relevant party under section 22.

Clause 17: Repeal of ss. 23 and 24

Sections 23 and 24 of the Act are no longer relevant.

Clause 18: Amendment of s. 26—Annual report

Clause 19: Amendment of s. 27—Incorporation

These amendments are consistent with changes to the functions and role of the Commission.

Clause 20: Amendment of s. 30—Officers and employees

Staffing issues for incorporated hospitals under the Act will now be dealt with by the Chief Executive of the Department (rather than the Commission).

Clause 21: Amendment of s. 35—Annual report

Clause 22: Amendment of s. 36—Budget and staffing plans

Clause 23: Amendment of s. 38—By-laws

Clause 24: Amendment of s. 39—Fixing of fees

Clause 25: Amendment of s. 40—Power of Minister to require contribution

Clause 26: Amendment of s. 41—Duty of council to contribute

Clause 27: Substitution of s. 42

Clause 28: Amendment of s. 43—Application of contributions

Clause 29: Amendment of s. 45—Report of accidents to which this Division applies

Clause 30: Amendment of s. 48—Incorporation

These amendments are consistent with changes to the functions of the Commission.

Clause 31: Amendment of s. 51—Officers and employees

Staffing issues for incorporated health centres under the Act will not be dealt with by the Chief Executive of the Department (rather than the Commission).

Clause 32: Amendment of s. 56—Annual report

Clause 33: Amendment of s. 57—Budget and staffing plans

Clause 34: Amendment of s. 57AA—By-laws

Clause 35: Amendment of s. 57A—Fixing of fees

Clause 36: Amendment of s. 57C—Application for licence

Clause 37: Amendment of s. 57D—Grant of licences

Clause 38: Amendment of s. 57E—Conditions of licence

Clause 39: Amendment of s. 57G—Duration of licences

Clause 40: Amendment of s. 57H—Transfer of licence

Clause 41: Amendment of s. 57I—Surrender, suspension and cancellation of licences

Clause 42: Amendment of s. 57J—Appeal against decision or order of Minister

Clause 43: Amendment of s. 57K—Inspectors

Clause 44: Amendment of s. 58—Provision where incorporated hospital or health centre fails in a particular instance properly to discharge its functions

These amendments are consistent with changes to the functions of the Commission.

Clause 45: Amendment of s. 60—Industrial proceedings

Industrial issues will not be principally dealt with by the Department.

Clause 46: Amendment of s. 61—Recognised organisations

Clause 47: Amendment of s. 62—Duty of Registrar-General

Clause 48: Amendment of s. 62A—Notification of dissolution of incorporated body

Clause 49: Amendment of s. 63—Constitutions to be available for public inspection

Clause 50: Amendment of s. 63A—Conflict of interest

Clause 51: Amendment of s. 64—Duty to maintain confidentiality

Clause 52: Amendment of S. 66—Regulations

These amendments are consistent with changes to the functions of the Commission.

SCHEDULE 1

These amendments to various Acts are consequential to the changes to be functions of the Commission.

SCHEDULE 2

Clause 1 will expressly validate the appointments of the current Chief Executive Officer and Deputy Chief Executive Officer of the Commission.

Clauses 2 and 3 will facilitate the transfer of any staff of the Commission, and the transfer of property.

Clause 4 provides an additional mechanism to deal with references to the Commission in various instruments.

Clause 5 allows regulations to be made (if required) to address other saving or transitional issues.

Ms HURLEY secured the adjournment of the debate.

NATIONAL TAX REFORM (STATE PROVISIONS) BILL

The Hon. M.R. BUCKBY (Minister for Education and Children's Services) obtained leave and introduced a bill for an act to ratify and give effect to the intergovernmental agreement on the reform of commonwealth state financial relations; to amend the Financial Institutions Duty Act 1983, the Payroll Tax Act 1971, and the Stamp Duties Act 1934; and for other purposes. Read a first time.

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

That this bill be now read a second time.

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

Leave granted.

The *National Tax Reform (State Provisions) Bill 2000* puts in place a number of financial reform measures as agreed by the Commonwealth and all States and Territories in June 1999.

The *Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations* ('the Agreement') constitutes an essential component in the implementation of the Commonwealth's national tax reform package, the centrepiece of which is the introduction of a Goods and Services Tax ('the GST') at a 10 per cent rate from 1 July 2000.

Revenue raised from the GST will be distributed in full to the States and Territories. GST revenue will replace general purpose grants provided to the States by the Commonwealth and will enable Commonwealth wholesale sales tax and specific State taxes to be abolished. The introduction of the GST will also be associated with significant reductions in personal income tax.

Importantly for South Australia, the distribution of GST revenues between the States and Territories will be in accordance with the principles of fiscal equalisation which recognise differences between jurisdictions in relative service delivery costs and revenue raising abilities. The Agreement provides an explicit stipulation that fiscal equalisation will be used to distribute GST revenue which is a significant advance on the current situation where the use of fiscal equalisation has no legislative or formal basis even though the principle is observed in practice.

The GST will replace Commonwealth financial assistance (or general purpose) grants in addition to the grants which have been provided more recently by the Commonwealth as a replacement for the now abolished State franchise fees on petroleum, tobacco and liquor. The States and Territories have also agreed to abolish certain taxes under the Agreement, reduce gambling taxes as an offset to the impact of the GST on gambling operators, administer and fund a new First Home Owners Scheme as compensation for the impact of the GST on housing affordability. In addition, the Australian Taxation Office will be compensated for the costs of administering the GST.

Taking into account the net impact of all of these factors, the overall reform of Commonwealth-State financial relations as set out in the Agreement is expected to lead to revenue shortfalls in the short-term, but these will be addressed via guaranteed top-up grants and advances from the Commonwealth, calculated under an agreed formula. These top-up grants will ensure that, at a minimum, the reforms outlined in the Agreement are fiscally neutral for the States and Territories until such time as the GST revenue reaches a level which outweighs the financial impact of the other reform commitments. In the medium to long-term, South Australia will be better off under the new arrangements – on current estimates a net financial benefit to the South Australian Government is projected to accrue from 2006-07.

Beyond the transitional phase, the key feature of these reforms is that over the medium to longer term the States will benefit from having access to a growing source of revenue to fund the delivery of essential community services – rather than having a large proportion of their funding subject to the unilateral discretion of the Commonwealth Government of the day.

The bill ratifies the Agreement and meets the State's commitment to ensure that the relevant State legislation complies with the requirements contained in the Agreement.

The bill specifically abolishes financial institutions duty and stamp duty on quoted marketable security transactions from 1 July 2001. In addition, in order to clarify the interaction of the GST with existing tax bases, and ensure consistency of application, a number of consequential amendments are required to the *Pay-roll Tax Act 1971* and the *Stamp Duties Act 1923*.

In respect of pay-roll tax, activities performed as an employee are generally not considered as taxable supplies for GST, however, the trigger for pay-roll tax liability is the definition of 'wages'. Pursuant to the *Pay-roll Tax Act 1971*, certain payments to contractors are deemed to be 'wages'. These deemed 'wages' may be subject to GST. The bill moves an amendment to the *Pay-roll Tax Act 1971* to ensure that the application of GST on these deemed wages does not increase the quantum of pay-roll tax paid by affected employers.

It is intended that stamp duty be applied to the value of transactions inclusive of GST in the same way that stamp duties currently are levied on wholesale sales tax inclusive values. For example, sales tax is directly included in the market value of new motor vehicles for stamp duty purposes. In the case of conveyances, sales tax is an embedded cost that increases the value of property, whether residential or business, which is subject to stamp duty when sold.

While it is arguable that the *Stamp Duties Act 1923* as currently drafted would require GST inclusive values to be used, to avoid any confusion this bill proposes a number of amendments which seek to put this question beyond doubt.

GST-related effects will reduce the revenue raised from some stamp duties such as those levied on motor vehicle registrations and transfers, comprehensive car insurance and house contents insurance reflecting reductions in dutiable values as GST replaces higher wholesale sales tax rates. In other cases, such as stamp duty on property conveyances, dutiable values are expected to increase resulting in higher stamp duty receipts. On balance, these gains and losses are expected to yield a small net benefit of less than $10 million per annum. It is relevant to note that the Commonwealth will reduce funding to the States by about the same amount through a 'growth dividend' adjustment for GST-related growth in State tax revenues.

The Agreement also provides for the repeal, on 1 July 2000, of the Commonwealth safety net arrangements put in place in 1997 to compensate the States for the loss of their franchise fees on tobacco, fuel and liquor. This bill also amends the *Petroleum Products Regulation Act 1995* to abolish the Off-Road Diesel Users Subsidy Scheme. This scheme had been introduced to offset the impact on off-road diesel users of an excise surcharge introduced as a source of funding for the States and Territories following the invalidation of their franchise fees. Off-road diesel use had previously been exempt from State fuel tax. Under GST-related reforms, off-road diesel subsidies will no longer be required since off-road diesel users will receive a 100 per cent rebate of Commonwealth excise inclusive of the surcharge. Expenditure savings from the abolition of the subsidy scheme are taken into account in determining the level of transitional grants needed to supplement GST revenue shares in order to achieve guaranteed minimum funding levels for the States and Territories.

Finally, clause 17 of the Agreement provides that the Commonwealth, States, Territories and local government and their statutory corporations and authorities will operate as if they were fully subject to the GST legislation. In order to ensure that State and local government bodies operate as if they were subject to the GST legislation in instances where a constitutional immunity applies to such bodies, the bill provides for the Treasurer to direct that payments be made to the Commonwealth Commissioner of Taxation of amounts which would have been payable if an entity were liable to GST.

A number of other reform measures contained in the Agreement will be dealt with separately. These include:

- State application of the Commonwealth price monitoring legislation (assented to by His Excellency The Governor on 12 August 1999);
- legislation for first home owners assistance; and
- amendments to gambling tax arrangements to take account of the impact of the GST on gambling operators.

Explanation of Clauses

PART 1

PRELIMINARY

Clause 1: Short title

This clause is formal.

Clause 2: Interpretation

This clause contains definitions for the purposes of the measure.

PART 2

RATIFICATION OF INTERGOVERNMENTAL AGREEMENT

Clause 3: Ratification of Intergovernmental Agreement

This clause ratifies the Intergovernmental Agreement, the text of which is set out in the Schedule.

PART 3

EXEMPT ENTITIES

Clause 4: Exempt entities to pay GST equivalent

This clause requires exempt entities to pay to the Commonwealth Commissioner of Taxation amounts that would have been payable for GST if the entity were liable to GST.

An exempt entity is an entity to which the constitutional exemption applies. The constitutional exemption means an exemption from GST arising under section 114 of the Commonwealth Constitution or a provision of the GST law reflecting that constitutional provision.

The clause also requires exempt entities to keep records in a form required by the Treasurer (for 5 years) to enable auditing and to make the records available to the Treasurer.

PART 4

AMENDMENT OF FINANCIAL INSTITUTIONS DUTY ACT 1983

Clause 5: Insertion of s. 6A

The new section provides that the Act does not apply to a receipt that occurs after 30 June 2001.

Clause 6: Amendment of s. 21—Registration of financial institutions

The new subsection provides that financial institutions will not be registered under section 21 after 30 June 2001.

Clause 7: Amendment of s. 22—Returns by financial institutions

Clause 8: Amendment of s. 27—Returns by registered short-term money market operators

The amendments provide that returns are not required in relation to July 2001 or a later month.

Clause 9: Amendment of s. 30—Financial institutions duty in respect of certain short-term dealings

The new subsection provides that the section does not apply in relation to a month commencing on 1 July 2001 or later.

Clause 10: Amendment of s. 37—Payments and returns by account holders

The amendment substitutes the definition of financial year in order to ensure that the last financial period for the purposes of the section will end on 30 June 2001.

Clause 11: Insertion of s. 78

The new section provides for the repeal of the Act by proclamation.

PART 5

AMENDMENT OF PAY-ROLL TAX ACT 1971

Clause 12: Amendment of s. 3—Interpretation

The amendment inserts definitions of "GST" and "GST law" and new subsection (1d) in the interpretation provision. The subsection ensures that the amount of pay-roll tax is not increased as a result of a contractor to whom taxable wages are paid being liable to GST on the supply of services for which the wages are paid.

PART 6

AMENDMENT OF PETROLEUM PRODUCTS REGULATION ACT 1995

Clause 13: Amendment of s. 4—Interpretation

Clause 14: Repeal of s. 4C

Clause 15: Amendment of s. 20—Entitlement to subsidy

Clause 16: Amendment of s. 23—Amounts recoverable by Commissioner

Clause 17: Repeal of ss. 23B and 23C

Clause 18: Amendment of s. 23F—Form of application for issue, renewal or variation of certificate

Clause 19: Amendment of s. 23I—Cancellation of certificate etc.

Clause 20: Amendment of s. 50—Register

The amendments in this Part remove all references in the Act relating to the off-road diesel users subsidy scheme and make consequential adjustments as necessary.

PART 7

AMENDMENT OF STAMP DUTIES ACT 1923

Clause 21: Amendment of s. 2—Interpretation

The amendment inserts definitions relating to the GST necessary for the purposes of the measure.

Clause 22: Substitution of s. 15A

Section 15A of the Act is altered in scope to make it clear that GST included in the cost of acquisition is to be taken into account in ascertaining the value of property by reference to an actual or notional cost of acquisition.

Clause 23: Amendment of s. 31F—Statement to be lodged by person registered or required to be registered

Section 31F is amended to require a statement lodged with the Commissioner under that section to include amounts received to reimburse, offset or defray the registered person's liability to GST on the services provided in and incidental to the registered person's business.

Clause 24: Amendment of s. 32—Interpretation

Section 32 contains definitions for the purposes of the provisions relating to annual licences for insurance businesses. The definition of "premium" is adjusted to include an amount charged to a policy holder to reimburse, offset or defray the insurer's liability for GST in respect of the assurance or insurance.

Clause 25: Amendment of s. 42A—Interpretation

Clause 26: Amendment of s. 42B—Duty on applications for motor vehicle registration or transfer of registration

These amendments include GST in relation to the price or value of a motor vehicle for the purposes of the provisions relating to applications for motor vehicle registrations.

Clause 27: Amendment of principal Act—Abolition of stamp duty on transfer of listed securities

Section 90D(3) is amended to provide that a return is not required in respect of an exempt transaction and section 90C(3) is amended to provide that records need not be kept by a dealer in respect of exempt transactions. An exempt transaction is defined in section 90A as a particular sale or purchase of a marketable security after 30 June 2001.

SCHEDULE

Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations

The Schedule contains the text of the agreement.

Ms HURLEY secured the adjournment of the debate.

FIRST HOME OWNER GRANT BILL

The Hon. M.R. BUCKBY (Minister for Education and Children's Services) obtained leave and introduced a bill for an act to encourage and assist home ownership, and to offset the effect of the GST on the acquisition of a first home by establishing a scheme for the payment of grants to first home owners. Read a first time.

The Hon. M.R. BUCKBY: 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 Inter-governmental Agreement on the Reform of Commonwealth-State Financial Relations provides that, to offset the impact of the GST on home buyers, the States and Territories will assist first home buyers through the funding and administration of a new, uniform First Home Owners Scheme (FHOS).

The principles of the scheme are contained in the Intergovernmental Agreement.

The scheme will operate from 1 July 2000, and eligible applicants will be entitled to non-means tested $7 000 assistance per application in relation to eligible homes. To qualify for the grant, neither the applicant nor their spouse may have held a previous interest in residential property and must be entering into a binding contract or commencing building (in the case of owner-builders) on or after 1 July 2000.

Whilst the eligibility criteria of the scheme will be consistent across jurisdictions, the administrative and payment arrangements for the scheme to a large degree will be jurisdictional specific. Consistency has been maintained, where it has been practicable to do so.

Each jurisdiction currently has in place, stamp duty exemption or concession arrangements for first homebuyers. As specified in the Intergovernmental Agreement, the benefits under the FHOS are not to be offset by any variation to existing taxes and charges associated with home purchase. Accordingly, existing assistance to first homebuyers such as the Stamp Duty First Home Concession, will continue to operate in addition to this new first home owner grant. The FHOS has therefore been developed on the basis of establishing a separate, stand-alone scheme, and it does not attempt to address alignment of FHOS with existing schemes.

The scheme is to be administered in South Australia by Revenue SA. To improve service delivery to applicants, the Revenue Office proposes to enter into agreements with financial institutions to assist in its administration. This approach will enable the vast majority of grants to be paid via financial institutions, thereby ensuring the funds are available at settlement and will streamline the process.

The estimated cost of FHOS grants in South Australia is $63 million in 2000-2001. The GST revenue provided to the States and Territories under the Intergovernmental Agreement covers this funding requirement.

Significant consultation has occurred between the States, Territories and the Commonwealth on the development of the scheme. Revenue SA has also consulted with the Department of Human Services and relevant South Australian industry bodies.

I commend this bill to honourable members.

Explanation of Clauses

PART 1

PRELIMINARY

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

This clause provides that the Act will come into operation on 1 July 2000.

Clause 3: Definitions

This clause contains interpretative provisions.

Clause 4: Homes

This clause defines "home" to be a building (affixed to land) that may lawfully be used as a place of residence and is, in the Commissioner's opinion, a suitable building for use as a place of residence.

Clause 5: Ownership of land and homes

This clause defines "owner", "home owner" and "relevant interest". Subclause (1) provides that a person is an "owner" of a home or a "home owner" if the person has a relevant interest in land on which the home is built. Subclause (2) sets out what are relevant interests. Subclause (3) specifies those interests that are not relevant interests. Despite subclause (3), however, subclause (4) enables the regulations to provide for recognition of an interest (a "non-conforming interest") as a relevant interest even though the interest may not conform with the listed interests constituting relevant interests and even though the interest may not be recognised at law or in equity as an interest in land. Subclause (5) empowers the Commissioner to impose conditions on the payment of grants in respect of non-conforming interests in order to ensure recovery of amounts paid if criteria prescribed in the regulations about future conduct or events are not satisfied.

Clause 6: Spouses

This clause defines "spouse", subclause (1) providing that a person is the "spouse" of another if they are legally married or cohabitating on a genuine domestic basis in a relationship of de facto marriage. Subclause (2) provides that if, at the time of the application for a first home owner grant (the "grant"), the Commissioner is satisfied that the applicant is legally married to a person but is not cohabiting with that person and has no intention of resuming cohabitation, the person to whom the applicant is legally married is not to be regarded as the applicant's spouse.

PART 2

FIRST HOME OWNER GRANT

DIVISION 1—ENTITLEMENT TO GRANT

Clause 7: Entitlement to grant

This clause provides that a grant is payable if the applicant complies with the eligibility criteria (set out in Division 2 of Part 2) (unless exempted by or under the Act from compliance) and the transaction for which the grant is sought is an eligible transaction ("eligible transaction" is defined at clause 13) and has been completed. Subclause (3) provides that only one first home owner grant is payable for the same eligible transaction.

DIVISION 2—ELIGIBILITY CRITERIA (APPLICANTS)

This division sets out the five eligibility criteria to be satisfied in order to qualify for the grant.

Clause 8: Criterion 1—Applicant to be a natural person

This clause sets out criterion 1 which is that the applicant must be a natural person.

Clause 9: Criterion 2—Applicant to be Australian citizen or permanent resident

This clause sets out criterion 2 which is that the applicant must be an Australian citizen or permanent resident, and, if there are joint applicants, the criterion need only apply to one of them.

Clause 10: Criterion 3—Applicant (or applicant's spouse) must not have received an earlier grant

This clause sets out criterion 3 which is that the applicant or his or her spouse must not have received an earlier grant or been able to successfully apply for a grant in respect of an earlier transaction to which he or she was a party.

Clause 11: Criterion 4—Applicant (or applicant's spouse) must not have had relevant interest in residential property

This clause sets out criterion 4. Subclause (1) provides that the applicant is ineligible if the applicant or his or her spouse has, before 1 July 2000, held a relevant interest in residential property in South Australia or an equivalent interest in another State or Territory or the Commonwealth under a corresponding law of that State or Territory or the Commonwealth. Subclause (2) provides that in working out whether an applicant held a relevant interest (under this Act or a corresponding law), any deferment of the applicant's right of occupation because of the property being subject to a lease is to be disregarded. Subclause (3) provides that an applicant is also ineligible if, before the commencement date of the relevant transaction, the applicant or his or her spouse held a residential property and the applicant or his or her spouse occupied that property.

Clause 12: Criterion 5—Residence requirement

This clause sets out criterion 5. Subclause (1) provides that the applicant must occupy the home as his or her principal place of residence within 12 months after the completion of the eligible transaction (or such longer period as is approved by the Commissioner of State Taxation (the "Commissioner")). Subclause (2) provides that the Commissioner may exempt the applicant from the residence requirement (in which case the applicant becomes a "non-complying" applicant) if the applicant is one of two or more joint applicants for the grant and at least one of the applicants complies with the residence requirement and there are, in the Commissioner's opinion, good reasons to exempt the non-complying applicant from the residence requirement.

DIVISION 3—ELIGIBLE TRANSACTIONS

Clause 13: Eligible transaction

This clause deals with eligible transactions. Subclauses (1) to (3) set out what constitutes and what does not constitute an "eligible transaction". Subclause (4) defines the "commencement date" of an eligible transaction and subclause (5) defines when an eligible transaction is completed. Subclauses (4) and (5) are relevant to the calculation of the application period (see section 14(5)). Subclause (6) provides for the Act's particular application to moveable homes. Subclause (7) sets out what is meant by "consideration" for an eligible transaction, relevant to clause 18.

DIVISION 4—APPLICATION FOR GRANT

Clause 14: Application for grant

This clause provides for applications for first home owner grants. Subclauses (1) to (4) set out the requirements as to the form of the application. Subclauses (5) and (6) provide for the period within which an application is to be made (the "application period"). Subclause (7) provides that an applicant may, with the Commissioner's consent, amend an application.

Clause 15: All interested persons to join in application

This clause provides that all interested persons must be applicants and defines an "interested person" as being a person who is, or will be, on completion of the eligible transaction to which the application relates, an owner of the relevant home except such a person who is excluded from the application of the section under the regulations.

Clause 16: Application on behalf of person under legal disability

This clause provides that an application for a grant may be made, on behalf of a person under a legal disability, by a guardian and that the eligibility criteria will be measured against the person under the disability. Thus, for example, children, and persons suffering from

mental impairment to the extent that they are unable to act legally, may benefit from the scheme.

DIVISION 5—DECISION ON APPLICATION

Clause 17: Commissioner to decide applications

This clause provides that once the Commissioner is satisfied that the grant is payable on an application, the Commissioner must authorise the payment of the grant. Subclause (2) enables the Commissioner to authorise the payment of the grant before the eligible transaction is completed if satisfied that there are good reasons for doing so and that there is a good chance that the grant can be repaid if the transaction is not completed within a reasonable time.

Clause 18: Amount of grant

This clause provides that the amount of the grant is either the consideration for the eligible transaction or $7 000, whichever is the lesser. This ensures that the grant will never exceed the cost of the eligible transaction.

Clause 19: Payment of grant

This clause provides for the manner and form of payment of the grant. Under this clause, payment of the grant may be by electronic funds transfer or by cheque, it may be made out to the applicant or the applicant's nominee, and may on request by the applicant, be applied towards paying off of a liability for State taxes, fees or charges.

Clause 20: Payment in anticipation of compliance with residence requirement

This clause provides that the Commissioner may authorise the payment of the grant in anticipation of compliance with the residence requirement on condition that the applicant who has not yet complied with the requirement intends to occupy the home as a principal place of residence within 12 months after completing the eligible transaction, and that the grant is repaid if the residence requirement is not complied with by the relevant date. Subclause (3) defines "relevant date" as being either the end of the period allowed for compliance with the residence requirement or the date on which it first becomes apparent that the residence requirement will not be complied with during the period allowed for compliance, whichever is the earlier. Subclause (4) makes it an offence attracting a maximum penalty of $5 000 if the residence requirement is not complied with and the applicant does not, within 14 days after the relevant date, notify the Commissioner of non-compliance with the residence requirement and repay the amount of the grant.

Clause 21: Conditions generally

This clause provides that the Commissioner may authorise the payment of the grant on conditions that the Commissioner considers appropriate. Subclause (2) sets out the types of conditions that may be imposed. Subclause (3) provides that in the case of a joint application, each applicant is individually liable to comply with a condition but compliance by any one of the applicants is to be regarded as compliance by both or all. Subclause (4) makes it an offence attracting a maximum penalty of $5 000 not to comply with a condition imposed by the Commissioner.

Clause 22: Death of applicant

This clause provides that the death of an applicant does not signify the end of the application. Subclause (2) provides that where the deceased was one of two or more applicants and one or more applicants survive, the application is to be treated as if the surviving applicants were the sole applicants, and, where the deceased was the sole applicant, the grant is to be paid to the deceased's estate. Subclause (3) provides that where the deceased applicant was not occupying the home as principal place of residence at the time of his or her death but the Commissioner is satisfied that the deceased intended to do so within 12 months (or a longer period if the Commissioner allows) after completion of the eligible transaction, the residence requirement is satisfied.

Clause 23: Power to correct decision

This clause gives the Commissioner the power to vary or reverse a decision (within 5 years of the decision) on an application if satisfied that the decision was incorrect.

Clause 24: Notification of decision

This clause provides that the Commissioner must give notice of the decision on the application to the applicant, and that where the Commissioner decides to refuse the application or to vary or reverse an earlier decision on an application, the Commissioner must state in the notice the reasons for the decision.

DIVISION 6—OBJECTIONS AND APPEALS

Clause 25: Objections

This clause sets out the applicant's entitlement to lodge an objection to the Commissioner's decision on the application with the Treasurer. The clause further sets out the manner and form of the objection.

Clause 26: Reference of objection to Crown Solicitor for advice

This clause enables the Treasurer to refer an objection to the Commissioner's decision on an application to the Crown Solicitor for advice.

Clause 27: Powers of the Treasurer on objection

Subclause (1) of this clause gives the Treasurer the power to confirm, vary or reverse the decision of the Commissioner. Subclause (2) provides that the Treasurer must give written notice of the decision on the objection including reasons for the decision.

Clause 28: Appeal

This clause provides for the objector's right to appeal against the Treasurer's decision to the Magistrates Court. Subclause (2) provides that the appeal must be commenced within 60 days after the Treasurer's notice is given, however the Court may, under subclause (3), extend the time for commencing the appeal.

Clause 29: Determination of appeal

This clause provides that the Magistrates Court may confirm, vary or reverse the Treasurer's decision and make incidental and ancillary orders.

Clause 30: Objection or appeal not to stay proceedings based on the relevant decision

This clause provides that a decision on an application is valid until an objection or appeal is heard, and before such time, may be acted upon as a correct decision even though it may at that time be subject to an objection or appeal. However, under subclause (2) when an objection or appeal is decided, the Commissioner must take necessary action to give effect to that decision.

PART 3

ADMINISTRATION

DIVISION 1—ADMINISTRATION GENERALLY

Clause 31: Administration

This clause provides that the Commissioner is responsible to the Treasurer for the administration of the first home owner grant scheme.

Clause 32: Delegation

This clause provides that the Minister may delegate functions related to the administration of the grant scheme, including by entering into agreements with financial institutions to assist in the administration of the scheme, for example, to facilitate the payment of grants to eligible applicants. Subclause (4) makes it an offence attracting a maximum penalty of $10 000 for a financial institution or other person to contravene any condition prescribed by the regulations.

DIVISION 2—INVESTIGATIONS

Clause 33: Authorised investigations

This clause defines an "authorised investigation" as one to determine the various matters listed.

Clause 34: Cross-border investigation

This clause empowers the Commissioner on request by an authority (whether in another State or Territory or the Commonwealth) responsible for administering a corresponding law, to carry out authorised investigations under that corresponding law. Subclause (2) allows the Commissioner to delegate his or her powers of investigation under Division 2 of Part 3 to the authority (whether in another State or Territory or the Commonwealth) responsible for administering a corresponding law or that authority's delegate. This provision facilitates cross-border investigations.

Clause 35: Power of investigation

This clause sets out the powers of the Commissioner to require a person to produce certain information in a certain manner in the context of authorised investigations. Under subclause (3), failure to comply with such a requirement is an offence for which the maximum penalty is $10 000. Under subclause (4), failure to answer a question relevant to the investigation during a hearing before the Commissioner is also an offence attracting a maximum penalty of $10 000.

Clause 36: Powers of entry and inspection

This clause provides that an authorised officer may, for the purposes of an authorised investigation, exercise any of the powers listed. Subclause (2) provides that an authorised officer may only enter premises to carry out an authorised investigation with the consent of the occupier or with a warrant. Subclause (3) provides that a magistrate may issue such a warrant if satisfied that it is reasonably necessary for the administration or enforcement of the Act. Subclause (4) provides that an authorised officer may be accompanied by any assistants reasonably required by the officer to carry out the authorised investigation. Subclause (5) provides that engaging in particular conduct intended to hamper an authorised investigation is an offence attracting a maximum penalty of $5 000.

Clause 37: Self incrimination

This clause provides that the possibility of self-incrimination or liability to a penalty is not an excuse for failing to answer a question or producing a document in the course of an authorised investigation. Subclause (2) provides that if, however, a person objects to the requirement to answer a question or produce a document on the grounds of self-incrimination, and then proceeds to answer the question or produce the document, that information is not admissible in proceedings for an offence or for the imposition of a penalty other than proceedings under the Act.

PART 4
MISCELLANEOUS

Clause 38: Dishonesty

This clause provides that it is an offence attracting a maximum penalty of $20 000 or imprisonment for two years for a person to make a false or misleading statement in or in connection with an application for a grant knowing that such statement is false or misleading. Subclauses (2) and (3) provide that it is an offence for which the maximum penalty is $2 500 for a person to intentionally or negligently make a misleading statement in or in connection with an application for a grant.

Clause 39: Power to require repayment and impose penalty

This clause enables the Commissioner to recover the amount of the grant (from an applicant, former applicant or third party) and to impose a penalty where the grant was paid in consequence of the applicant's dishonesty or where the applicant (or former applicant) fails to repay the grant.

Clause 40: Power to recover amount paid in error etc.

This clause deals with the recovery of amounts representing grants paid in error or penalties. Subclause (1) provides that the liability arising from the requirement to repay a grant or to pay a penalty is, if the requirement attaches to two or more persons, joint and several. Subclause (2) provides that an applicant who is liable to repay a grant or to pay a penalty has an interest in the home for which the grant was sought, the liability is a first charge on the applicant's interest in that home. Subclause (4) provides that the Commissioner may recover such an amount as a debt due to the Crown. Subclause (5) provides that the Commissioner may enter into an arrangement (which may include provision for the payment of interest) for payment of a such a liability by instalment. Subclause (6) enables the Commissioner to write off the whole or part of a liability if satisfied that any action to recover the amount outstanding is impracticable or unwarranted.

Clause 41: Protection of confidential information

This clause provides for the protection of certain information ("protected information") and a duty of confidentiality to which a person is subject if the person is or has been engaged in work related to the administration of the Act or if the person has obtained access to the protected information from a person who is or has been engaged in work related to the administration of the Act. Contravention of this provision attracts a maximum penalty of $10 000. Subclause (3) sets out the limited circumstances in which protected information may be disclosed.

Clause 42: Evidence

This clause contains evidentiary provisions to the effect that certain documents signed or issued by the Commissioner are admissible in legal proceedings as evidence of matters stated in those documents.

Clause 43: Time for commencing prosecution

This clause provides that proceedings for an offence against the Act may only be commenced within 2 years after the date on which the offence is alleged to have been committed.

Clause 44: Standing appropriation

This clause provides that payment of grants under the Act will be made out of the Consolidated Account.

Clause 45: Protection of officers etc.

This clause provides that no personal liability attaches to the Commissioner, an authorised officer or a delegate of the Commissioner who works in a department or administrative unit of the Public Service for an honest act or omission in the performance, or purported performance, of functions under the Act. Subclause (2) provides that liability for such acts or omissions lies against the Crown.

Clause 46: Regulations

This clause sets out the regulation making power and specifies that a regulation may prescribe a penalty of not more than $2 500 for a contravention of a regulation.

Ms HURLEY secured the adjournment of the debate.

TRANSPLANTATION AND ANATOMY (CONSENT TO BLOOD DONATION) AMENDMENT BILL

The Legislative Council agreed to the bill without any amendment.

PETROLEUM BILL

Adjourned debate on second reading.

(Continued from 17 November. Page 512.)

Ms HURLEY (Deputy Leader of the Opposition): This is obviously a very important bill. The Petroleum Bill has not been comprehensively reviewed since 1940, and there have been, particularly of late, some developments which have impacted quite dramatically on the exploration and production of petroleum in South Australia. It is obviously a very important industry to South Australia, and oil and gas production have been part of the history of this state and have certainly helped with the development of the state in the past.

One of the major changes just recently has been the opening up of the Cooper Basin for oil and gas exploration by other than Santos Limited. Santos had exclusive rights to explore that very productive basin in the past, and that has served South Australia very well in that Santos has been able to undertake extensive exploration and produce large quantities of both oil and gas which have given South Australians a plentiful supply of the cheap and environmentally friendly gas product, as well as a certain amount of oil. But we are in a new era now, and it is good to see that the Cooper Basin is being opened up to other explorers and other producers, and hopefully we will get other companies now coming into South Australia and using these resources in the best way possible for the good of South Australia, not only in the Cooper Basin but also in other areas of the state, some of which have already been explored extensively and some others of which have not yet been explored extensively.

It is very important, then, that the framework within which these companies operate enables them to operate in the most efficient way possible but also to ensure that the environment of South Australia is not unduly adversely affected and, indeed, that the safety of the workers in that industry or the population in general are not jeopardised.

This bill has several key objectives, one of which is to create an effective, efficient and flexible regulatory system for exploration, recovering commercial utilisation of petroleum and other resources, including geothermal energy for the first time, and for the construction and operation of transmission pipelines and other facilities associated with petroleum fields. It is also aimed to minimise environmental damage and protect the public from risks, and to establish appropriate consultative processes involving people affected by the activities covered by this bill.

I am particularly pleased that geothermal energy has now been included in the Petroleum Bill following representations from one company in particular and perhaps other companies which may be interested in exploiting geothermal energy. Geothermal energy is an environmentally friendly form of energy and it is obviously incumbent on the government of the day to try to pave the way for any exploration and exploitation of geothermal energy in the future. Hopefully this will provide an alternative energy source for the future.

One of the key features of the bill is that it provides for smaller exploration tenements over shorter terms than is the existing case, with the idea of encouraging more explorers to

come in and to encourage a faster rate of exploration and production from fields that contain petroleum products. According to the government, the bill also attempts to provide greater objectivity in the granting of production licences and retention licences. This is where there seems to be a little disagreement with the way the government has gone about defining areas for retention and production licences.

There is some concern that, whereby the smaller exploration tenements and faster turnover will encourage more exploration and drilling, the companies so encouraged will find that, once they have gone to the expense of actually drilling and finding some petroleum, oil or gas in that well, thereafter they are not able to capture the full field without doing a great deal more exploration. This is an incredibly expensive business, and some of the smaller exploration companies may find that without further financing they are not able to capture the full field size they may be able to get because of the smaller licence area they are allowed.

There is some question as to whether the likely definition contained in the bill is not an imperfect sort of definition for field size and that some other accepted definition (such as proved, probable and possible) should not be used. I will explore that during the committee stage when I can ask some questions about the effects of the current wording. As well as the current licences, new licence regimes are established, such as the preliminary survey licence and the speculative survey licence, and an attempt to improve both the way in which licences are granted and the security of that licence.

There are also, I believe, improved environmental outcomes from this bill. There is to be, at the very least, a statement of environmental objectives, which would be prepared by the companies and approved by the minister. The advantage of that requirement is that there would be measurement criteria, measurable and practical in defined terms, and that these criteria would be reviewed and, very importantly, publicly available for comment. It is very important that we have a more open and accessible environmental regime so that people other than the companies and the government can review and monitor what is occurring in what may often be environmentally sensitive areas of the state.

There is also the issue of security of the national gas supply. We saw only fairly recently in the Longford gas plant in Victoria that the state's industry and householders are very vulnerable to catastrophic incidents in gas plants. The minister said in his second reading explanation that this bill helps to ensure security of supply. I am not quite so sure that is the case, but again will ask questions as to what sort of advance it is in ensuring security of supply, ensuring that incidents such as that at the Longford gas plant do not occur here in South Australia and that there is an adequate response mechanism if anything like that does occur.

The other aspect of the licence awarding provisions is that it is a more transparent process, because the licences are gazetted and unsuccessful applicants will be notified of the reasons for their rejection, and it will be by and large a competitive tender process. I am concerned that the regulatory approach is adequately resourced and monitored, although it seems that within the proposed bill there is some specification of monitoring and regulation, particularly with regard to environmental issues.

Of a little concern is the concept of a high level compliance company and a low level compliance company. The licensee that is able to demonstrate a high level of compliance will be classified as requiring lower supervision and will have a reduced licence fee because of this, whereas a high level compliance company will have a higher level of supervision of its activities. I need to explore with the minister the definitions of that compliance and what it will mean in practical effect.

In summary, I support most aspects of the bill. I think that it is a step forward into a new regime of increased competition and probably increased activity in petroleum activity and production in this state, and is much needed. I understand that the bill has been out for a very long time. In fact, I think the draft went out in 1998 with the promise to the industry that it would be considered fairly quickly. We are now in the year 2000 and it has not been considered very quickly.

There has been extensive consultation within the industry, and some of the industry concerns were picked up. I will be interested to explore why the industry's concerns about royalties were picked up. The original draft proposal suggested a royalty figure of 12.5 per cent and the bill we have before us puts that royalty back down to the existing provision of 10 per cent. In general, I support the provisions of the bill but will be very interested to see the responses to some of the important questions that will arise about the definitions of the field and also about monitoring and compliance.

Mr VENNING (Schubert): I support this bill, but first would like to congratulate Minister Matthew on his first bill as Minister for Mines and Energy. I am very pleased that at last mines and energy stands as a portfolio in its own right, because I believe that it should never have been buried within primary industries and resources. I remind the minister that I was previously the parliamentary secretary of mines and energy under then minister Stephen Baker, a role that I enjoyed. I offer my full support to Minister Matthew in this portfolio and his work in this area and wish him well.

It is a very important area for the state and one that I believe is overlooked in its importance and in the resources it can provide to the state's economy. I look forward to this new liaison and to the leadership that the minister will give us in this area. I understand that the bill's intention is to improve all the stakeholders' confidence to conduct their activities in a sustainable manner acceptable to the general community.

I can see three key objectives in this bill. The first objective is to create a flexible, effective and efficient regulatory system for the exploration, recovery and commercial utilisation of petroleum and other resources; secondly, to minimise the environmental damage and protect the public from the risks arising from resource development; and, thirdly, to establish appropriate consultative processes by the people involved. This bill is quite encompassing in both its content and intent. It addresses important issues such as the effective allocation of title rights, geothermal energy rights, exploration and productive acreage—I question that term 'acreage' because it is now 'hectareage', but we still seem to use 'acreage'—commercial testing, improved title registration procedures and the licensing requirements and improvements.

I do not wish to elaborate on all these important issues and the strategies driving them, particularly when opposition members support the measure—and I thank them for that. However, I want to talk about what I regard as two important issues, namely, the more effective allocation of title rights and geothermal energy rights. This bill seeks to ensure that the title to a regulatory resource is given in a transparent and fair manner. Further, the granting of rights to one resource such as oil does not hinder or jeopardise the rights to another

regulated resource such as geothermal energy. This is important because it allows for the rights to geothermal energy and other resources to be granted over the same area. Obviously this lessens any anticompetitive behaviour. For example, one titleholder may only be interested in developing an oil petroleum resource but could deny other parties access to the site for the exploration and recovery of other resources, particularly geothermal energy resources.

The question could also be asked whether this directly relates to the oil shale issue at the coal fields at Leigh Creek. This is operated by Flinders Power to fuel the power station at Port Augusta, as we all know. Flinders Power is mining the coal and not the oil shale. Why should another company (whether it be Central Australian Oil Shale or any other company) not be allowed access to this resource which is not currently being mined or exploited? It is a difficult issue. It is an issue which the ERD Committee took up and on which it made recommendations. Just today, we received a response back from one of the ministers on the matter. It is very relevant that we raise this issue in this place.

I have raised the issue with Minister Matthew in the corridors, and I hope he will give an explanation, particularly at this time when we are outsourcing or selling off the interest in relation to the coal field and indeed the power generation at Port Augusta. What will happen to the oil shale resources at Leigh Creek? Will the sale process enable an arrangement that allows one or even two companies to work in conjunction with each other to maximise that resource? The least we should do is assess this oil shale resource and decide, first, whether it is economically feasible to mine and, secondly, whether it can be jointly mined, without any great duress to the coal miner, to the benefit of both. No doubt other members will comment on this matter in their contributions to this debate; indeed, I know that the member for Hammond probably will.

This bill has been subject to quite a long debate in the House over a considerable period spanning several parliaments. It will be nice to be able to finally see whether this resource can be harnessed. Concerns for the potential for types of anticompetitive behaviour have been raised during the exposure of the draft bill and, as the deputy leader said, this matter has been under consideration for some time and has certainly had a good airing. Another matter addressed by this bill is that of fair royalty return to the community. The decision was taken not to increase the royalty rate to the petroleum industry in South Australia at this time. Certainly I welcome that, especially with the increased fuel prices now evident.

As we know, if business overheads increase—and it could be argued that royalties are costs or overheads to a resource company—then we know that usually the end user or consumer feels the effect by having to pay more for the product, particularly in our country regions of South Australia. We only have to note the fuel prices at the pump and also at the farm gate today. Obviously, any further impost on our community would not be welcomed. Our country community feels this even harder than city folk because the fuel prices can often be 20 per cent higher in rural and regional areas compared with the city areas. We have been assured that, when the GST is introduced and the federal fuel excise is cut by $2 billion, we will see fuel prices drop and the gap between country and city narrow.

During my research on this bill I had contact with several people in the industry, particularly the Chamber of Mines and Energy. I am pleased to report positively that the consultative process leading up to this bill has been very sound. This bill is flexible, particularly in the matter of dedicated tenements, and it is transparent, particularly in relation to the environmental provisions and criteria whereby everyone is accountable. Companies have to report their performance. There is a brand new set of environmental standards. There are provisions for low and high supervisory requirements. Perhaps a new company starting off may require higher supervisory requirements, whereas an older established operation may not. Also, best practices are being implemented concerning the acreage—that term again—management issue where turnover of land is reasonable and expeditious.

There is enough time for companies to carry out their exploration and development strategies and, if they find that it is not viable to develop, then the land is passed on. This ensures that the principles are in line with the national guidelines. The industry is quite comfortable with this process but is a little cautious with the implementation of the regulations, for example, the security of supply.

In closing, I support this bill. It is essential to ensure that an attractive business environment exists not only for the responsible natural resource exploration and the development to occur but for the whole of business in this state. The government is earnestly and diligently pursuing this endeavour to enhance the future wealth and well-being of all South Australians. I think the bill is most appropriate at this time, being the first major rewrite of this legislation since 1940. I support the bill and commend it to the House.

Mr LEWIS (Hammond): I have three matters that I wish to address in some measure. There is no question that had not the member for Schubert said what he said in concluding his remarks, I would nevertheless have drawn attention to that fact because I think this measure is well overdue, and it is overdue on many grounds. In 1940, of course, we did not have any significant commercial petroleum deposits in South Australia of which we knew. We now have them and we understand better the prospectivity of our part of the world, but nowhere near as well as we might understand it in yet another 60 years' time.

The bill is overdue also because it does not enable the way in which joint development can occur on a given site for the exploitation of two or more resources beneath the earth's surface on that site, and overdue otherwise because the way in which arrangements could be made between commercial venturers (whether they are partners, joint venturers, or anything else) as it applied under the old act was, to say the least, antiquated and difficult for the government to manage as well as for the parties to operate under. It was a bit of a lawyer's picnic, and it did not need to be. As legislators we should seek through this legislation to make it far more straightforward.

I commend the minister and the people who were clearly involved from within the department for the preparation of the legislation. I guess the thing that triggered it all off was the Nappamerri Trough deal, which I think was crook. I am open to be convinced otherwise on that point if I am shown sufficient evidence of the fact, but I do not think the way in which that was concluded reflects any credit on any of the people involved as parties to that deal, and I certainly want everyone in South Australia to know that I am as far as possible away from it. If there are 69 members in this place, then I am further out from that deal than the 69th, if it is possible to be so. I will leave this at that point without going into the details. I believe that this legislation will preclude the

possibility of that ever happening again. If it does not, it bloody well should.

I am also as disturbed, as is the Chairman of the Environment, Resources and Development Committee, the member for Schubert, about the way in which oil shale has been ignored. There are some people in the department who deserve to be treated with less than accolades or respect for the way in which they have dealt with that matter. It is quite inappropriate for governments to make judgments about whether commercial enterprises should be allowed to determine whether or not a resource of this kind is commercially viable. The bloody government ought to get out of the way and let business decide whether or not it will be commercial, yet it has been the contrary case in relation to oil shale development in this state.

So, somebody somewhere ought to take a damned good look at what he has been doing all his life and what his future holds for him, because he quite clearly has not helped South Australia very much along the way in that regard. I do not know whether he would be much more capable of helping South Australia along the way in any other regard, either, and he might do well to think about the best way to spend the rest of his life. I suppose he might say to me that I could do the same. Whoever he or they may be, we should let them know that more people than I share that concern about the unfortunate effect their advice has had upon prospective development of oil shale deposits in this state. It is quite silly for any government to say, 'No; we are not going to let you investigate, test and/or otherwise set about evaluating whether or not this is commercially viable, because we say from on high that it is not. You must not go broke and we will not allow you to raise money to do it.' That is wicked. It has denied this state the chance to get money spent on all those things preparatory to any possible commercial production in its evaluation.

That money, even though it may be lost by the venturers in attempting to establish viability or otherwise, is still injected into our economy, and it would amount to several tens of millions of dollars. You have only to look at the determinations in the Rundle oil shale deposits near Gladstone in Queensland to see what it could have meant. It would have enhanced the level of scientific understanding of the geology of oil shale in South Australia, and that alone would have been an outstanding contribution to the level of our knowledge as to what is there, what it contains, how it came to be there and what that means for other aspects of survey work undertaken for other minerals around the place. How do you get bands of siderites through shales that are hundreds of metres thick unless climatic change is occurring along the way? And what does that mean about what was occurring to other parts of South Australia's landscape at that time, when the climate was changing? What inference does it have for the discovery of other concealed alluvial beds in other parts of our continent in the vicinity of South Australia, if not within South Australia?

All those things would have been enhanced by that kind of exploratory work but, no, that has not happened. It reflects badly on ministers who have been conned by this kind of advice, and it reflects even worse on the people or person who gave it.

I strongly support what the ERD Committee has done. I have not seen the replies from the minister, but I wonder what they contain. I will say politely—and it is not this minister—that I have been less than enthusiastic about the sorts of responses I have had from Labor and Liberal ministers about this matter over the years. That is the kindest way I can describe my assessment of their responses to my views and submissions to them. When I was shadow minister in the period from 1989 to 1992, I did a fair bit of reading on many of these matters and put forward some simple, summarised policy position changes which the Liberal Party ought to have made or make, in my judgment, through the 1990s and into the next century but, alas, they fell on deaf ears and were sacrificed in the game of politics for the expedience of the former leader, Dale Baker, shoring up his own leadership position. He needed more votes and he thought that, if he dispensed with me and put in my place at least two other people, he might be able to do that, sad though the consequences were for us. It would probably have been better if we had done something about it sooner.

There is no doubt about the fact that there are other deposits of oil shale around South Australia, and I sincerely hope that this legislation does not impede the ability of adequately cashed up small or medium sized companies or ventures to go and explore for them and set about developing them if and where they are to find them. The volcanics of this state are very interesting indeed. The subsequent sedimentation that occurred, especially within the past 60 million, if not 100 million, years (it is the more recent part that I find more interesting, according to the best information I can get my hands on) makes this state very prospective indeed, and the shales do not contain the heavy fractions that they do elsewhere.

The other thing I want to talk about is hot rocks, that is, thermal energy. I am pleased to see that this bill addresses that matter and prevents anyone from holding a monopoly.

Time expired.

The Hon. W.A. MATTHEW (Minister for Minerals and Energy): I will be brief in my closing comments. I thank the Deputy Leader of the Opposition for her supportive comments in relation to the bill. The Deputy Leader of the Opposition mentioned a number of questions that she would like to ask in the committee stage of the bill, and I will await those questions and endeavour to answer them in a full and frank fashion. A number of the matters raised by the Deputy Leader are addressed in amendments that I will be putting forward on behalf of the government, and I believe that should expedite resolution of the concerns which she raised.

I also thank the member for Schubert for his kind comments in relation to my appointment. I am well aware of the member for Schubert's very keen support for the mining industry. Through his activities in this place, he has always demonstrated his enthusiastic support for the expansion of sensible mining activity, because he is fully aware of the benefits that it brings our state and the strengthening that it brings to our economy. Likewise, I acknowledge the contribution of my colleague the member for Hammond who, as always, was full and frank in his comments in relation to the bill and other matters. In relation to the bill, the members for Schubert and Hammond both raised matters of concern in relation to oil shale. I draw the members' attention to the definition of petroleum in this bill:

> . . . a naturally occurring substance consisting of a hydrocarbon or mixture of hydrocarbons in gaseous, liquid or solid state but does not include coal or shale unless occurring in circumstances in which the use of techniques for coal seam methane production or in situ gasification would be appropriate.

The reason for that exclusion specifically in relation to oil, shale and coal is because their extraction would be covered in the amendments of the Mining Act. Because of their keen

interest in the industry, both members would be aware of the extensive operations covered by the Mining Act. They are also aware that this is an act which is in need of some fairly significant upgrading and change because of the passage of time, and that will occur, we would hope, towards the end of this calendar year.

As all members who spoke identified, this is indeed an important piece of legislation. It proposes to make changes to the Petroleum Act which change an act that, effectively, has not been changed, other than by minor amendments, since 1940. In making these changes to the act we are endeavouring to strike a balance between the objectives of all members of the community who have a stake in the petroleum industry in South Australia. We recognise the changes that have occurred in our community since 1940. Clearly, there have been significant changes in our society since that time. There has been change in societal expectation, changes in technology, significant technological advance in the mining and petroleum industries—and in this case the petroleum industry—and also changes in government regulatory philosophy. I thank members for their support of the bill to this stage and look forward to resolving some minor matters during the committee consideration of the bill.

Bill read a second time.

In committee.

Clauses 1 to 3 passed.

Clause 4.

The Hon. W.A. MATTHEW: I move:

Page 3, after line 3—Insert:

'geothermal energy' means thermal energy contained in subsurface rock or other subterranean substances at a temperature exceeding 200 degrees Celsius;

Ms HURLEY: What is the significance of specifying a temperature for geothermal energy? Is it not almost up to the company involved at what temperature it can get recoverable energy from? What is the point of specifying 100 or 200?

The Hon. W.A. MATTHEW: The dilemma is that, had the definition been left at 100 degrees, it could have actually captured those people using bore water for agriculture. The setting of the temperature at 200 degrees is also consistent with that used in other jurisdictions; for example, New South Wales has a similar definition and has set the temperature at this same level.

Amendment carried; clause as amended passed.

Clauses 5 to 13 passed.

Clause 14.

Ms HURLEY: This is one of the new licence forms that is introduced in this bill, the preliminary survey licence, which authorises a licensee to carry out a survey, environmental evaluation or other form of assessment preparatory to the carrying out of regulated activities on land. What was the imperative for having a licence such as this? Will there be any monitoring of what the licensee does during this stage, or any written explanation of what the licensee proposes to do? Will that be publicly available?

The Hon. W.A. MATTHEW: In relation to the final question, yes, it will be publicly available. The applicant is required to comply with a statement of environmental objectives, and that obviously will be available as part of that process. The honourable member also asked about the reason for having this as a separate licence in the first instance. The honourable member would be aware that under present legislation there is not that effective check through the process that much more work can be undertaken beyond that which is permitted through this change to the bill. So, the preliminary licence allows just what it indicates: preliminary work only to be undertaken. With that statement of environmental objectives information that can then be made available publicly, I believe that we will put in place a far better environmental checking mechanism than that presently in place.

Ms HURLEY: By what mechanism will the information be publicly available?

The Hon. W.A. MATTHEW: It will be available on the environmental register. I should have been more explicit earlier, too, to indicate that in terms of preliminary survey licence we are talking about a pipeline route in particular. So, that is the other reason why preliminary work only is needed to be done at that time.

Clause passed.

Clause 15 passed.

Clause 16.

Ms HURLEY: This clause relates to the designation of highly prospective regions. The minister may designate particular areas of the state to be highly prospective. I know that it is referred to later in the bill in terms of tender requirements and so on, but why was it necessary for the minister to designate that area? What ability is there for interested parties to have some participation in the designation of that area?

The Hon. W.A. MATTHEW: As the deputy opposition leader indicates, this is also referred to elsewhere in the bill. Indeed, clause 22 also refers to this same matter. The simple fact is that by designating an area in this way it means that it has to be gazetted. It also means that it has to be tendered for. That prevents sweetheart deals from being done by future governments with people in the mining industry. I see it as a pretty important protection mechanism for this place to support to ensure that there is not the risk of sweetheart deals being done in highly prospective areas in future times.

Ms HURLEY: Will the minister, in designating this area, take the advice only of his department or will some input be possible from interested parties?

The Hon. W.A. MATTHEW: It would be a very unwise minister who did not take advice from all parties involved, and industry and other organisations are most welcome to provide advice in relation to the prospectivity of any area.

Clause passed.

Clause 17.

Ms HURLEY: This is again another new licence introduced under this bill, and I refer to the speculative survey licence. What imperative is there to introduce this licence, and what are the implications of its not being an exclusive right?

The Hon. W.A. MATTHEW: The licence is a speculative survey licence and enables people to undertake speculative survey to obtain information they might then on sell to other parties. The reason for non-exclusivity is to allow people to obtain information which they can then on sell. As the member would be aware from her own dealings with industry, there are people involved in such activities; this is another dimension that enables further exploration of terrain and information needs to be made available to interested parties.

Ms HURLEY: As a matter of interest to me, why is it that the holders of a speculative survey licence cannot drill beyond 300 metres? In the Cooper Basin a lot of wells go down far beyond 300 metres. Will the minister also comment on new forms of exploration, which I am told will not require

drilling, and does this legislation adequately take into account those new forms of technology?

The Hon. W.A. MATTHEW: First, in relation to the 300 metres, this refers to survey and not to drilling operations, so essentially the licence is for the purpose of obtaining geophysical data only, hence the 300 metre limit. As the deputy leader indicates, technology is becoming more sophisticated. There are different opportunities now available to obtain greater geophysical information. However, at this time, at the end of the day, in order to find oil, holes still need to be drilled. This bill provides sufficient capacity to accommodate new methods and it may be that in future, if technology improves to a sufficient extent, less exploratory drilling will be necessary to obtain the required data for survey work. However, at this time that technology is not with us in that sophisticated form to enable that to occur. Like the deputy leader, I look forward to the day when that technology is here as it will minimise the impact of exploration work undertaken in any area of the state.

Mr LEWIS: Will the minister further elaborate on his reason for the legislation under clause 17(2) saying that the survey licence cannot authorise drilling beyond 300 metres if the oil-bearing strata are to be found at a greater depth than that and proving them up with existing technology would presumably require drilling to be undertaken to that point? In other words, if you have a spec licence why do you have to cop out at 300 metres?

The Hon. W.A. MATTHEW: This is a speculative survey licence only and not an exploration licence. It is a licence intended only for use by those who wish to undertake geophysical survey work and on sell it. Indeed, the 300 metre depth is consistent with offshore legislation at both the state and commonwealth levels, so it is a consistent measure used around our nation.

Mr LEWIS: All well and good. It does not mean that everyone else knows what is right. One only has to look at what happened with the railway gauges to see the stupidity of some of the decisions taken interstate. That was 100 years ago. Why is 300 metres the correct depth? Is it purely arbitrary, and why cannot the drilling therefore be undertaken to a greater depth for speculative survey purposes if that is what the speculator, be it a firm, joint venturer or individual, wants to do?

The Hon. W.A. MATTHEW: As I indicated to the honourable member, this is a speculative survey licence only and is designed to be a licence for those people wanting to obtain geophysical information and on sell it. It is not designed to be a licence to enable an actual oil find to occur. It is a licence to collect data only, and for that reason a 300 metre depth has been established. If the honourable member were talking about exploration for a substance rather than for the on selling of survey information, I would agree with him. He will find that his concerns are accommodated with the issue of other licences under this Act.

Clause passed.

Clauses 18 to 21 passed.

Clause 22.

Progress reported; committee to sit again.

MEMBER'S REMARKS

Mr KOUTSANTONIS (Peake): On a point of order, it came to my attention yesterday that the member for Schubert in the grievance debate yesterday called me a blatant hypocrite and a liar. I ask that you, Sir, rule this language to be unparliamentary and ask the honourable member to withdraw.

The ACTING SPEAKER: Under standing orders, if the honourable member made that statement I would have at the time ruled it as unparliamentary and asked him to withdraw. However, the honourable member is not in the chamber and I am not in a position to ask him to withdraw.

The Hon. W.A. MATTHEW: I move:

That the time for moving the adjournment of the House be extended beyond 6 p.m.

Motion carried.

PRICES (MISCELLANEOUS) AMENDMENT BILL

Received from the Legislative Council and read a first time.

WRONGS (DAMAGE BY AIRCRAFT) AMENDMENT BILL

Received from the Legislative Council and read a first time.

ADJOURNMENT

At 6 p.m. the House adjourned until Thursday 30 March at 10.30 a.m.