HOUSE OF ASSEMBLY

Wednesday 10 July 2002

The house met at 2 p.m.

SPEAKER'S ABSENCE

The ACTING CLERK: I inform the house that the Speaker will be absent from the house today due to his attendance at a funeral and that, pursuant to standing order 17, the Chairman of Committees will take the chair as Deputy Speaker.

The Deputy Speaker took the chair.

The Hon. DEAN BROWN: On a point of order, Mr Deputy Speaker, I draw attention to the fact that the Constitution Act makes it clear that this house has to elect a member in the absence of the Speaker and that the Constitution Act, which would override standing orders, is the appropriate way in which to do that. The outcome will be the same, but I highlight that so that there is no misunderstanding by the house. The Constitution Act has precedence and it is the Constitution Act that requires the member now to be elected.

The DEPUTY SPEAKER: I advise the member for Finniss that, according to precedent and standing order 17, this is the standard practice. It can be done in the way that the honourable member suggests, but this is in accordance with precedent, standing order 17 and the Constitution Act.

Prayers were then read by the Deputy Speaker.

BAROSSA HEALTH FACILITY

A petition signed by 673 residents of South Australia, requesting that the house support the commitment of the previous government to build a new Barossa health facility, was presented by Mr Venning.

Petition received.

DRUG COURT

The Hon. M.D. RANN (Premier): I seek leave to make a ministerial statement.

Leave granted.

The Hon. M.D. RANN: Following on from the successful Drugs Summit held at the Entertainment Centre two weeks ago, I announce today that the government has decided to continue funding the Drug Court for the next two years with an annual allocation of $1.48 million. The evidence of a proven, consistent and strong relationship between drug use and abuse and property crime requires creative solutions from government. The Drug Court has demonstrated that there are other ways of dispensing justice and dealing with the massive problems of drugs in our community.

The Drug Court targets people with significant drug problems who have committed offences that would otherwise attract terms of imprisonment. Traditional court punishments have not been able to change the behaviour of long-term drug addicts and too often the court process has been a revolving door for addicts where crime is drug-related because the cause of the problem, the actual drug addiction itself, has never been properly addressed.

The Drug Court program, however, has shown some positive results. More than 30 per cent of the participants have either graduated from the program or are still participating. The Drug Court program is not a 'get out of gaol free' card. Offenders are given the opportunity to follow an individual treatment program which includes random urine analysis and strict supervision. After a year, they either pass or they fail. If they pass, that is taken into account in their sentencing on the original offence that brought them before the court. If they fail, they go back before the court with another black mark against their name to be taken into account by the judge in their sentencing. The important point is that even if one in three offenders kick their drug habit, that is one less armed robber, one less housebreaker, one less car thief on the street stealing to feed a drug habit and helping to support a criminal network; that is one more member of the community—someone's parent or someone's child—getting back their life and contributing to society.

The Carr government in New South Wales was the first to introduce the Drug Court pilot program in Australia, in February 1999. As opposition leader I went to New South Wales in March 1999 and sat in on some of those Drug Court sessions to educate myself about how it worked and what it hoped to achieve. Some of the tragic stories of the way in which drug abuse had devastated its victims, their families and their loved ones that emerged during those sessions were very moving; and I defy anyone in this place not to be as deeply affected as I was by what I saw and heard.

It was clear from my observations in the court hearings that many addicts wanted to get out of the drug use and criminal cycle, and this was the first such program that held out real hope to those offenders. I was then also briefed by the head of the Drug Court, Judge Gay Morell, and then later met with the then New South Wales Attorney-General, Jeff Shaw, and Premier Bob Carr to discuss the effectiveness of the Drug Court, plus New South Wales strong law and order initiatives, including its crackdown on knives and home invasions.

When I called for the establishment of the Drug Court in South Australia soon after my New South Wales visit, I was pleased to see it receive the bipartisan support it deserved in this state. The Drug Court began operating in the Adelaide Magistrates Court in April 2000 under Chief Magistrate Alan Moss. It was set up without the need for special legislation at that stage, but by utilising the Bail Act. There have been 425 referrals to the program since its inception, and since January this year there has been an average of 18 people referred to it each month.

Alan Moss in addressing the Drugs Summit two weeks ago said he believed that a 30 per cent success rate in the first year, considering he had been dealing with what he described as the hardest end of the market, was a pretty good result. This reflects a significant and consistent increase in individuals' applying for inclusion in the program.

Specialist Drug Courts have been in operation in the United States since 1989, and the long-term results from those courts are certainly very encouraging indeed. As of June 2001, 78 per cent of US Drug Court graduates had gained or retained employment; 2 000 drug-free babies have been born to Drug Court participants; and more than 3 500 parents regained custody of their children.

I am also pleased to announce today that, in conjunction with maintaining our Drug Court, the government has also made the decision to spend an extra $1.168 million over the next four years to employ extra staff in the Office of the Director of Public Prosecutions. The extra money has been approved for the DPP to address the large increase in workload of his office. Since December 1999, when the new crime of serious criminal trespass was introduced, the DPP's

committal unit has prosecuted almost 250 separate offences under this provision to the end of the 2001 financial year.

Combined with an increase in drug-related and sexual assault matters, from the 1999-2000 financial year to the 2000-01 financial year, the DPP dealt with an extra 375 files, equating to 242 additional days in court or a 25 per cent increase in the DPP's office workload during that period. This extra funding will ensure that South Australia will continue to be served by an independent and effective criminal prosecution service that is timely, efficient and just. Yes, the Attorney-General is right: with a government that is committed to the toughest law and order policies in this nation, this is about bringing criminals to justice.

MINISTERIAL OFFICES

The Hon. M.D. RANN (Premier): I seek leave to make another ministerial statement.

Leave granted.

The Hon. M.D. RANN: This government has a strong commitment to rural and regional South Australia, which I am sure that even members opposite would acknowledge. There have been clear and thorough measures like our successful community cabinet program. The community cabinets have given country people the opportunity to meet and talk directly with cabinet ministers and their chief executives. But the government wants to go further in building links with country communities. That is why today I am announcing that the government will establish two ministerial offices in country South Australia: a northern office in Port Augusta, and a Murraylands and Mallee office in Murray Bridge.

Members interjecting:

The DEPUTY SPEAKER: Order! The Premier will cease speaking. The member for Mawson might find himself in regional South Australia quicker than he thought.

The Hon. M.D. RANN: Let me just repeat that point for emphasis: we will establish a northern ministerial office in Port Augusta, and a Murraylands and Mallee office in Murray Bridge. These offices will be the responsibility of the Minister for Regional Affairs providing a direct point of contact for members of the public with the state government at the highest level. I understand that this is the first time that a cabinet minister has set up a ministerial office in regional South Australia. Of course, Mr Roberts, the minister concerned, comes from the Millicent area of the South-East of our state. It demonstrates this government's commitment to listening and responding to the needs of country people. These offices will help encourage even stronger relationships between the government and local community leaders, business and organisations.

Information about government policies and programs will also be available in these offices. It is anticipated that they will be staffed by local people, and today an advertisement has been placed in the local newspapers to fill the first position in the northern regional office, and more positions will be filled soon. While there will be a strong emphasis on regional development issues, these offices will also focus on the provision of state government services and provide feedback directly to government agencies, to ministers and myself as Premier. I believe that these offices will be a welcome initiative of the new state government, and I look forward to officially opening both offices in coming months and inviting members opposite to attend.

Members interjecting:

The DEPUTY SPEAKER: Order! When the house comes to order, the Deputy Premier will get the call.

PAPERS TABLED

The following papers were laid on the table:

By the Treasurer (Hon. K.O. Foley)—

Emergency Services Funding Act—Notice by Governor—Declaration of the Amount of the Levy under Division 1 of Part 3

By the Minister for Local Government (Hon. J.W. Weatherill)—

Local Government Act—By-Laws—City of Onkaparinga—

No. 1—Permits and Penalties
No. 2—Moveable Signs
No. 3—Roads
No. 4—Local Government Land
No. 6—Foreshore.

HOSPITALS, AFTER HOURS GP SERVICES

The Hon. L. STEVENS (Minister for Health): I seek leave to make a ministerial statement.

Leave granted.

The Hon. L. STEVENS: Members will recall that yesterday, 9 July 2002, the member for Finniss told the house that he had received a letter from the Office of the Federal Minister for Health and Ageing which contradicted advice from the commonwealth Department of Health and Aged Care that they had no record of any commitment to provide South Australia with an extra $5 million over two years for after hours GP care. The member for Finniss told the house that he had received a letter yesterday from the federal minister's office which confirmed that, just prior to the last election, the federal health minister made a commitment to provide the state Liberal government with $5 million over the next two years for after hours GP clinics at the Queen Elizabeth and the Women's and Children's Hospitals.

It is extraordinary that the federal Liberal government committed to fund election promises for the state Liberal government, but then told the incoming state Labor government—and I quote from the letter from the head of the commonwealth Department of Health as follows:

This department does not have any record of any commitment of funding and no funds have been appropriated. . .

Members interjecting:

The DEPUTY SPEAKER: Order! The deputy leader will—

Members interjecting:

The DEPUTY SPEAKER: Order! The deputy leader will not talk over the chair. The Minister for Health has the call.

The Hon. L. STEVENS: Mr Deputy Speaker—

The Hon. D.C. Kotz interjecting:

The DEPUTY SPEAKER: Order! The member for Newland has been here long enough to know the rules. The Minister for Health.

The Hon. L. STEVENS: My office has now asked the federal minister's office for confirmation that the commitment made to the former Liberal government will be honoured with the new state government. I will keep the house informed.

LEGISLATIVE REVIEW COMMITTEE

Mr HANNA (Mitchell): I bring up the seventh report of the committee.

Report received.

QUESTION TIME

HOSPITALS, FUNDING

The Hon. DEAN BROWN (Finniss): My question is directed to the Minister for Health. Why has the government broken its most important election promise by opening only 50 beds rather than 100 beds in the first year, and by cutting promised funding by $23.6 million? During the election campaign the ALP promised $75.4 million—

Members interjecting:

The Hon. DEAN BROWN: Just listen to this. The ALP promised (and it is in their costing documents) $75.4 million over four years for the provision of 100 extra hospital beds. This promise was spelt out in the ALP health policy and also accounted for in its policy costing document. However, this morning the Premier announced that only $51.8 million would be provided over the four year period. This represents a cut of $23.6 million or 31 per cent of the funding. Labor promised 100 extra hospital beds in its first year in government. However, the Premier's announcement allows for only 50 beds in the first year. The previous Liberal government started building more than 140 extra beds at the Lyell McEwin Hospital alone. Now Labor is only announcing 100 extra beds over a three-year period.

Members interjecting:

The DEPUTY SPEAKER: Order! The member is getting very close to commenting. It is question time.

The Hon. K.O. Foley interjecting:

The DEPUTY SPEAKER: The Treasurer will contain himself until tomorrow.

The Hon. M.D. RANN (Premier): The deputy leader has asked me to reveal the contents of my pledge card—because he apparently has in his news conference—relating to hospitals that was sent out to South Australians. Let me remind the Deputy Leader of the Opposition of what it said: better schools and more teachers. Better hospitals and more beds, and we will cut government waste and redirect millions now spent on consultants to hospitals and schools—Labor's priorities—and that is what we are doing. Let me just point this out to the man who wants his old job back as leader of the Liberal Party. The gall of the Deputy Leader of the Opposition! He is the man whose government cut 400 beds from our public hospital system, and only they could possibly complain when we, the Labor government, are putting 100 beds back. That is the whole point.

The DEPUTY SPEAKER: Order! The Premier will resume his seat. The house will come to order. The Premier will address the chair, and we will hear the Premier in silence.

The Hon. M.D. RANN: Quite frankly, this is stunning hypocrisy. How soon it took for the Liberal Party to go from government to being a whingeing, whining opposition. Their leader goes to Italy and they all plot against him but, even so, the deputy leader, is desperate to secure the support of his backbench to knock off his leader. This is a government that within government lost so many of its ranks—ministers and leaders—because of dishonesty or conflicts of interest. Let us remember why it is that we have announced 100 beds today? It is because they are needed. $51.8 million, 100 more beds to the system, when the opposition took away 400 beds. That is the difference between us. Just look at the last few days.

We have announced an important dental program for pensioners. We have announced millions of dollars to address the waiting lists and waiting times for elective surgery. This is the key point about the phoneyness and hypocrisy of the Liberals, who ringbarked our health system, who destroyed and ran down our hospitals, who made promises that they would never privatise ETSA, and then broke it straight after the election. We said, 'More beds and improved hospitals,' and that's exactly what we are doing. We said, 'Better schools and more teachers,' and that's exactly what we are doing.

Let me say this about the weekend—the Minister for Health and I went to Flinders Medical Centre and we announced the $130 million to be spent on our hospitals, because what we found is what the people of this state knew: that the opposition kept announcing hospital redevelopments, and nothing happened. Remember the Queen Elizabeth Hospital? I wish that Dean Brown had been at the QEH today, because what he would have heard is that the opposition announced a QEH redevelopment seven times in seven years. What an incredible contempt for the patients and people of the western suburbs. And, of course, I also announced at the Flinders Medical Centre that we are going to build a mental health facility. Remember when that was announced? The previous government announced the opening date, and when it came around to the opening date it got fantastic publicity. What they used to do, was announce hospitals but never build them.

They thought that the announcement would fool the people. People might wonder where the hospital had gone. Had it vanished? Was it the invisible hospital? No; they kept announcing a mental health facility, and not one brick was laid. Years after its opening date, not one bed was in place. What I did, in front of the hapless Deputy Leader of the Opposition, was to announce the mental health facility. We are going to build it. I will invite the deputy leader to the opening and I hope that he has the gall and the gumption to turn up and to say something positive, just for a change.

Members interjecting:

The DEPUTY SPEAKER: Order!

Members interjecting:

The DEPUTY SPEAKER: Order! I suggest that members reduce their blood pressure level or they might need one of those beds. I remind the Premier, again, that the Speaker is north of where he stands. The member for Playford.

DRUGS SUMMIT

Mr SNELLING (Playford): Will the Premier inform the house what feedback he has received in relation to the recent South Australian Drugs Summit?

The Hon. M.D. RANN (Premier): I thank the honourable member for his question, and I know of his strong interest in the Drugs Summit and, indeed, acknowledge his attendance at the Drugs Summit. The South Australian Drugs Summit was significant in terms of its inclusive bipartisan nature and for the opportunity for all South Australians to be involved. Rarely have such opportunities existed for representatives and individuals from all sectors of the community to be a part of such an important policy-shaping event in this state. And to

my colleagues who were able to attend—and so many colleagues did on both sides of the house (and that is important to recognise)—I am sure they would not need reminding of the valuable experience we all shared throughout the week.

I believe that we are able, in a united effort, to go beyond politics and beyond religious and cultural divisions to learn more about a problem that touches us all and does irreparable damage to South Australian communities and families. In the weeks leading up to the Drugs Summit, 24 community consultation meetings were held across the state with over 900 people participating. There was also a call for public submissions, which resulted in 60 individuals and organisations making formal submissions on the key themes of the summit, with others telephoning to tell us their stories and give comments and ideas.

The focus of the Drugs Summit was illicit drug use and the growing use of amphetamine-type drugs, including designer drugs. Broad substance use issues were also considered, particularly in relation to young people and to Aboriginal people. The focus extended to a consideration of drugs strategies in a broad context. People from a wide cross-section of the community—representing an enormous range of views—were invited to attend the summit. Nearly 200 delegates attended the summit, including representatives from Aboriginal communities, young people, drug users themselves and their families, culturally diverse communities, community organisations and non-government service providers, as well as politicians and representatives from key government departments involved in drug policy issues.

I also want to mention the number of local government people who attended the summit. The wider public was invited to attend the Drugs Summit and to follow proceedings, and also, at a number of stages, to have direct input. It was recognised that the drugs problem is complex and that complex problems require comprehensive strategies, not quick one-off solutions. Researchers, clinicians, drug treatment experts and criminal justice representatives came together in a spirit of goodwill and shared their collective knowledge and experience. Of equal importance were the views of families, members of user groups, treatment services, religious and spiritual groups and indigenous community members.

Working groups met throughout the summit and drafted recommendations that were then considered over the last 1½ days. The Drugs Summit recommendations have been given to the Chair of the Social Inclusion Board (the Vicar-General of the Catholic Church, Father David Cappo) for further development by the Social Inclusion Unit. The government will provide a response after the recommendations have been carefully and thoughtfully considered. I thank everyone who was involved in the Drugs Summit, in whatever capacity, for helping to make it the success that it was. One participant, a veteran of many national and international drugs summits, told me that the South Australian summit was the most successful and well run that he had ever attended. In fact, he had been to about eight, he told me, and he said that normally there was a brawl at the end of the first day or at least by Tuesday afternoon.

Again, I would like to sincerely thank the summit chairs—the Hon. Carolyn Pickles, the Hon. Jennifer Cashmore, the member for Fisher and the member for Mount Gambier—for their experience and expert management of the summit and for their genuine commitment to obtaining positive outcomes and a better understanding of this complex problem. I thank each of the speakers, the delegates, the group facilitators and scribes, the scientific advisers, associate Prof. Robert Ali and Prof. Jason White. Also, other key players—Prof. Ann Roche, Commissioner John White, Mr Keith Evans and Mr Peter Kay.

Mr Brokenshire interjecting:

The Hon. M.D. RANN: Assistant Commissioner John White, I am sorry—I made a mistake there. Always glad to be corrected in a positive bipartisan way. My thanks also go to the staff of the Department of the Premier and Cabinet, to the South Australia Police, who worked tirelessly to organise this important summit in record time, and to all the other staff, including parliamentary Hansard, technical engineers and Entertainment Centre staff. They all did an outstanding job.

We kept our promise to hold this meeting and to hold it urgently because it is a daily growing problem and young people are dying, people who would have enriched their communities and led happy and fulfilling lives. All of us in this chamber who are parents, particularly of teenage children, I am sure will agree that this was a worthwhile endeavour, which saw much creativity, enthusiasm and optimism. I want to thank all members who were involved, and we look forward to feedback from the Social Inclusion Initiative.

HOSPITALS, FINANCE

The Hon. DEAN BROWN (Deputy Leader of the Opposition): Why did the Minister for Health not reveal the fact that, if the HomeStart age care loan scheme had not been stopped by the Labor government, an extra 269 aged care beds could have been built in South Australia? Three months ago, the new government stopped the HomeStart scheme to build new aged care facilities in country hospitals, with operating costs to be paid by the federal government—I stress, by the federal government. Under the freedom of information—

The Hon. M.J. ATKINSON: On a point of order, the question is plainly hypothetical.

Members interjecting:

The DEPUTY SPEAKER: Order! The member for MacKillop will be hypothetical in a minute. The question has an element of the hypothetical about it, but the Speaker will allow it on this occasion.

The Hon. DEAN BROWN: I am about to reveal that freedom of information documents, containing information that would otherwise have been confidential, show that 269 aged care beds could have been built. The documents also reveal that, as of last December—

Members interjecting:

The Hon. DEAN BROWN: The documents also show that it was off budget. The documents show—

The DEPUTY SPEAKER: Order! The deputy leader will address the chair, otherwise leave will be withdrawn. Just explain the question and—

Members interjecting:

The DEPUTY SPEAKER The deputy leader will ignore the chorus on the right. They are out of order, including the Deputy Premier and the Attorney-General, who should know better as the upholder of the law in this state.

The Hon. DEAN BROWN: The documents also show that this would have been off budget. The documents revealed that, as of last December, there were 129 people in South Australia waiting for aged care beds. Many of those people

were in acute hospital beds. The building of the 269 aged care beds under the HomeStart scheme could have accommodated all those people waiting for aged care beds, thus freeing up acute hospital beds, and with the federal government picking up the operating costs of those aged care beds.

Members interjecting:

The DEPUTY SPEAKER: Order! It is the prerogative of the government to determine who answers the question. The Deputy Premier.

The Hon. K.O. FOLEY (Deputy Premier): As Treasurer, I am the appropriate person to answer that question. As the Deputy Leader knows, he has asked me this question before. As Treasurer, I put the scheme on hold, and I did that based on the advice of Treasury. As I have said to this house before, the former health minister does not even understand the nature of his own scheme. As it related to entities that are government-owned and operated—hospitals and aged care facilities—the debt that was borrowed was on budget, it had a budget impact, and it would have blown the budget. I have made that comment to the parliament time and time again.

Members interjecting:

The Hon. K.O. FOLEY: That is the point, because the former health minister and potentially and perhaps some officers within the human services department did not understand the nature of the scheme, and did not understand the budget impact of the scheme. It had a bottom line impact on the budget. I have provided advice to this house previously, and it was quite clear.

Members interjecting:

The Hon. K.O. FOLEY: As I said—

Members interjecting:

The Hon. K.O. FOLEY: From the human services department? Because, if that is where the advice is from, they were wrong. As I have said time and time again, advice to me by the Under Treasurer was quite clear, that if the HomeStart scheme was used to provide finance to public entities, it had a budget bottom line impact, it blew the budget bottom line, and, as we knew with the former human services minister, he had a history of blowing his budget. Very rarely do I have sympathy for the Hon. Rob Lucas, but when it came to trying to control and deal with the human services minister, I have seen enough evidence in Treasury that the human services minister had no control of his budget, did not communicate with the Hon. Rob Lucas, went off and did his own thing, blue his budget out and made Rob Lucas's life a nightmare as Treasurer. The one little bit of sympathy I have for Rob Lucas was that the former minister for health had no concept of controlling his budget, and it continually blew out.

The use of the HomeStart finance scheme to fund the aged care beds is yet another example of how he wanted to blow the budget. We have been given that advice repeatedly by Treasury, both to this house and publicly. If I was the minister, I would say nothing more about the matter.

Members interjecting:

The DEPUTY SPEAKER: Order!

Mr Brindal interjecting:

The DEPUTY SPEAKER: The member for Unley should worry about himself and less about others.

HOSPITALS, FLINDERS MEDICAL CENTRE

Ms THOMPSON (Reynell): Can the Minister for Health tell the house how many times the new mental health unit at the Flinders Medical Centre was announced but not built by the previous government? Families and carers of people requiring mental health services, as well as patients themselves, have raised concerns about long waits in the emergency department at the Flinders Medical Centre because of the unavailability of mental health beds.

The Hon. L. STEVENS (Minister for Health): As the Premier mentioned in his first answer, on Sunday at Flinders Medical Centre he announced that Labor will at last build the new 40-bed mental health facility at the Flinders Medical Centre. After design and documentation, I expect construction to start early next year. This facility was first announced by the previous Liberal government in 1998. Although $7.5 million was allocated in the 1998 budget, nothing was built. The unit was then announced and funded again in 1999, and again it was not built. Then in the year 2000 budget, the development and the funding disappeared.

In the 2001 budget that facility was announced for the third time, but unfortunately again nothing was built. Interestingly, just after we had been elected, on 8 May 2002 I received a letter from the member for Mawson. It is a very good letter in which he expresses concern about the difficulty of accessing mental health beds in the southern region. Out of interest I checked my office to see whether the member for Mawson had ever written to the former minister about these concerns. Not surprisingly, no record could be found of the member for Mawson ever having raised this issue.

Mr Brokenshire interjecting:

The Hon. L. STEVENS: If he did write to the former minister, I invite him to provide me with a copy of the reply, because I am sure that we would all like to know what the former minister said—if he responded to any such letter—about why he announced this facility three times and why three times nothing happened.

Members interjecting:

The DEPUTY SPEAKER: Order! the minister will not provoke and the member for Mawson will listen in silence.

CORNWALL, Dr J.

Ms CHAPMAN (Bragg): Will the Attorney-General acknowledge that the ministerial statement that he made immediately before the adjournment last night contained a serious error of fact? In his ministerial statement last night, the Attorney-General said:

> Contrary to the statement of the member for Bragg, Justice Debelle found Dr Cornwall guilty of misfeasance in public office, but he was not made jointly liable for the defamation.

In fact, in paragraph 712 on page 304 of his judgment, the judge said:

> The appropriate course is to require that Dr Cornwall be jointly liable for the damages and defamation.

I have copies of that page for members on the opposite side and copies of the full judgment if they wish to view it.

The Hon. M.J. ATKINSON (Attorney-General): I am quite happy to look into the point raised by the member for Bragg, but I assure her that the statements which Dr Cornwall made which offended Dawn Rowan were made in the Legislative Council under absolute parliamentary privilege. Therefore, it was not possible for Dr Cornwall to be liable for defamation.

Members interjecting:

The Hon. M.J. ATKINSON: Well, I would have thought that article 9 of the Bill of Rights 1688 would be of some value to parliamentarians and that members opposite would value the ability to be protected by absolute privilege when speaking in parliament.

Members interjecting:

The DEPUTY SPEAKER: Order! This is an important matter. The Attorney has the right to clarify the issue.

The Hon. M.J. ATKINSON: I know that we all value parliamentary privilege. There was some argument in the case about whether it was possible to lift that privilege and to go behind Dr Cornwall's parliamentary privilege, but at the end of the day he had it. However, I thank the member for Bragg for bringing the matter to my attention. I will discuss it with officers of the Crown Solicitor's Office and get back to the house.

Mr Brindal: In the meantime, the judge is wrong!

The DEPUTY SPEAKER: In the meantime, the member for Unley is wrong; he is out of order.

PORT AUGUSTA MAGISTRATE

Ms BREUER (Giles): My question is also directed to the Attorney-General. It involves an area of great importance to my part of the state. Will the Attorney-General explain his proposal to appoint a resident magistrate to Port Augusta?

The Hon. M.J. ATKINSON (Attorney-General): The government has recognised that there is a strong public desire to have judges in touch with public values and common experience. As a pilot program, the Courts Administration Authority has agreed to base a magistrate at Port Augusta to test whether this increases community confidence in the judicial process. The trial will run until the end of 2003. The Chief Magistrate is negotiating for an appointment to be made from within the existing magistrates. It is interesting that when Labor objected to the Hon. Trevor Griffin's plan to abolish all the resident magistracies, it was argued by him, and by the government of the time, that none of the existing magistrates wanted to serve in Port Augusta, Whyalla or Mount Gambier. Upon coming to office, I thought, in order to get magistrates in South Australia's regional areas, I would have to make it a condition of the appointment of new magistrates that they were willing to serve for a period outside Adelaide. What I found when the Port Augusta vacancy came up was that there were existing magistrates, more than one, keen to take up that post.

The Chief Magistrate still needs to negotiate with the Remuneration Tribunal on the classification and conditions of employment for this position. A suitable house has been identified and secured by the Courts Administration Authority. It forms part of the government's rental housing stock at Port Augusta, so there will be no significantly greater cost to government. The magistrate can be satisfactorily accommodated within the existing court facilities although, as members know, we are undertaking a new court development at Port Augusta. All costs for this initiative can be met from within the existing funding levels provided to the Courts Administration Authority. The country court circuits that will be handled from Port Augusta will include Coober Pedy, Oodnadatta, Roxby Downs, Leigh Creek and Peterborough. I hope the new magistrate will take up duties in Port Augusta in October this year. Members will recall that one of the first acts of the new Liberal government in 1994 was to abolish resident magistrates in Port Augusta, Whyalla and Mount Gambier.

Mr McEwen interjecting:

The Hon. M.J. ATKINSON: Thank you for that interjection, the member for Mount Gambier. The guilty party is over there—so many of them who voted to abolish resident magistrates. The Leader of the Opposition and the deputy leader both voted to abolish resident magistrates; the members for Light, Davenport and Unley and—shame upon him—the member for Stuart voted to abolish resident magistrates for what became his own electorate; the member for Morialta and the member for Newland were against resident magistrates; the members for Bright, Mawson, Goyder, the inoffensive member for Hartley and—shame on her—the member for Flinders also were in favour of getting rid of resident magistrates.

The approach of the previous government to resident magistrates was patronising to the people of the towns they served. The Liberal Party argued that it was unreasonable to expect judicial officers to relocate to a country town and for their family to be expected to live there. The Liberal Party argued that the resident magistrate would become involved in the social life of the town or the region. Well, wouldn't that be a terrible thing? The magistrate would be unable to dispense justice to people he or she knew. They argued that having a resident magistrate would be awkward. Well, one wonders how justice was dispensed in England and Ireland by resident magistrates for so many centuries. I wonder how they got by? The Liberal Party argued that no existing magistrate would want to serve in the country, but I found very quickly that, upon assuming office, that was not so. I can foreshadow that all future magistrates appointed in South Australia will be expected to undergo a period of country service.

Members interjecting:

The DEPUTY SPEAKER: Order! I remind members that we are halfway through question time and we have had a total of six questions, so I think if questions and answers can be concise it would be appreciated by everyone. The member for Newland.

PORT ADELAIDE REDEVELOPMENT

The Hon. D.C. KOTZ (Newland): My question is directed to the Minister for Government Enterprises. Given the critical sensitivity of the bidding process for the $850 million Port Adelaide redevelopment project, and the fact that the minister has been in office for some four months, did the minister ensure that the probity process required all bidding documents from the two bidders to be kept in secured premises such as a bid room and, if not, why not?

The Hon. P.F. CONLON (Minister for Government Enterprises): I can assure the member asking the question that, if she has concerns about the processes established for probity, then so do I, because the whole process was established under her former government. I did not interfere with that process, but I now know that I probably should have. I should have checked every single thing the former government did, because what I have learned is that, whatever it did, it nearly always did it wrong.

An honourable member interjecting:

The Hon. P.F. CONLON: I told you I should have checked. I should have checked what you did.

The DEPUTY SPEAKER: Order! I have not called anyone yet. I remind ministers that they should address the chair. I know there is a temptation at the other end, but they are supposed to address the chair.

HOUSE OF ASSEMBLY MAINTENANCE

Ms CICCARELLO (Norwood): My question is directed to the Minister for Administrative Services, and I am sure

both you, Mr Deputy Speaker, and the staff would be interested in the question. Can the minister advise of any action taken regarding the crumbling interior of the House of Assembly?

The Hon. J.W. WEATHERILL (Minister for Administrative Services): At the outset, I assure the house that this government regards matters of workplace safety as a major priority, and the Minister for Workplace Services and this government would not have it any other way. Members would obviously be aware that some crumbling plaster fell from the ceiling in the chamber during proceedings. I understand that, while this is the specific responsibility of the Joint Parliamentary Service Committee, the committee requests advice from the Department of Administrative and Information Services. Accordingly, after proceedings in parliament yesterday, I took the opportunity to make some inquiries about the matter. In the style to which I have become accustomed, my department was very efficiently located in the building at the time so it had an eyewitness account of what happened. I have been provided with this report.

I am advised that fragments falling from the ceiling, from about your position, Mr Deputy Speaker, occurred when the pendant fixtures were lowered to change light fittings at some earlier time. In the process of doing that, the pendant caught on one of the ceiling panels, dislodging some of the plaster. I am also advised that this can be repaired and that steps are being taken in that regard. I understand that this is not the first time this problem has occurred. I have urged that extra care be taken in the process this time. Apparently, there are no structural problems. I can assure those who work in that area that there is no immediate threat to their health and safety. I am satisfied that the matters have been adequately addressed, and I understand the gravity of the issue. However, if I were called upon, I would be prepared to facilitate further expert assistance.

The DEPUTY SPEAKER: Order! I thank the minister for that assurance. I am sure that the public of South Australia will sleep more easily at night knowing that we are all safe in here—especially the Acting Clerk and myself.

STATE BUDGET

The Hon. I.F. EVANS (Davenport): Has the Treasurer been advised by the Under Treasurer that, for the purpose of budget presentation, the Treasurer could make a decision to allocate all of a 4 per cent wage contingency actually held in Treasury into the education and health budgets, as long as he told the ministers and agencies that the funds were not actually controlled by them, despite these amounts appearing in their budget statements; and, if so, did the Treasurer agree to include this process in the budget papers?

The Hon. K.O. FOLEY (Deputy Premier): I am not aware of that particular piece of advice. I would be happy if the member could provide it to me. I will check my records. It does not sound like advice that I have received or advice that I have taken. But, as with all of these questions, I will be happy to obtain some advice from the Under Treasurer. If the member has some proof, will he please provide it? If the suggestion is that we would hold 4 per cent wage increases within Treasury and use that for other purposes, I am not aware of that advice: it does not come to my mind. But I would be happy for the member to provide me with more information—

The Hon. I.F. Evans: Are you artificially inflating health and education—

The Hon. K.O. FOLEY: Now I am being accused of artificially inflating the health or education budgets. These sound like very desperate questions, but I am happy to obtain a detailed response from the Department of Treasury and Finance: I am happy to obtain some detailed advice on it. Once I have that advice, I will provide it to the member opposite.

MUNDULLA YELLOWS

Mrs GERAGHTY (Torrens): Can the Minister for Environment and Conservation advise the house of the government's commitment to finding the cause of Mundulla yellows syndrome?

The Hon. J.D. HILL (Minister for Environment and Conservation): I know that the Premier and other members have a great deal of interest in this important issue, and I know that certainly members in the South-East have a very strong interest in it. It has been the subject of some controversy in the South-East over recent weeks and months, so I am pleased to provide another update to the house on where we are going in relation to fighting this curse of the eucalypt.

As members would know, this is a disease which can, in fact, be fatal to eucalypts. I am pleased to report to the house that, over the next 12 months, $132 000 will be spent on research into the cause of Mundulla yellows, and that funding will be provided, on a 50:50 basis, by the commonwealth. The research will focus on identifying biotic agents that cause Mundulla yellows. I can inform the house that a notice was placed in the weekend press, inviting expressions of interest from research institutions to undertake this important research work. We are committed to a long-term solution to Mundulla yellows and, with the federal government, we have committed to an in principle five year plan of research.

An honourable member: How much have the feds put in?

The Hon. J.D. HILL: It is on a 50:50 basis; I have already said that. Mundulla yellows is killing a significant number of trees along roadsides in South Australia and, in particular, affecting some regional areas including, as I have said, the South-East. Finding the causes of this disease is an important step in developing a solution to the problem, and the Department of Environment and Heritage and Environment Australia are jointly committed to funding the best possible research strategy and the team to do the work.

As members may know already, $350 000 in research funding has been spent, and that money was allocated by Environment Australia, the state government, local government and industry to work on the project. A team from the University of Adelaide originally was involved in doing that work. A major review took place to refine the strategy for research in 2002-03. So, we have gone through a review process: we are now looking at other research groups to do the work. There were some criticisms of the previous research program. We are now trying to put it on a more secure and proper footing. We believe that it will take about two months before we identify appropriate research teams. I have already done some press in the member for MacKillop's area today to let people know that this program is still on track and that we anticipate having a program in place in about two months' time.

MEMBER FOR HAMMOND

Mr WILLIAMS (MacKillop): Will the Premier confirm to the house that, prior to 22 May, when the Public Works Committee resolved to recommend that the government reimburse legal expenses of the member for Hammond, neither he nor any of his advisers or representatives had any discussions with the member for Hammond or any representative of his regarding those expenses?

The Hon. M.D. RANN (Premier): I can honestly say that I cannot recall anyone raising the issue with me before that date. And why would they?

STATE RESCUE HELICOPTER SERVICE

Mr HANNA (Mitchell): My question is directed to the Minister for Emergency Services. Will the minister advise the house of the sponsorship arrangements for the State Rescue Helicopter Service?

The Hon. P.F. CONLON (Minister for Emergency Services): The State Rescue Helicopter is a significant component of the provision of health and safety and emergency services to the South Australian community. For the year 2000-01, 646 missions were undertaken. They included 389 medical retrieval and trauma missions, 209 SAPOL missions, 26 CFS missions and 19 search and rescue missions. The public of South Australia quite rightly believe the State Rescue Helicopter Service is important to them because it has a record of saving lives and supporting community safety. The service has become an integral part of South Australian life.

Whilst it is a service no-one hopes to need, South Australians are assured that in the ill chance that they require emergency assistance it will be there for them. My only regret is that last week both our rescue helicopters were tied up at Baxter. That is a matter I will be raising further with Mr Ruddock. It is something about which I am very unhappy. The State Rescue Helicopter Service comprises of Rescue 1 and Rescue 2 helicopters, which were sponsored up to July 2001 by SGIC. Last Monday the Premier and I were present at the unveiling of the new sponsorship colours. The Adelaide Bank assumed sponsorship of the State Rescue Helicopter Service from 1 August 2001. The deal includes a three-year agreement with a right to continue the sponsorship agreement for a further three years.

An honourable member interjecting:

The Hon. P.F. CONLON: We are not using the sponsorship to build an ambulance station; it is to fly a helicopter. The generosity of the Adelaide Bank will provide a very welcome injection of $187 000 per annum in supporting the cost of operating the service. I personally would like to thank the Adelaide Bank, as I am sure the house and the entire South Australian community would, for their generosity in supporting this great South Australian cause.

PICHI RICHI RAILWAY

Mr HAMILTON-SMITH (Waite): My question is directed to the Treasurer. Will the Treasurer advise the house how much the government contributed to save the Pichi Richi Railway, and will he now confirm that government funding was channelled through the South Australian Tourism Commission? The Treasurer has often repeated the government's tough stance in relation to not providing any public funding to assist tourism operators and others to overcome crippling public liability costs. The opposition has been informed that the Pichi Richi Railway, the operation of which we fully support, has had government funds channelled to it through the South Australian Tourism Commission specifically to overcome its liability insurance costs.

The Hon. J.D. LOMAX-SMITH (Minister for Tourism): The issue of public liability for some of the heritage railway lines across South Australia has been a much vexed one over recent weeks. I think some four weeks ago we were of the opinion that it was not possible to find an insurer (not just in Australia but around the world) to take on these liability issues. More recently, insurers have come into the picture and offered opportunities to insure some of the railways. But as it occurred at the last moment many of the railways could not afford the cost of the public liability insurance. On 30 June, in particular, the Pichi Richi Rail Preservation Society, the Steamtown Peterborough Railway Preservation Society, the National Railway Museum and the Limestone Coast Railway had their liability insurance expire. There are later expiry dates for some of the other railways in South Australia—on 28 July the Yorke Peninsula Rail Society will have its insurance expire, and the Steam Ranger Victor Harbour Tourist Railway, on 2 August.

There are three scales of operation among heritage rail and tram groups in South Australia. The Victor Harbor tourist railway Steam Ranger, the Pichi Richi Railway Preservation Society from Quorn to Port Augusta and the clustered groups as around Limestone, Yorke Peninsula and Steamtown. Representations were made to the South Australian Tourism Commission regarding the—

The DEPUTY SPEAKER: Order! Point of order. The member for Finniss.

The Hon. DEAN BROWN: My point of order is on relevance as set out in the standing orders. This was a very specific question to the minister—whether in fact the South Australian Tourism Commission paid money to the Pichi Richi Railway.

Members interjecting:

The DEPUTY SPEAKER: Order! The honourable member has raised what he claims to be a point of order. The minister has considerable discretion in answering the question. I will continue to listen carefully to the minister. The minister.

The Hon. J.D. LOMAX-SMITH: The South Australian Tourism Commission became aware of the issues that were facing these railways in the last week of June, and we worked closely during those last weeks with Transport SA, SAICORP, the Treasury and one of the insurance brokers whom we felt would be the most likely to provide insurance, particularly Stanley G. Plant'zos. They met on 1 July and discussed options regarding the continuation of certain railways, which included the Pichi Richi, Steamtown Peterborough, the National Rail Museum and the Limestone Coast. A number of options were discussed during the preceding days before the termination of the insurance and the finding of a final solution.

Some of the options included those which we rejected, involving the state government's becoming the insurer, as was suggested by the federal Minister for Tourism, who believed that state governments should go back into the insurance business. That option was rejected. As there was no solution by the end of June the insurance lapsed but, during the course of the next four days, with the support of the South Australian Tourism Commission, the local government authority (which was the City of Port Augusta

and the Flinders Ranges Council, together with NRG Flinders—which was an important stakeholder in this matter because the Pichi Richi Railway travels through a tunnel underneath one of its lines and therefore the level of insurance liability was crucial—and Better Home Supplies—Mitre 10) agreed to sponsor the insurance, which was paid, as I understand, by the City of Port Augusta.

The South Australian Tourism Commission has not provided any funds to assist Pichi Richi Railway in the payment of its public liability insurance premium, but will continue to work with all heritage rail groups to find the best possible way to continue operations. The previous commitments to the Pichi Richi Railway have included substantial funding. We have supported the railway through major funding: $2.82 million from government sources. The SATC has contributed $1.305 million; the City of Port Augusta, $1.405 million; and the Pichi Richi Preservation Society, $110 000.

The South Australian Tourism Commission will continue to support local government in regional areas, in particular those councils that clearly are committed to supporting tourism.

INSURANCE, PUBLIC LIABILITY

Mr HAMILTON-SMITH (Waite): In the light of the question that I asked the Treasurer, which he has passed to the Minister for Tourism, I have another question because it seems that, on the one hand, the minister has said that she has not paid but she has paid.

Members interjecting:

The DEPUTY SPEAKER: Order! I was about to rule that the honourable member must ask a question. The Minister for Government Enterprises has a point of order.

The Hon. P.F. CONLON: Sir, you have made the point I was going to make.

Mr HAMILTON-SMITH: I ask the question then: in the light of the minister's reply to my first question, will she advise the house if the government intends to offer any similar deal or any financial incentive to other tourist operators throughout the state and provide the same assistance that has been provided to the Pichi Richi Railway; and, if not, why not?

The Hon. J.D. LOMAX-SMITH (Minister for Tourism): The role that the commission takes in this matter is to become a facilitator. It is quite clear that some of our smaller railways cannot afford very high public liability insurance costs, but we have brought the players together and facilitated negotiations whereby the funds can be raised. It would be true to say that the support from NRG Flinders and Better Homes Supplies was helped by both levels of government coming together to say that there was a problem in the community and to ask who would help sponsor these organisations in paying their public liability insurance. We did not contribute funds to this operation but, of course, we will do exactly as we have done before with the other heritage rail organisations, and we will help them find sponsorship.

NETWORKS FOR YOU PROGRAM

Mr VENNING (Schubert): Budget deliberations and funding aside, will the Minister for Science and Information Economy inform the house whether in principle she supports the Networks for You program in regional South Australia?

The Hon. J.D. LOMAX-SMITH (Minister for Science and Information Economy): The Networks for You initiative is a joint state and federal government project aimed at raising internet awareness in rural communities in South Australia. Since the project began in February 2000—

Members interjecting:

The DEPUTY SPEAKER: Order! The house will come to order. Members just need to settle down.

The Hon. J.D. LOMAX-SMITH: Since it began in February 2000, over 30 000 people have come to network centres across regional and rural South Australia, where the most enlightening experience is seeing so many young people who have been trained as volunteers to train people who are much older and who are coming back—

The Hon. P.F. Conlon interjecting:

The Hon. J.D. LOMAX-SMITH: —to have a second chance at becoming e-enabled and internet aware. These areas are set up across the state and are found in libraries, in local government offices and in community centres as well as in health centres and schools. The assistance they give is free and takes an important role in that it helps to bridge the digital divide. It makes people in regional areas internet able and really fits in with our concepts of lifelong learning and helping mature age students to gain skills in both their private lives and their businesses. This initiative is run out of my department through IEPO.

Mr VENNING (Schubert): Budget deliberations and funding aside, will the Minister for Science and Information Economy inform the house whether she supports the expansion of the Networks for You program in the metropolitan area without reducing funding for the existing regional program? The Networks for You program seeks to address what is commonly referred to as the technology information divide. It provides computers, internal connections and internet training for a wide range of communities in places like local libraries and schools.

The Hon. J.D. LOMAX-SMITH (Minister for Science and Information Technology): I am delighted for the honourable member to use my speech notes and talk about the digital divide, but I think he will have to wait till after the budget to discover what we plan to do in the next few months.

MULTICULTURAL YOUTH

Ms BEDFORD (Florey): My question is directed to the Attorney-General in his role as Minister for Multicultural Affairs. Will the minister describe to the house what opportunities are being provided for young South Australians of a culturally diverse background to encourage their role in our multicultural society?

The Hon. M.J. ATKINSON (Attorney-General): I am pleased to inform the house that at the end of June I officially launched Harmony and Diversity, a multicultural and youth leadership summit at the Salisbury High School gymnasium. The annual summit, organised by the Office of Multicultural Affairs, provides opportunities for young South Australians to explore their role in our multicultural society. The summit specifically targets senior secondary students and seeks to develop leadership skills among them. Another aim of the summit was to promote a better understanding of multiculturalism among the students and present ways of overcoming racism and discrimination.

I was also pleased that more than 40 schools, including public, Catholic and independent schools, were represented, and those schools sent over 200 youth delegates to attend the summit. A number of the students were from regional areas, including Whyalla, Kangaroo Island—and I spoke to those students—Tintinara, Kadina, Renmark and—

Mr Brindal: Coober Pedy.

The Hon. M.J. ATKINSON:—Coober Pedy, as the member for Unley rightly anticipates. Support for multiculturalism, which is public policy in South Australia, is of course bipartisan (with the exception of the member for Stuart) as between the government and the opposition, and I praise the former government for initiating the multicultural youth leadership forums some years ago.

This year's summit addressed a number of topics in workshops, including a discussion on the challenges and benefits of multiculturalism and what the students can do to promote harmony, understanding and respect in their families, schools and communities. In April this year, the program for young people was expanded and several young people attended the inaugural MY Challenge Multicultural Youth Leadership Camp as part of this state's Harmony Day celebrations. Three of the people who attended the camp addressed the students at the summit on what multiculturalism means to them, as well as sharing their own experiences on what it is like to be of a culturally and linguistically different background here in South Australia.

The summit was strongly supported by a number of sponsors, and included a diverse range of students from Greek, Italian, Vietnamese, Indian, Somali, German and other backgrounds. As I mentioned, the theme of the summit was harmony and diversity, so I reflected during my opening address that young people have a greater capacity to overcome the prejudice that comes with age. I also issued these future leaders with a challenge. I asked them to think about the clubs that their parents and grandparents have created. I asked them to think about what role they can play in making these clubs relevant to young people in the future. I challenged them to get actively involved in these clubs with their rich endowments of buildings and facilities.

I have also asked the Office of Multicultural Affairs to review its service delivery and support programs to assist young people in getting involved in their multicultural communities and clubs. The continuation and expansion of the Multicultural Youth Leadership Forum is part of the government's ongoing commitment to multiculturalism and support for cultural diversity as a resource that enhances the state's life.

SITTINGS AND BUSINESS

The Hon. P.F. CONLON (Minister for Government Enterprises): I move:

That, for the remainder of the session, the sessional order adopted by the house on 7 May 2002 be amended by deleting '5.40 p.m.' and inserting in lieu thereof '10 p.m.'

Motion carried.

GRIEVANCE DEBATE

HOSPITAL BEDS

The Hon. DEAN BROWN (Deputy Leader of the Opposition): Today I wish to grieve on the announcement made late this morning about the so-called creation of extra hospital beds in South Australia and the extent to which that is a clear breach of an election promise made by Labor. On 29 January this year, in the middle of the election campaign, the Labor Party said that it would create 100 extra beds for our hospitals.

The DEPUTY SPEAKER: Order! Out of respect for the deputy leader, will people resume their seats or depart? It looks like a bazaar in Tangier.

The Hon. DEAN BROWN: What fascinated me was that, just prior to a press conference outside, Labor staffers, in particular the Minister for Health's press secretary, were trying to say that the Labor promise was not to create 100 beds in the first year; that it was really only to create 100 extra beds over a four-year period. That is what the Labor Party has been strongly arguing outside today. Let me read to the house what the Premier said on 28 January when this policy was announced. On the Channel 10 news of Monday 28 January the announcement was made that the opposition (that is, the Labor Party) would spend $20 million on an additional 100 beds for Adelaide hospitals. The then Leader of the Opposition, Mike Rann, said:

I would have loved today to be able to announce more than 100 beds, but this is our first step. We want to hit the ground running with an extra 100 new beds, and it will make a difference.

There was no mention of 'over a four-year period', and there was no question mark whatsoever; these 100 beds were going to be established immediately by a Labor government. Today, they have tried to water that down and state that it will happen over a four-year period. At that time, the Opposition Leader, Mike Rann, made a very clear statement: 'We want to hit the ground running with an extra 100 beds.'

I assure the house that creating 100 beds over four years is not hitting the ground running. Clearly, the government has broken that election promise. This is backed up by what was said on the same day (28 January this year) on the 1 p.m. 5DN news, that 100 extra hospital beds were being established. Again, the then Opposition Leader, Mike Rann, was quoted as saying: 'Straight away. We can't muck around with this.' Again, it was very clear that these 100 beds were going to be established immediately, not over a four-year period—an impression which the Labor Party has tried to create today. In fact, they have not just tried to create an impression, they are now saying this today.

If we look at the statement today we see that those 100 beds are being established now over a four-year period with only 50 being established in the first year: that is, only half the number of beds that they actually promised during the election campaign are being established. The government's costing document clearly sets out what the cost will be. It sets out year by year $18.85 million extra to pay for 100 extra beds each year—and it is over four years. If we look at the government's costing document we see that the people of South Australia have been cheated by $23.5 million compared to what Labor promised during the election campaign and what the government is now offering to put into the budget tomorrow for these extra beds.

This is a clear and indisputable breach of an election promise—in fact, the most important election promise that this government made during the election campaign on health. The Premier said that he would resign if his promises were broken. This is a broken promise. Clearly, the Premier should now resign, because the government has only opened up half the number of beds that it promised and it has cheated the people of South Australia of $23.5 million compared to what it promised during the election campaign. It is a disgrace, and this government should now hang its head in shame for that breach of an election promise.

Time expired.

EVANS, Mr V.G.

Mrs MAYWALD (Chaffey): I rise today to pay tribute to a great Riverland resident. Last Sunday, Victor George Evans—or Blue Evans, as he was more affectionately known—lost a long battle with cancer following its diagnosis in 1998. He passed away at the Riverland Community Hospital surrounded by family and friends. He was 69 years of age and he will be sadly missed across the region. Blue is survived by his wife Margaret, who is the longest serving mayor in South Australia, and their children, Michele, Paul, Mark and Peter and many grandchildren. Margaret Evans has been serving the Riverland community for 25 years, and Blue was there faithfully at her side supporting her in her endeavours.

Last Australia Day he was recognised with an Australia Day Premier's Community Service Award for his dedicated campaign to raise money for country people with cancer. Blue worked tirelessly over the last couple of years to raise funds for Greenhill Lodge, a Cancer Council of South Australia facility that provides accommodation and services for country people who are suffering from cancer and require treatment in Adelaide.

Together with his wife, Margaret, Blue was committed to serving his community. He moved to Berri when he was nine years old and lived there for most of his life. During the course of his treatment Blue often stayed at Greenhill Lodge where he recognised a need to improve the facilities. He went about the task of starting to raise some money, first and foremost to buy a frypan. After he raised the money for the frypan, over a period of 18 months he raised over $70 000 for improvements at the Greenhill Lodge facility. He started off by seeking the support of friends in the region to buy the frypan, and he followed that up with organising a street stall (with the aid of two women) and they raised $1 700 which was applied to the purchase of appliances—and from that point it snowballed.

When Blue heard that the Anti-Cancer Foundation was going to look at installing a new breakfast bar and kitchen in the facility at Greenhill Lodge he decided to look at ways in which he could raise money to provide the accessories that might be needed. As a result of the Cancer Council's decision to support the development of a self-contained kitchen to the value of about $70 000, Blue offered to raise the funds to provide the necessary equipment to stock it. He asked for a list of appliances that would be needed to set up the new kitchen and he undertook to provide everything on the list, which included: two microwaves, toasters, electric jugs, electric frypans, stainless steel saucepans, kitchen tools, electric woks, blenders, lasagne dishes and chip pans. He managed to raise the funds to ensure that all those goods were purchased for Greenhill Lodge. He also received donations of some 12-plus paintings by well-known Riverland artists and, in addition, books, games and toys were provided for children who were staying at Greenhill Lodge.

It is particularly difficult for families with a loved one who is suffering from cancer and who is requiring treatment when they have to stay away from their home environment. Greenhill Lodge provides a welcome family environment, and Blue has significantly added to the comfort of people undergoing such a difficult period in their life. Blue also secured the donation of six chairs from SGIC when they became available when SGIC refurbished its offices. Mr John Woodbury offered these chairs to Blue. His $70 000-plus worth of donations to the centre has ensured that Riverlanders will have a very useful facility for many years to come, and it is a true indication of the legacy that Blue will leave to all Riverlanders.

Time expired.

GOVERNMENT LOW-COST PROGRAMS

Mr BROKENSHIRE (Mawson): Mr Deputy Speaker, I congratulate you on your good job today. I raise a concern which may become more evident tomorrow when the budget is delivered. In fairness to the Minister for Health, I intend tomorrow to deliver a copy of this particular grievance debate to her office; importantly, for the record, and for people who are very aware about this issue, I wanted to raise it in the house today as a member of parliament.

I think it is important that this government ensures that it gets its perspective and balance correct. Some big ticket items, which I know are fully unfunded, have already been announced prior to this budget. They run into the tens of millions of dollars. What worries me is that, first, this government will not be able to pay those particular accounts under the budget because it has made too many promises but, also, it might start to rip into people with low-cost program policies. In the southern area there is a program running for people with mental health problems. I am delighted and acknowledge that the minister is in the house to listen to this speech. As I said, I am not condemning the minister in any way whatsoever for this, but I want to get it on the record. Minister, I hope that you will intervene in this issue before Friday. At the women's centre at Noarlunga a therapy program is run with a volunteer from my electorate helping people with mental health problems to make cards and things such as that, to feel good about themselves, and to develop self-esteem—the sort of thing that members of parliament would support. It is a very low-cost program, which runs for 1.5 hours per week. It is run in conjunction with Centacare and, I understand, a section of the human services department. Centacare provides a worker to attend the session. I know doctors agree that this particular session is doing patients a lot of good—giving them self-esteem, communication and general improvement.

I have been advised that all the group therapy sessions are under review. I understand this program costs only a couple of thousand dollars, or thereabouts, a year. I hope the departmental officers will not undermine the minister on this because sometimes they make decisions about small programs, and, in fairness to the minister, ministers do not always know about that. On Friday they will consider the results of a review. The message is that this program might be cut and, for the sake of a few thousand dollars and good work being done by volunteers, people who are community minded, to assist those with a health issue, I want to ensure that the minister is very clear on the fact that this is a good,

essential program. I have had discussions with people who advise that, while a decision has not yet been made, there will be a decision in the next week or so, possibly as soon as Friday, and there is a risk—and I am not saying it will definitely happen—that this program could be cut.

I know, as you do, Mr Deputy Speaker, that there are many good community-minded people in the south. Without them no government would have the finances to deliver services. We must not have a penny-pinching government, bureaucracy or department that undermines and pulls away a program such as this, because they want to collectively get rid of all these therapy programs and put $50 000 into another area. That is sometimes what they try to do. They grab a $2 000 program here and there, add it up, and get $50 000 to deliver another new program or pilot program. In the meantime, a lot of people suffer.

I appeal to the minister, and I appeal to those officers involved in the review of the group therapy sessions, to have a very close look at the program and to allow it to continue. I understand that a group of women in my area are doing well as a result of this program. Members only have to attend organisations such as Chat and Choose, Heart and Hands, Care and Clothes—and I am sure every member has these kinds of programs run by churches in their electorate—where volunteers and church members are delivering so much with so little government support. Please do not let us see this Labor government go down a track that the former government did not go down, that is, pull away from these small programs.

CHILDREN, PUNISHMENT

Mr SNELLING (Playford): I rise in relation to Justice Alistair Nicholson, the Chief Justice of the Family Court of Australia, calling for the smacking of children to be treated in law as a criminal assault. I want to touch on two matters; first, the issue itself and, secondly, whether members of the judiciary should be making comment on such topical matters, which are likely to come very closely to what they will be making judgments upon. I believe that parenting is generally best left to parents without the intrusion of the state. There exists at the moment a common law defence of reasonable chastisement which allows parents to discipline their children provided that any physical punishment is reasonable. If it is not, then of course it is treated as an assault. From my experience with the children causing problems in my electorate, the children who come to my attention because they are in some trouble generally suffer far more from neglect than they do from over-zealous parents disciplining them.

Justices Nicholson's call for any physical punishment to be shifted into the realm of criminal assault, I think goes beyond the pale here. The research that has been cited about a supposed link between reasonable physical punishment and future violence in adulthood is at best tenuous and is certainly contradicted by a mountain of research. As a father, I am very sparing when it comes to smacking, but I am sure that most other members in this place know that there are a few occasions where a smack is the most effective and sometimes the only way to correct your child's behaviour.

An honourable member: Hear, hear!

Mr SNELLING: This is particularly so when it comes to protecting your child from a dangerous situation. I believe that whether or not to smack is a decision parents are capable of making themselves. Justice Nicholson is proposing a grave intrusion into the rights of parents to raise their children in the manner they think best. I for one will strongly oppose any attempt to change the law in that regard.

That brings me to the issue of whether senior members of the judiciary engaging in such debates is appropriate. Unlike some, I believe that there is a place for the judiciary to engage in the public square. Members and former members of the High Court, for example, made valuable contributions to the republican debate. However, in this case I think Justice Nicholson has gone too far, commenting on something that goes to the heart of matters upon which he will be called to give judgment and to make a contribution that is partisan. Janet Albrechtsen, in her column in today's *Australian*, raises the point that in the future Justice Nicholson may be called upon to make a decision in a custody arrangement where one parent believes in smacking but the other does not. Justice Nicholson may be able to put his personal opinions aside, but more important than justice merely being done, it must appear to be done. In this case Justice Nicholson has severely compromised himself.

OUTER HARBOR

Mr VENNING (Schubert): On 14 May, in response to a question in the house about the new government's commitment to building a new deep sea port at Outer Harbor, the Premier said:

> We will be making a major statement on that at a future date.

It is now two months since then. Will tomorrow's budget be it? I certainly hope so. As I have done on all previous occasions, firstly, I declare my interest as a grain grower and, therefore, a shareholder and member of AusBulk, the Australian Wheat Board and the Australian Barley Board. Surely now is the time for that major statement to be made—tomorrow, with the bringing down of this government's first budget. South Australian grain producers have been extremely patient with this issue, which has been ongoing for over 25 years without a sustainable long-term result. Considering the tremendous impact that farmers' produce has on the state's economy, I believe that an injection in the economy of over $1 billion per annum—their contribution—must be recognised by providing their industry with the infrastructure that enables them to be competitive both domestically and internationally.

As legislators we have a responsibility to provide the state with the infrastructure that allows its industries to perform at world's best practice, and a new development at Outer Harbor will adhere to that. There has been an enormous amount of work done, in addition to considerable debate in this chamber and extensive industry involvement over many decades, on this issue. If there is any uncertainty or a lack of financial support from the new government, this development—one of the most significant economic developments for this state—will be placed in jeopardy. Every year grain producers are producing more grain—luckily for the state—with record harvests over the past two years, involving 20 per cent increases in both years. That places enormous pressure on storage facilities and shipping deadlines. Handymax vessels carry less grain, and the associated higher costs on these ships compared to the economies of scale of using the larger panamax ships—and even larger, the cape ships—will cause problems in our state and cause problems with the efficiency of our producers.

It has been estimated that this inefficiency—not having a proper deep sea port—will cost South Australia more than $400 million over the next 25 years. No state and no industry can endure such a huge loss over this time. The development of Berth 8 at Outer Harbor is widely supported by Flinders Ports, the South Australian Farmers Federation and AusBulk as the best and only option for a deep sea port. Berth 8 is right alongside the container berth, which itself is in desperate need of an upgrade, requiring deepening to 14 metres and enabling larger ships to be fully loaded. This area at Outer Harbor will be an export hub of economic and industry significance, with the berth storage facilities and loading area for the grain, livestock, wine, fertiliser, motor vehicle, mineral sands and stock food industries located at a central site at South Australia's major port on the eastern side of the gulf.

It is logical to also dredge Berth 8 at the same time, allowing for the development of a $45 million grain terminal development—a component of the sale of Ports Corp to Flinders Ports last year by the previous government. Also, dredging at this location will be less of an environmental impact, as there will be much less material to be dredged and, therefore, to be deposited somewhere. It is commonsense for the grain terminal to be located at Berth 8, with road and rail access, and not at Pelican Point some two kilometres away, requiring huge grain elevators. The option of an inner harbour grain terminal is dead and buried due to the enormous dredging costs and difficulty of large slips negotiating the long and narrow Port River. There is speculation that Port Stanvac is being considered as another alternative for a grain terminal site. That gravely concerns me and can only be referred to as nonsense. I know that one of the other authorities is peddling that option, but I hope it does not see the light of day. The grain industry is suffering due to inaction by governments. The indecision is harming our competitiveness as grain marketers and grain producers, so one can only hope that in tomorrow's long awaited budget we will see a decision at last.

PRIVACY LEGISLATION

Mrs GERAGHTY (Torrens): In recent times, my office has encountered some difficulty with the 1998 privacy legislation when attempting to advocate on behalf of constituents who are having trouble with banks or other corporations. Over time, I have advocated on behalf of a number of constituents for various reasons. A constituent may have language difficulties, perhaps even difficulties in understanding the information sent from the bank or the organisation in question, and sometimes it is just simply because they need to negotiate a way of paying their bills and are asking for some leniency on the part of a debt collection agency. In all these situations, over recent times my staff and I have been informed that, before any discussion can proceed, authorisation must be given by the person on whose behalf we are dealing, and they are now asking for that in writing. Yesterday, I spoke with Malcolm Crompton, the federal Privacy Commissioner, on radio 5AA, and he raised several salient points, significantly the fact that privacy legislation is about giving people more control over their personal information and more choice as to whom they send the information and how it is used.

There is a very fine point upon which this matter balances. However, in my experience, this type of restriction over information is now being used in some cases in such a way as to frustrate the efforts of members, or somebody else advocating on behalf of a person, in attempting to make inquiries on behalf of that person. I related to the Privacy Commissioner yesterday how I was informed by a representative of a bank—and I will not name anyone—that I would have to obtain written authorisation from my constituent before they could discuss the matter with me. I had my constituent with me at the time and was under the impression that an authorisation over the phone from the constituent would be more than adequate. Unfortunately, I was told by the representative that written authorisation was required and that it would take 10 days. Upon hearing this, Mr Crompton expressed his belief that verbal authorisation would have been most adequate in this situation.

My question then is: why was I told by the bank representative something which according to the Privacy Commissioner is completely contrary to his understanding? In my opinion, this points to at least the ineptitude and misunderstanding of the legislation on the part of the representative in question and, at most, an unwillingness to deal with me on behalf of my constituent. On another occasion my office was contacted by a lady who was assisting her parents-in-law in dealing with a bank. At the time she was told in the bank manager's office, when information which had privacy implications was brought up, that she would have to leave the office. At this point, her in-laws indicated that they wanted her to have access to that information and, despite their express authorisation, the bank manager insisted upon her leaving the room. Not only is this contrary to the requirements of the privacy legislation but it is just plain rude. My concerns centre on the fact that there are a good number of people in situations where they have difficulties in dealing with corporations, and in such cases they turn to others to provide them with some assistance.

If those people who advocate in good faith on behalf of others are frustrated in their attempts, there is a serious issue as to the effectiveness of the legislation and also the action of those who utilise it as an avoidance measure—and I believe that, in a number of the cases with which I have dealt, it has been to avoid having to deal with the issue at hand. Certainly, there needs to be a greater understanding in regard to the legislation. I would like to point out that there are a number of organisations that do cooperate and clearly do understand the privacy legislation, and they work in a very professional and ethical manner.

During my discussion with Mr Crompton, he undertook to place on his web site information regarding this matter so that those encountering such situations as I have described can have access to the information that will help them when they are trying to deal with banks or other organisations on behalf of someone, and I suggest that all businesses and banks have a look at the federal Privacy Commissioner's web site so that they are quite clearly informed about what the act means.

SUMMARY OFFENCES (MISUSE OF MOTOR VEHICLES) AMENDMENT BILL

Mr BROKENSHIRE (Mawson) obtained leave and introduced a bill for an act to amend the Summary Offences Act 1953 and to make consequential amendments to the South Australian Motor Sport Act 1984. Read a first time.

Mr BROKENSHIRE: I move:

That this bill be now read a second time.

This is a very important bill, for which I expect to see bipartisan support, particularly because the present Attorney-General (and I acknowledge and thank him for it) congratulated the previous Liberal government on a range of policy areas around this, and indicated that perhaps he should have thought of this one himself. I also acknowledge that the Attorney-General has put in some policies around law and order issues that we also support. I hope to see full bipartisanship with respect to this bill.

There would not be, I suggest, a member of the House of Assembly anywhere, even in rural and regional South Australia, who would not have driven down a road and seen black rubber and heard the noise, the squeals, late at night; or who would not have had constituents come up to them at a local sporting club and say that they are sick and tired of a small percentage of people who do not want to work within the normal road rules, people who are out there at 2 o'clock or 3 o'clock (they are often nocturnal people) causing all sorts of havoc, while the absolute majority of good minded South Australians are trying to rest to get ready to go to work and school the next day.

In fact, I mentioned to the member for Goyder that this morning I was driving along the back road of our farm, where in recent times we just had a brand new road built (and I thank the Alexandrina council for that; it is nice to see a few of our rates coming back into the area). Within a couple of days (and it is a back road, there is only one house in that area) I have noticed massive black burn out marks all along that road, and they almost went into the fence. Of course, if they do that in a back street in Adelaide, invariably, they do go into fences. They go onto sporting ovals and rip up turf; they go onto median strips and rip up turf; and they go onto road verges and rip up turf and do damage. Enough is enough when it comes to this issue. I would say that the absolute majority of South Australians have firmly had enough of this small percentage of people.

Of course, the police have not had enough power, in my opinion (and I spoke to them about this issue when I was police minister), to address the issue. For some people, it is not a matter of a fine, it is not even a matter of imprisonment—not that I am suggesting we go down that track with respect to this issue. They just do not get the message that way. But if you take their vehicle away, if you confiscate their vehicle—their pride and joy—I believe they will get the message. Some time last year, or late the year before, when the Australasian Police Ministers' Council was held in Sydney, I travelled to Sydney with a police officer and asked him how the legislation was going in New South Wales (and mine is modelled around that; I acknowledge it), and he indicated that it was a very good piece of legislation. One of the things that occurred when this legislation was passed was that the media got right behind it, I understand, and highlighted the first couple of times when these vehicles were confiscated. Even in a very busy place, such as Sydney and its suburbs, I understand that there has been an enormous reducing factor when it comes to serious misuse of motor vehicles.

I talk about things such as people who drive a motor vehicle in a public place in a race between vehicles, or who have vehicle speed trials (such as I have seen at Port Pirie when we held a community cabinet there), vehicle pursuits, competitive trials to test driver skills; the list goes on. But they do not do it on a race track; they do it in people's back streets at night. They operate motor vehicles in public places so they sustain wheel spin. That will be addressed with this bill. They also drive a motor vehicle in a public place so as to cause engine or tyre noise that disturbs the people residing there and, indeed, people who are working, shift workers in industrial areas, and the like.

I am not aware of an expiation notice being as high as $500, but I have spoken to parliamentary counsel and they have advised me that it is legally possible for an expiation notice to be that high. I think for a first-time offender, where some young lad gets perhaps a rush of adrenalin on one occasion and police apprehend him, the $500 hit out of his wages will hopefully be enough. So, in this bill, I am advocating an expiation fee of $500 or, indeed, if that does not occur, that the maximum penalty for that first offence be $2 500.

As a result of this bill, records will be kept of expiation notices. Unlike other situations, as I understand it, where it is hard to trace an expiation notice, in this legislation, if it is passed, I intend to make it workable by police by means of keeping a record of the expiation notice. I think it is important that it is the courts that make the decision on the suspension, not the police. It puts a lot of pressure on police if they have to do this. I prefer that not to happen, and I think that it does need to go through the procedures put in place. But, if the court does convict someone for a subsequent offence, this bill will ensure that that person will lose his or her licence for a period not exceeding six months. So, they might have to get a bike or a horse or whatever else they might find as a way to get around their area. It will also allow the court to impound that vehicle for up to six months.

That is a pretty tough measure, but I believe that it is in the best interests of the community, as well as in the best interests of those young people. Indeed, it is not necessarily young people: it could be any age group, but generally, in this instance, it tends more to be people under the age of probably 30. This measure will hopefully help them; it may even save their lives, because it might make them think that it is just not worth being involved in the serious misuse of a motor vehicle.

Having seen the mock accident trials and the road carnage in the media, we have to do all we can as responsible parliamentarians to address these issues. It is a pity that we do have to introduce these laws, but it amazes me how these people can burn this rubber. I certainly did not have the money, and still do not have the money, to waste it on $75 a tyre, leaving rubber all over the bitumen roads. People take the wheels off other cars and put them on their own cars in order to continue carrying out these illegal speed trials in backstreets and on certain roads, and they put their own tyres back on the vehicle afterwards. They even pour oil on the road. This happened on the corner of Kangarilla Road and the main McLaren Vale Road one night. They poured oil there and while my constituents were trying to sleep, they were out there doing burnouts on the oil on the main intersection. This is how serious the matter can be.

This legislation is innovative. There has not been legislation quite like this previously, and I would ask the house to support it. The point that I also need to highlight to members is that if a person has borrowed a car, possibly the parent's car, it is not the intent of this bill to deprive the owner of the vehicle, and I think that is important. If, as a parent or a friend, you lend your car to someone and you have to get to work the next day, there are provisions within the bill for that.

There are also issues involving country areas. Impounding a vehicle that is not the offender's own vehicle would have ramifications for the owner. But, if it is their own vehicle, the person concerned will suffer the impounding for up to six months. I am confident, Mr Deputy Speaker, whilst you cannot speak on the matter at this stage, that you would support this bill, because as the member representing an adjoining electorate I am sure that you have constituents complaining to you about the sort of behaviour I have just highlighted. It is increasing, and there is no doubt about that. When I was police minister I visited Wallaroo as part of the Neighbourhood Watch program. The member for Goyder organised that visit. I could not believe the amount of rubber on the roads there. It is happening and it is an increasing trend. I hope that we can nip this in the bud. I hope that we see fast passage of this bill. I encourage members to support this bill because I believe that if members indicate in their newsletter that they are supporting such a bill constituents will say that their local member is in touch with the real world and in touch at the grassroots level.

It is this sort of support for a bill such as this that will see members reinstated into this house in March 2006. There are a number of other pieces of legislation. Some of the policies the government is rolling out now in the way of law and order, clearly, are our policies. The government does have its own policies, and I acknowledge that, but some of them are ours. I think it is fair to say that members will see consistency between both governments in terms of being tough in certain aspects of law and order, which is a result of a few people forcing this sort of legislation before the house because they do not want to work with the rest of the community.

It is a pity that we must bring this sort of legislation before the house. We should not have to but, when one thinks about it, much of the legislation, particularly with respect to road traffic issues, is introduced because of that small percentage of people who do not consider it a privilege to have a drivers licence and to drive a motor vehicle: they see it as a right and do not realise the risks they can subject the broader community to. Many sporting clubs have indicated to me that they want this matter addressed as a result of the amount of damage done late at night.

One primary school in our electorate was good enough to agree to let a new cricket club use its facilities. It put down nice new matting on which to play cricket. When the players came to play cricket on the Saturday some hoons had gone onto the oval and not only ripped up the turf but also, with their car, ripped up the matting on the cricket pitch. It is just not necessary. There are not enough resources to go around now. People have worked hard to get those grants programs by doing the right thing to deliver good community spirit, to bring up their young people in a fit, healthy and community-minded way, and these few people are working against them. I commend this bill to the house and seek the support of all members and thank them for their indulgence.

Mr SNELLING secured the adjournment of the debate.

PUBLIC WORKS COMMITTEE: MINI-HYDRO TERMINAL STORAGE FACILITIES

Mr CAICA (Colton): I move:

That the 177th report of the committee on mini-hydro facilities at terminal storage (Anstey Hill) and Mount Bold be noted.

The Public Works Committee has examined the proposal to apply taxpayers' funds to the mini-hydro facilities at terminal storage (Anstey Hill) and Mount Bold dam. In 1999, SA Water commissioned the BC Tonkin/Sinclair Knight Merz (SKM) alliance to carry out a feasibility study into the technical and economic aspects of generating electricity from energy presently being dissipated in pressure-reducing devices at the terminal storage tanks on the Mannum to Adelaide pipeline. The study confirmed that terminal storage is technically and economically feasible for a small-scale hydro scheme. A further feasibility study on a number of other sites also identified Mount Bold as an additional opportunity.

This proposal involves the formation of a joint venture between SA Water Corporation and Hydro Tasmania for the purpose of commissioning two small-scale hydro schemes on SA Water assets at the terminal storage tanks at Anstey Hill and the outlet of the Mount Bold dam. The renewable energy generator will exceed 11 gigawatt hours per annum. SA Water and Hydro Tasmania each propose to contribute 50 per cent of the $5.4 million capital cost. Terminal storage will be connected to the existing water supply infrastructure. The Mount Bold mini-hydro will be attached to the base of the Mount Bold dam structure and connected to the existing pipe work.

The mini-hydro is a Francis turbine, with a power output of 2.1 megawatts. The type was selected to suit the range of head and flows that could arise out of the Mount Bold dam. At the terminal storage a new pipeline will connect into the existing incoming main. This will divert treated water into the mini-hydro and into the south-west corner of the terminal storage tank. Revenue from the joint venture will be from the sale of electricity and green power rights. SA Water is a considerable user of electricity and could seek an off-set arrangement whereby the electricity generated could be off-set against the electricity purchased.

SA Water will be tendering for electricity when the next tranche of sites becomes contestable in 2003. Due to the delays associated with pursuing this option, Hydro Tasmania has agreed to underwrite the project with a fixed price for a one-year period followed by two one-year options for both the power and green rights. Should the negotiation of a favourable off-set agreement not be achieved, the underwriting agreement will provide ample time to negotiate a power purchase agreement with a retailer. Supply of power will not be scheduled or market driven.

Generation will occur when water is available; however, there will be some scope to optimise generation to suit peak power demand. The committee is told that the project will produce the following results: the creation of two renewable power sources with an expected lifespan of 40 years; the creation of a productive economic activity within the state; the enhancement of a customer and market orientation within SA Water; and the receipt of green power credits from the Sustainable Energy Development Authority (SEDA) for two renewable energy projects and increased revenues for SA Water.

The project is consistent with SA Water's environmental policy objectives that encourage innovation and the development of sustainable technologies that have environmental benefits. The joint venture will provide SA Water with revenue of $4.9 million (in present value terms over 25 years) derived from:

- electricity sales into the national electricity grid ($2.4 million);

- renewable energy credits as a result of trading activities by the venture or, alternatively, a price premium on sales as 'green power' ($1.8 million);
- a per-site royalty fee totalling $0.14 million in PV terms based on existing infrastructure usage and the added value of water provided under licences to extract from the Murray River.

SA Water costs of $3.4 million include a proportion of capital costs of the hydropower generation projects together with incremental operating costs as follows:

- a total estimated capital cost of $2.7 million (representing 50 per cent of the capital cost), including venture start-up costs and projected contingencies;
- operating costs of $0.62 million in present value terms (representing 50 per cent of generation and maintenance costs and venture overheads);
- sunk costs of $0.05 million for feasibility studies conducted to date, which have been excluded from the analysis.

Hydro Tasmania's costs of $3.32 million include a proportion of the capital costs of the hydropower generation projects, together with incremental operating costs. Financial analysis of the proposal reveals that the joint venture has a benefit cost ratio of 1.5 and a net present value of around $1.6 million. From a whole of community perspective, the net present value benefit of the project is $2.6 million and the benefit cost ratio is 1.77. The significant project risks for both sites concern project coordination. During construction it is imperative that there is excellent coordination between the contractors and the water supply operation staff to ensure that there are no disruptions to its water supply.

The committee notes with concern the proponent's evidence that the project viability is jeopardised by ETSA's proposed connection cost. The committee is told that the financial analysis for this proposal is based upon a quote from ETSA that has since been effectively doubled. If the amended quote stands the project will not proceed. The committee strongly recommends to the minister that the basis upon which ETSA establishes connection costs be reviewed. This project is an example that illustrates the potential for ETSA connection costs to undermine the broader public good. Pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee recommends the proposed public work.

Motion carried.

SUMMARY OFFENCES (TATTOOING AND PIERCING) AMENDMENT BILL

Mr RAU (Enfield) obtained leave and introduced a bill for an act to amend the Summary Offences Act 1953. Read a first time.

Mr RAU: I move:

That this bill be now read a second time.

In moving the second reading I would like to explain briefly what the bill is about, because I know that many members, particularly those opposite, do not have any idea what it is about. The bill seeks to do two things: first, to make it more difficult for people to be tattooed without having a think about it, by providing for a cooling-off period for tattooing; and, secondly, to take up a matter that you, Mr Deputy Speaker, took up in the last parliament, I believe, the matter of body piercing, and to seek to somewhat regulate that activity.

As members would probably be aware, both of these activities that are the subject of this proposed legislation are already to some degree supervised by the law of South Australia. I will talk first about the situation in relation to body piercing. It is important for the parliament to bear in mind that section 33 of the Criminal Law Consolidation Act as it presently stands deals with the issue of female genital mutilation. It is important to note that, for the purposes of that legislation, a child is deemed to be a person of under 18 years. Female genital mutilation, amongst other things, includes 'any other mutilation of the female genital organs'.

I point out to those members present and perhaps those listening that in extreme cases the practice of body piercing does get to that point. It is interesting to note that under section 33A of the current Criminal Law Consolidation Act the penalty for female genital mutilation is seven years imprisonment, and it is not possible for anybody to consent to it, whether a minor or not. I realise that it is at the extreme end of the spectrum of possible activity of this type, but that is the extent to which that sort of activity is currently regulated by the law of South Australia.

On my research, that appears to be the end of it. Between that and the relatively simple act of having an ear lobe pierced for the purpose of having a ring put in there is a vast array of possibilities. This legislation seeks to exclude the person who wants to have their ear pierced and to require that, in the case of a minor, that minor has to have parental consent for any other form of piercing. Dealing with the other piece of legislation that is currently on the statute books, I would like to refer members to section 21A of the Summary Offences Act, which already deals with the issue of tattooing and provides that, where a person tattoos a minor—and again a minor here is a person under 18 years of age—for reasons other than those associated with a medical procedure, they are guilty of an offence.

The penalty provided for here is $1 250 or three months imprisonment. It seems to me that we have two activities that involve, on the one hand, the tattooing of people and, on the other hand, mutilation or decoration, depending on your perspective, partly regulated already by acts of the South Australian parliament. What I am seeking to do is fill in some of the grey areas in what is clearly material that should not be of concern (such as for example having an ear pierced) and try to regulate the activity in the middle so that minors are not in a position where they have these procedures done without some sort of parental consent.

Of course, it has to be remembered that the piercing activity is, at least, not permanent, in most cases, although medical advice I have had—and I think the member for Morphett might be better placed on this subject—indicates that there can be some neurological damage if these things are not done properly, and the member for Adelaide (the Minister for Tourism) has told me that severe infection issues can arise from some of these activities. So, it is not as if it is a completely benign activity.

As far as the tattooing side of things is concerned, members would all be aware that tattoos are very much in vogue these days, and what this seeks to do is not to stop people having tattoos but, rather, to say that if you are going to have one—the impulse tattoo where you and a few friends have gone out and perhaps been to one of the hotels in a street not too far from here, had too much to drink and decided to wander down the street and have a skull and crossbones, or something, emblazoned on you—you have to think about it. That is all it says. It does not say that you cannot do it: it just

says that, as an adult person, you have to think about it because, let's face it, once it is there, it is there, and it is going to cost the medical system (or you, more likely) in terms of elective surgery a lot of money to get rid of it. That is broadly the background to the bill, if I could take you to the specifics of it.

First, section 21A, the current section of the Summary Offences Act dealing with tattoos, is to be amended by increasing the financial penalty for tattooing a minor from $1 250 or three months imprisonment to $2 500 or three months imprisonment. In the circumstances, that is a reasonable proposal. Secondly, what is proposed is that, in relation to the defence currently provided for in the Summary Offences Act (that is, a defence to a charge that you have tattooed a minor), that offence be stiffened up.

I will not take members of the house through the details of the current defence, but the current defence is sloppier than the one proposed. The one proposed requires that a person must seek evidence of age before performing a tattoo and, if they do not seek evidence of age and then go ahead and perform the tattoo, they will have real trouble proving that they had an honest belief that the person was of age. It is really stiffening up the defence, to make sure that children are not going to be tattooed by mistake or because someone is too lazy to check properly whether they are an adult.

The next section of the bill deals with piercing of minors. As I said in my opening remarks, I thank you, Mr Deputy Speaker, for your contribution to this. I know you promoted this matter in the previous parliament and, for one reason or another, it did not become a matter of law. But let us have another go and see what happens. The proposal simply says that it is illegal to pierce a minor, and I should point out for members opposite that piercing does not include, as you would see in the definitions, ear lobes.

We are not talking about the teenager who wants to have an earring put in: we are talking about any other sorts of piercing. We are saying that minors who want piercing other than of ear lobes need to have consent from a parent or guardian. That is the purpose of that provision. It also requires, consistent with your previous legislation, Mr Deputy Speaker, that there be a record kept of the part to be affected. Also, it leaves room for medical procedures and so on, as you would see in subsections (4) and (5). It provides the same sort of defence as we have talked about in relation to tattooing of minors, namely, that you can defend a charge of piercing a minor if you have taken reasonable steps to ensure that the person is not a minor. If you have satisfied yourself reasonably that they are not and go ahead and do it, obviously you are not to be prosecuted. Obviously there is no prohibition on piercing of adults: that is not the object of the exercise.

The next point is the one I was particularly pleased to see included in this bill, namely, new section 21C to be inserted in the Summary Offences Act, which requires a cooling off period. This means effectively that the customer who is to have a tattoo identifies what they want, identifies the part of the body, and must wait three days before they get the job done. The object of this exercise is to prevent the impulse tattoo, and hopefully the person involved has time to reflect on whether or not they want it. If they do want it, well and good, they can go ahead and have it. If they do not, the time has passed and hopefully the headache has been and gone and they miss out on a problem they might have regretted later in life. If they are still of a mind that they want to have the tattoo, well and good, they can go ahead and do it.

New subsections (2) and (3) of section 21C as proposed are designed to prevent the coercion of people. By that, I mean that, if we were simply to require a cooling off period but to provide for people to part with a deposit on the initial occasion when they signed up for the tattoo, there might be some sort of leverage on the part of the tattoo parlour that the person goes through with it, because they have already paid for it. New subsections (2) and (3) provide that the person who is to perform the tattoo cannot demand a payment or deposit or any other form of security to ensure that the person will return in three days and go ahead with the job. The purpose is to make it clear to an individual that there is no obligation on them, there is no coercion, and they cannot be required to pay a deposit or make any other form of payment which might have the effect of inducing them to go ahead and do it if their inclination was not to.

It is my hope that this is the sort of legislation which will be acknowledged by members opposite as being sensible legislation. I would encourage members opposite to give it some thought and hopefully get back to us as soon as possible with any views they have on it. It is the sort of thing that is directed towards making sure that people who might be in a vulnerable position, either because of age or infirmity or because it is self-inflicted perhaps by a visit to a hotel, do not end up harming themselves or placing themselves in a position they do not need to be in. I urge the house to favourably consider the bill.

Mr MEIER secured the adjournment of the debate.

ECONOMIC AND FINANCE COMMITTEE: EMERGENCY SERVICES LEVY 2002-03—INTERIM REPORT

Ms THOMPSON (Reynell): I move:

That the 38th report of the Economic and Finance Committee on the Emergency Services Levy 2002-03—Interim Report be noted.

This is the 38th report, well behind the report record of the Public Works Committee, but I do anticipate that over the next four years the Economic and Finance Committee will catch up. It may be not quite up to your 170, but we will be moving.

Section 10(5) of the Emergency Services Funding Act 1998 requires that the minister must refer to the Economic and Finance Committee a written statement setting out determinations that the minister proposes to make in respect of the emergency services levy for the relevant financial year. The committee is required under section 10(5)(a) to inquire into and report on those determinations within 21 days of receipt.

In June 2002, the Minister for Emergency Services appeared before the committee to brief members and answer questions in relation to the 2002-03 emergency services levy. He was ably assisted by representatives of the Department of Treasury and Finance, Department of Justice and senior emergency services staff. The minister advised the committee that he, under the Administrative Arrangements Act 1994, delegated to the Treasurer all powers under parts 3 and 5 of the Emergency Services Funding Act 1998.

Parts 3 and 5 deal with the complex and miscellaneous administration of the levy, and the Minister for Emergency Services explained to the committee that, in his view, this was more properly dealt with by the Treasurer than by himself because the minister regards this as being a tax and therefore

appropriately collected by Treasury. The remainder of the act deals with the proper expenditure of the levy proceeds, and these powers have been retained by the Minister for Emergency Services.

The purpose of this interim report is to comply with the legislative requirement to report within 21 days and to indicate the committee's satisfaction with the overall levy proposal. However, the committee felt that there were some issues which warranted more detailed investigation which was not possible within the 21 days time limit. The issues to be canvassed in a subsequent report of the committee relate particularly to the high costs of collection of the levy. They also relate to some structural complexity of the levy, and there are issues involving expenditure of the funds.

With regard to the structural complexity of the levy, the committee noted that the levy is currently structured so that a rate of the levy is declared, but that subsequently remissions are granted that result in a lower effective rate of the levy being used in levy bill calculations. When calculating the levy, there are also various classifications for each property such as area factors and land use factors which must be considered. The committee intends to investigate the structure of the levy further. This will include a review of the legislation governing its implementation to see if efficiencies can be gained.

Just to give members some idea, if they do not recall some of these complexities, when fixing the levy on land, there is a fixed charge in most cases of $50, and in addition to that there is an amount which is calculated by looking at the capital value, the land use factor, the area factor and the variable rate. The land use factors comprise commercial, industrial, residential, primary production, vacant, other and special use lands.

Four different regions are involved: regional area 4 is greater Adelaide, extending to include the Barossa Valley, Adelaide Hills and Fleurieu Peninsula; regional area 1 relates to rural cities and towns with a population of 3 000 or more; regional area 2 is all other incorporated areas not in categories 1 or 4 but which are within local council boundaries; and regional area 3 is all unincorporated areas, so that is all other areas of the state. That is just an indication of the complexities involved. When you look at those factors as well as the variable rate which is set differently for residential, commercial, industrial, rural and special community use land the formula starts to appear to be very complex indeed.

The issue of principal concern to the committee is the level of collection and administration costs of the levy particularly in relation to Revenue SA's collection costs. The committee is following up and investigating detailed information on this topic which will be included in its final report. However, it is the failure of costs to fall significantly, despite previous assurances that they would, which is causing most concern. Specifically, the committee was informed in 2001 that Revenue SA's collection costs would fall significantly from over $7 million to $4.95 million in 2002-03 and beyond. The committee was informed that that reduction would occur as a result of completion of the development of Revenue SA's collection systems. Unfortunately, this cost reduction has not occurred, so the collection costs are $2 million more than was hoped for. This is despite the fact that $8 million has already been sunk into the project to develop a collection system.

I will explain a little further about the collection costs. The costs of collection and administration for 2002-03 are, in total, $9.15 million (representing 5.8 per cent of all revenue deposited in the fund), but when we look at the collection costs from the land-based levy from property owners through Revenue SA, the figure is $7.3 million (representing 13.5 per cent of the total levy revenue collected from fixed property owners). So, when each one of us pays our emergency services levy bill and we think that we are helping to support the emergency services of our state, in fact 13¢ of every dollar that we pay simply goes to administration costs. This figure compares with Revenue SA's overall average cost of collection for other taxes of .7 per cent. That gives some idea of the inefficiency of the collection costs for the emergency services levy—or tax as some would prefer to call it. The committee was extremely disappointed—certainly I was—that the repeated assurances that this would come down have not been met. So, this is an important area for us to investigate further.

Mr Acting Deputy Speaker, you are probably interested in the collection costs of the mobile property levy, which is $650 000 which, fortunately, represents only 2.47 per cent of contributions made by owners, but you would recognise, sir, that this is still very costly compared with collection costs for other taxes in this state.

Other issues which the committee intends to examine include debt collection procedures, as there are many people in the community who, so far, have declined to pay their emergency services tax. We wish to look at a more detailed analysis of fund expenditure, particularly from a historical basis, and this would include pursuing some of the issues raised with us by the Minister for Emergency Services when he gave evidence to the committee.

However, to get back to the administrative arrangements, in terms of the levy for 2002-03 the effective rates of the levy will remain unchanged. In other words, the formula used to calculate levy bills last year will be the same this year. However, fixed property owners may note a small increase in their levy bill as a result of increased property values. The Department of Treasury and Finance informed the committee that, for a residential property in metropolitan Adelaide with no concessions and a current capital value of $150 000, the average increase will be $1.95 in a total levy bill of $65.60. Of course, the increase will be more for those who own more expensive properties. The levy payable on mobile property will remain unchanged.

The value of remissions in 2002-03—that is, the amount of money contributed to the Emergency Services Fund from consolidated revenue—is proposed to be $77.5 million. This represents an increase of $11.5 million over the remissions paid from consolidated revenue in 2001-02. The total levy to be raised directly from taxpayers is $78 million and the government will contribute about the same amount to the Emergency Services Fund.

The committee has not made any recommendations in this interim report as it intends to withhold all recommendations until its final report. The committee will proceed expeditiously to make further inquiries and report to the house on this matter. I am confident that we will be able to make some recommendations which, if adopted, will result in better collection costs in the future.

Mr SNELLING (Playford): I also wish to speak to this report, the first report of the Economic and Finance Committee to be brought up in this parliament. I want to follow up on some of the matters that have been raised by the chairman of the committee, the member for Reynell, particularly with regard to collection costs. At the outset, I should point out

that the reason for the extraordinarily high collection costs for the emergency services levy is essentially political, because the previous government did not have the political courage to call it what it is: a tax. Structuring the emergency services levy as a levy added enormous complexity to the collection of the levy thus greatly thrusting up the collection costs. Mr Walker of Revenue SA in his evidence to the committee stated:

> In a professional sense it is an embarrassment to me that Revenue SA's collection costs are in the order of around 70¢ in every $100 and with the cost of the emergency services levy obviously hugely higher than that.

He went on in his evidence to point out that a lot of the reasons for this increase was because the emergency services levy is structured as a levy instead of a tax which, as everyone knows, is actually what it is. Mr Walker stated further to the committee:

> The emergency services levy at law would be characterised as a tax. Other taxes such as payroll tax were designed as taxes in the first place. The emergency services levy was designed on different lines. We have a complicated IT system which has to capture 75 000 properties and over 500 000 accounts have to be sent out. The computer system has to take into account different geographic areas and also risk weighting according to land use codes. It is a complicated structure.

He continues:

> As the tax is now in place, we are continually re-evaluating how we are doing it and being able to make synergies.

The officer from Revenue SA was saying that, because the previous government in establishing this levy or tax thought it would be more politically palatable if it called it a levy and structured it as a levy, the result has been these enormous collection costs. As the member for Reynell pointed out, to Revenue SA alone the collection costs are in the order of $7 million, which of course is money which would otherwise be going into our emergency services.

If we look at what has been said in the past about the administrative costs—because this is by no means a new issue—in fact the select committee on the emergency services levy raised this very issue of collection costs and the problems associated with it. If we go back to the year 2000-01, the total administration costs were $9.96 million; in 2001-02, total administration costs $8.3 million; and in 2002-03, total administration costs $9.15 million. This has been an ongoing issue, and every year the committee has been told that steps would be taken to reduce these administrative costs. One would expect, certainly in the first year of the levy's operation, that administrative costs would be high because the various systems would be established in order to collect the levy, but thereafter there would be a very steep drop in the administrative costs.

What has been the experience of the committee? That has not happened, and the evidence given to the Economic and Finance Committee is that that is because the previous government, cowardly and out of sheer political expedience and administrative incompetence, set up the emergency services levy as a levy with all the complication that goes with its being a levy, instead of simply being honest with the South Australian public and saying, 'We are introducing a new tax,' and setting it up on tax lines, whereas all those many millions of dollars which go into the administration of the levy could have been going to our emergency services instead.

The other matter I wish to raise today relates to evidence provided by the minister about the administration of emergency services by the previous minister, the member for Mawson. The Minister for Emergency Services presented to the committee, I think, very disturbing evidence about the funding arrangements, particularly those within the CFS. He revealed to the committee that the CFS increased its staffing levels by 69 per cent without any approval and without any business plan. There was a series of attempts at the Public Service level to draw this to the attention of the previous minister, but the previous minister blithely ignored the problem and put his head in the sand and pretended nothing was happening. As a result of that, the CFS took the unprecedented step of shifting funds from its capital budget, that is, its budget to build more fire stations and to purchase equipment, into its recurrent funding in order to finance this unilateral decision they had made to increase staffing.

As anyone with any accounting or finance understanding or experience would know, such a step is unsustainable. Ultimately, it would mean that you would have a run-down in your capital assets and this would continue as you continued to prop up your recurrent budget. Eventually, you would have to sell off your capital assets in order to prop up your recurrent budget. I must also point out that this situation was not brought to the attention of the Treasurer until the end of last year, and I think it goes to the heart of the economic and financial competence of members opposite.

I am happy to say that the matter has been referred by the minister to the Auditor-General and, no doubt, in due course the Auditor-General will present his report to the parliament. I look forward to that happening. In conclusion, I support the motion that this interim report be noted. I assure the house that the committee will continue its work in this important matter. We will be coming back to the parliament on some of the issues which I have raised and which I think are important, and we will enlighten members more on the administration of this levy.

Time expired.

Mr MEIER secured the adjournment of the debate.

GAMING MACHINES (LIMITATION OF EXCEPTION TO FREEZE) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 5 June. Page 519.)

Mr MEIER (Goyder): I support the bill introduced by the member for Mount Gambier. Members will be aware that it is specifically designed to overcome an anomaly that has been identified. The gaming licence of a hotel in Whyalla is proposed to be moved to Angle Vale so that the poker machines will be set up there. I am quite convinced in my own mind that the legislation, which this parliament passed last year, did not in any sense seek to allow such a transfer within the state. It did not object to transfers within an immediate locality, that is, within a township, I assume, but certainly when one is talking about premises hundreds of kilometres apart that is not what was considered. In fact, those members present in the previous parliament would know that the whole idea of the freeze was to stop the escalating number of gaming machines that were coming into this state.

It is no secret that I was opposed to gaming machines from the year dot. When former premier John Bannon first advocated that they should come in at the casino, I said, 'No way', but they finally came in. When it was proposed they

should come into clubs, I said, 'No', and when it was proposed they should come into hotels, I again said, 'No.' I guess I have mellowed a little, from the point of view that I recognise they are there by the thousands. I looked back at an earlier speech of mine (I do not know what year it was) and I noted that I played poker machines a little then, occasionally putting on $1 or even $2.

The Hon. M.R. Buckby: Shock, horror!

Mr MEIER: Exactly! However, I have more to reveal this afternoon: I have put more than $2 or $3 through poker machines since then, I can assure the house. I can virtually be 100 per cent sure that, if I go out and decide to relax a little after work, any money I put into poker machines will go; it will be gone. I am kidding myself if I think I will ever make money. I would be a foolish person to think that, because I just will not. You can do it if you say, 'For another $10 or maybe even a little more, the money probably will go.' If you get it back, it is a very good thing; luck is on your side. If you make a little, that is quite amazing. What is the situation with making money on poker machines? In the *Advertiser* of 10 September last year—and it is interesting that that was the day before 11 September—the headline read, '$972 a minute lost on pokies.' That article identified that we have some 14 096 gaming machines which reap $543 million in a year. The article was written by Greg Kelton, and states:

> South Australian gamblers lost more than $543 million last financial year.

You can understand, therefore, Mr Acting Speaker—and I believe you would personally be very sympathetic to that (and I take it that you are by the nod of your head)—that my warnings years ago, when I said, 'Please don't bring them in' have proved to be correct. Five hundred and forty-three million dollars! What if a government said, 'We will increase a tax or we will bring in a new tax and it will bring in $543 million?' There would probably be riots in the street. The people would say, 'This government must go'—whatever its political persuasion— 'It is just absolutely ripping us off to the last extent taking $543 million from us.' Yet people voluntarily go out there every day and every night and are happy to hand over their money. Of course, it does not happen only in South Australia. On 7 September last year (a few days before 9 September), the following statement was made:

> Victorians lost—

wait for it—

> $2.36 billion on poker machines last year.

That is nearly a State Bank lost in one year, and this goes on year after year. It is unbelievable, yet the people keep flooding in. It is now 5 p.m. and I invite anyone to walk into any hotel or gaming establishment in South Australia. They will see those machines clicking away. I suggest that you could see them at just about any time during the day, and there will always be more than one person playing them. It is an incredible situation. Therefore, I am happy to support the member for Mount Gambier's motion to seek to keep our moratorium in place until May next year.

I am realistic enough to know that we will not get rid of poker machines. If we do, I will be the first one to be amazed. I do not think it is possible now. However, controls have to come in. I am also realistic enough to know that there probably will have to be considerations concerning how poker machine licences can be transferred. However, that is a big debate in itself, because they are now worth so much to every hotel. Mr Peter Hoban from Wallmans lawyers wrote to me in relation to this hotel licence at Whyalla to Angle Vale. Amongst other things, he indicated in that letter:

> Our experience is that hotels are such an expensive item to build that nowadays nobody could afford to build a new hotel without the funding generated by a gaming machine licence.

I will not dispute that; he is probably right. It is a sign of the times. One or two hotel keepers from small hotels in my electorate have come to me and said, 'Look, John, we missed out at the time. You brought the freeze in, but we're just not going anywhere. We need to bring in pokies.' I have said to them, 'It's too late; you can't get them.' It was not their lack of foresight—and I would use that word—because they had only just taken over the hotels in the respective situations.

It is a blight on our community. It troubles me that it hurts so many innocent people—and some of them not so innocent. We see headlines from time to time about people having embezzled hundreds of thousands of dollars—or in some case millions of dollars. There was a court case last week (and it is probably still going on) about one person who did that. It becomes such a drug. People think that those who are addicted to smoking or alcohol have a problem, but that is nothing compared to gambling because gambling takes away family savings, meals on the table at night, shoes and clothes from young kids, and creates divorces the likes of which you have not seen before. It also helps create thugs and thieves, and the undesirable elements in our society. It is with us, yes, but let us not let a loophole in the legislation allow the transfer of poker machines within this state over considerable distances. That matter has to be considered in itself, and I dare say the parliament will look at that, probably within the year. Whatever the case, I fully support this legislation. I have highlighted my position. Whilst I am one who occasionally gets some relaxation from putting a few dollars through the pokies, I am realistic enough to know that, just as if I go and buy a meal, it will cost me money, and I will not get any money back. Food at least sustains my body, but gambling does not.

Mr SCALZI (Hartley): I, too, rise to support this bill, which is a very important measure brought before the parliament by the member for Mount Gambier. In doing so, I understand and accept that poker machines, whilst they have created some employment and some stability for hotels, have also created some problems for a significant proportion of the population. Whilst it is not the source of all ills and evils, nevertheless, an increasing number of people who did not fall into the problem gambling categories in the past do so now. I say that from the experience of being a member of the Social Development Committee that looked into gambling and gaming machines. By way of an example, women in the older age group who were not in the problem gambling category before poker machines are in that category now. Putting that aside, I believe that, whilst poker machines have enabled the hotel industry to flourish in many ways, because the hotels were under threat, it has come at a great cost. We have found that out now.

Like the member for Goyder, if I had been here in 1992—and I have said this on many occasions—I would have opposed the introduction of poker machines, and I would do that today if we had the choice. I am realistic enough to know that we have had gaming machines for a long time, and there are other areas of gambling that cause problems, for example, Keno, and other forms of gambling. However, we have a particular problem with gaming machines, and that has been highlighted. We have more machines per head of population

than many cities in the world, and that in itself is a problem. Another reason why I support the measure by the member for Mount Gambier is that the Social Development Committee clearly stated, when it brought down its report, that we needed a cap on poker machines. That has been supported by the previous government and by the present government. I know that some members would say there is a problem associated with capping; that it does not achieve what it intends to. But it does send out a clear message—that we acknowledge there is a problem.

We know that this measure, for example, is trying to prevent people from carrying their gaming machine licence from an area in Whyalla, for example, to Angle Vale in the metropolitan area. I have great difficulties with portability of gaming machine licences. I do not believe that that was the intent of the act. A gaming machine licence is not like a builder's licence or any other licence where it is necessary to have portability. It allows the expansion of something that we as a society have clearly indicated is now a problem in South Australia. To allow this portability by not supporting this measure by the member for Mount Gambier is really going against the intent of both the government and the opposition, which have clearly indicated in their policies that there is to be a halt to the expansion and proliferation of poker machines in South Australia. I say that knowing that a significant proportion of the population do have problems, and the vast majority do not. But the reality is that that significant proportion of the population is experiencing great difficulties. We learnt from people who spoke at the recent Drugs Summit that drug problems are also associated with gambling problems. There is an association with other problems of substance abuse with respect to people who get themselves into debt and gamble.

Let us be realistic about this. The member for Mount Gambier has, rightly, seen that there is a loophole that has to be fixed, and I think this measure is reasonable. I do not believe that people should be able to carry a licence from one end of a state to another and take advantage of the anomaly in the main act. For those reasons, I support the member for Mount Gambier in trying to limit the number of poker machines in certain areas.

I note that some members will say that it would affect tourism in certain areas and that it would really decrease the choice of some people in areas to engage in what is a recreational activity that does not harm anyone, as far as they are concerned. But the reality is that, for a significant proportion, it does cause harm. We have seen that from the various reports. We know that their families are affected. Even though one might say it is 2 per cent or 3 per cent, these people have families—they have spouses, children, brothers and sisters—and a lot of people are affected by a problem gambler. Both the previous government and the present government have acknowledged that, otherwise we would not have put the resources that we have into dealing with problem gambling. This measure acknowledges that, and it is an important step to deal with the problems that have been created by the introduction of poker machines in South Australia.

The Hon. M.R. BUCKBY (Light): I will be very parochial in my comments on this bill. I rise in support of the bill, because the fact is that it is intended that these poker machines be located at Angle Vale, which is in my electorate. Let me assure members that the people of Angle Vale do not want poker machines there, by any stretch of the imagination. Furthermore, they did not want the liquor licence to be given to the Angle Vale location either, because of the fact that the proposed location for the hotel is on the corner of Heaslip Road and a residential street (the name of which I cannot remember). Residents are very concerned that, with the advent of a hotel being placed there as well as poker machines, the amount of increased traffic that will occur in their street is something that they will have to tolerate, along with the fact that a different clientele may well be around the place late at night, for instance, if the hotel has live bands, or that type of thing. It will cause a general upset to their residential environment.

The fact is that currently there is a liquor store in Angle Vale on the very site where this hotel is proposed, so people are already able to purchase alcohol in Angle Vale. People are not looking for a hotel to be placed there, but they have said to me that, if a hotel has to be built in Angle Vale, they would far rather the site be on the southern side of the current commercial centre, which consists of some shops and a Mobil service station, on the site of what was the Barossa Valley Estates Winery. It would then be away from the residential area, and would lessen the impact of additional traffic on those residences and in that residential street.

I wrote to the Liquor Licensing Commission, objecting to the application for a liquor licence. Of course, the residents and I were unsuccessful in that respect. But for the applicant to now want to also place poker machines there, as I said, is something that is entirely against the wishes of the local residents. There are ample poker machines available in Gawler, which is not 10 minutes away from Angle Vale, for anyone who wants to go and play poker machines. A further 15 minutes down the road, probably, are sites at either Smithfield or into the northern areas of Elizabeth, where they can access poker machines; to the west there are opportunities at Virginia. It is not as though those who want to play on poker machines do not have some options to be able to access them within a very short distance.

Like the member for Goyder, I do not support poker machines in any shape or form. I believe that the amount of money that is being poured into them and which is not being used in family budgets to purchase necessary goods or provide for children is just stunning. It is a pity that they were ever introduced in the way in which they were in this state. I support this bill. As I said, the people of Angle Vale do not want poker machines. They do not want this hotel in the proposed location, and for that reason I have much pleasure in supporting the bill.

Dr McFETRIDGE (Morphett): I rise to oppose this bill. We have brought poker machines into this state for better or for worse, and you can see that there is a diversity of opinions. I personally have no problem with poker machines from an entertainment point of view. Certainly there are some people who, no matter what sort of gambling habit they develop, will have problems with it. The fact is, though, that we have brought poker machines into this state. The licences provided to these people should be able to be transferred if it is going to be of some economic benefit to the people running the business, because those people are paying large taxes to this state and those taxes are then being redistributed.

I have had occasion to present a number of cheques to various community associations. We cannot treat poker machine licences any differently from water licences or fishing licences. These licences are used by the businesses, by the individuals, to run a profitable business, and in some

cases those businesses are not profitable without this additional income. There are certainly a number of people who just cannot cope with the temptation. They see poker machines as a means of making money quickly. You and I, Mr Acting Deputy Speaker, know that that is not true. You have to be very lucky to win any significant amount on a poker machine. They are really a form of entertainment and, in many cases, a form of good socialisation.

The number of seniors who are quite lonely in today's society do achieve a lot of social benefit by going along to the local pub or club and getting on the 1¢ poker machines. They might put a couple of dollars in throughout the whole day. They will talk to people. They can sit there, relax and feel part of a community. It is an unusual community, admittedly, sitting in a poker machine bar. It is not something that I would find at all enticing, other than having a quick look through and perhaps showing visitors some of the different ways of, in some cases, losing your money and, in other cases, just enjoying a bit of relaxation.

Some members on this side have said that they do enjoy a little relaxation, but that is it. I will never concede that there are not people out there who have serious problems, but we cannot ignore the fact that we brought poker machines into this state. People have spent significant amounts of money in developing pubs and clubs. In fact, you only have to drive around and look at the pubs and clubs that have received a significant amount of revenue from poker machines: not only have they been able to redevelop those pubs and clubs but they have been able to employ people as well. So, there is an upside to poker machines; it is not all just doom and gloom.

Regarding the press reports, we see lots of 'smoke and mirror' figures involving poker machines. There is turnover in poker machines and then there is the money that is taken from poker machines as profit. I understand that for every dollar that goes through a poker machine that will go through 20 times rather than 19 times into the poker machine and then into the pub or club owner's pocket. It does not work like that. The turnover does not reflect the take, the profit, by the pubs and clubs.

It is important that we do not stifle the businesses that we have helped to flourish because of what some people think is a unique and unwanted facility. They are here, and we must allow them to transfer these poker machines from places where, in their opinion, they are not making money, or they could perhaps make more money elsewhere. That is not necessarily increasing the total take from the public. What it is doing is allowing these pubs and clubs to use their assets, which were quite legally acquired, quite rightfully given by this parliament, to help develop their facilities and continue on.

Also, the revenue that is coming back to the state will then be able to help control the small percentage of the population—the small percentage, not the vast number of us who can handle poker machines—who have a problem. I have no problem recognising that that is a very small percentage of people who cannot cope, and we can then help them with revenue from poker machines to overcome their gambling problems. I understand that there are some hotels, and particularly private clubs, that have gone into poker machines and do not want them any more. Surely they should be able to sell those poker machines on to somebody who wants to buy them. You are not increasing the total number of poker machines, but you are going to enable the pubs and clubs that do not want them to at least recoup their costs.

I know that in one case there has been a very large redevelopment in the Acting Deputy Speaker's electorate at West Torrens. The Metropolitan Showjumping Club has had a very large redevelopment of hotel, tavern, motel units and the club grounds. That was on the cards; plans were drawn up, and an Australian hall of fame was going to be developed there. It is the best showjumping grounds in Australia. However, the redevelopment cannot go ahead because the redevelopment, as we heard before from previous speakers, was dependent on the revenue from poker machines.

I cannot see why some pub or club that does not want the poker machines any longer cannot then sell them off to somebody who feels that they can gain an advantage from that. It is my opinion that the total revenue going through poker machines will not increase under those sorts of circumstances. However, the benefit to the community from taxes taken by the government and then redistributed to the sports clubs and the community organisations will increase the benefit to the local community in the way of improved facilities: certainly, looking at the plans of the Metropolitan Showjumping Club redevelopment, it would have been an absolutely wonderful facility. In that particular case I would see a huge benefit to the community coming from the transfer of poker machines. So, I have to disagree with some of my colleagues, and I would like to see the transferability of poker machines allowed.

Mrs GERAGHTY secured the adjournment of the debate.

The Hon. J.W. WEATHERILL: Mr Acting Speaker, I draw your attention to the state of the house.

A quorum having been formed:

NATIONAL WINE CENTRE (RESTRUCTURING AND LEASING ARRANGEMENTS) BILL

The Hon. K.O. FOLEY (Deputy Premier) obtained leave and introduced a bill for an act to make provision for the restructuring of the National Wine Centre, the leasing of centre land and other dealings with assets and liabilities of the centre; to repeal the National Wine Centre Act 1997; and for other purposes. Read a first time.

The Hon. K.O. FOLEY: 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 Wine Centre (the Centre) was established as a statutory authority under the *National Wine Centre Act 1997* (the 1997 Act) with a range of functions and objectives associated with promotion/development of the Australian wine industry and management of a wine exhibition. This followed the execution, in April 1997, of a Memorandum of Understanding between the State of South Australia and Winemakers Federation of Australia Inc (WFA) concerning proposed arrangements for the Centre.

It has become apparent, since the establishment of the Centre, that the mutual objectives of the State and the wine industry for the Centre could more effectively be delivered through industry operation and management of the Centre. Under the arrangement with the industry, the industry will play a more direct role in the operation of the Centre and limit the financial exposure of the Government.

Enactment of the *National Wine Centre (Restructuring and Leasing Arrangements) Bill 2002* (the Bill) is necessary to give the Minister the clear authority to implement the restructure of the Centre and to put in place a long term leasing arrangement concerning the Centre's management and operational risk.

Under the Bill, the body corporate that is the Centre that was established under the 1997 Act will be dissolved and all of its assets and liabilities will be vested in the Minister. The Bill makes

provision for the Minister to formally lease and transfer effective control of the operation of the Centre facility to an entity or entities. This entity or entities will be 100% owned and controlled by WFA. Such a leasing arrangement presents the best option for retention of a food/wine tourism icon while limiting Government financial exposure and will facilitate a constructive relationship with participants in an industry of major economic and regional significance to South Australia.

The Bill includes arrangements for boundary changes between the Botanic Gardens and State Herbarium and land that is, under the 1997 Act, defined as Centre land resulting in some of that land being handed over to the care, control and management of the Board of the Botanic Gardens and State Herbarium.

It was determined that implementation of the restructure of the Centre would be achieved most efficiently by repealing the 1997 Act and enacting a new measure specifically setting out the new arrangements.

Under the Bill the following provisions apply:

- The Minister replaces the body corporate known as the *National Wine Centre* which is dissolved with all of its assets and liabilities vested in the Minister.
- The boundaries between the Botanic Gardens and the Centre land are redefined in accordance with the plan set out in Schedule 1 of the Bill. Approximately three quarters of a hectare of land is, by means of redefining Centre land, to be put under the care, control and management of the Botanic Gardens, as agreed with the Board of the Botanic Gardens and State Herbarium.
- The care, control and management of Centre land (as redefined in the Bill) is vested in the Minister (in lieu of the Centre as in the 1997 Act). The Centre land, however, continues to be dedicated land under the *Crown Lands Act 1929* for the purposes of a wine centre, with similar objectives and functions as under the 1997 Act.
- Provision is made for leasing and transfer arrangements whereby the Minister may grant or renew a lease over the whole or a part of the Centre land and buildings for a term not exceeding 25 years. The Minister may transfer a Centre asset or liability or grant a right or enter into an arrangement in respect of the management of a Centre asset.
- After the enactment of the Bill, the Minister will grant a formal lease of the Centre land (as redefined in the Bill) to WFA through an entity (a WFA entity) established by WFA for this purpose. The Centre land remains Crown land that has been dedicated for the specific purposes set out in the Bill and these purposes will be mirrored in the lease.
- The Minister will be the entity for holding the land and buildings for oversight of compliance with the lease terms and conditions and accountability to the Parliament. Note that, while it is proposed that full operational responsibility will transfer to a WFA entity under a lease, the Minister will retain responsibility for major structural and mechanical maintenance of the Centre building.
- Certain terms are specified in the Bill as being terms that should be included in a lease granted by the Minister over any part of Centre land. These include terms under which the lessee is to indemnify the Minister for any liability to a third party that may arise from the lessee's use or possession of Centre land and terms restricting the use of Centre land by the lessee.
- The Minister will provide a report relating to the lease to be laid before both Houses of Parliament.
- No stamp duty is payable in respect of the restructuring transactions (specifically, a lease or agreement) under the Bill, and no obligation arises under the *Stamp Duties Act 1923* in connection with those documents.
- The Minister may make arrangements with respect to staff of the Centre and may transfer Centre staff to a position in the employment of another body. The status, duties, remuneration and continuity of service and entitlements to annual leave, sick leave and long service leave of existing staff of the Centre will not be disadvantaged in their employment conditions as a result of the transfer as outlined in the Bill. WFA has discussed employment issues with existing staff and intends offering employment to the majority of them.
- The Minister may require that a licence under the *Liquor Licensing Act 1997* be issued to a specified lessee or contracting party, subject to such terms and conditions as may be determined by the Minister after consultation with the Liquor and Gambling Commissioner. It is proposed that a liquor licence, and a licence to use the National Wine Centre name, logos and other intellectual property issued to the WFA entity operating the Centre, will be granted to the WFA entity while the lease remains in force.
- The lease will provide for the lease to be terminated by the Minister if the lessee carries out operations outside those provided for in the Bill and the lease. On the termination of the lease, it would be a requirement that the Centre facility be returned to the Minister in a suitable condition for ongoing operation as a National Wine Centre.

Each member of the board of the National Wine Centre tendered their resignation, effective 3 July 2002. Following the resignations of the board members, the Governor formally dissolved, on 4 July 2002, the board in accordance with section 9 of the 1997 Act. On the dissolution of the board, the Minister became the governing authority of the Centre pursuant to section 19 of the 1997 Act. Interim arrangements with WFA have been in place since that time and pending the outcome of this measure. There is no power under the 1997 Act for the Centre (whether operating with a board or the Minister as its governing authority) to enter into an arrangement such as that proposed in the Bill and, hence, the necessity for this Bill to be considered by the Parliament. Under the lease proposal with WFA, the Government's operating contributions will be limited. It is the opinion of the Government that management of the National Wine Centre by the wine industry present the best prospects for viable operations. If passage of the Bill is not secured, the lease of the Centre land and facility cannot proceed.

I commend the Bill to the House.

Explanation of Clauses

PART 1: PRELIMINARY

Clause 1: Short title

Clause 2: Commencement

These clauses are formal.

Clause 3: Interpretation

This clause contains definitions of words and phrases used in the measure and provides for the Minister to have the power to make determinations for the purposes of Part 2 of the measure.

PART 2: CONTROL AND MANAGEMENT OF NATIONAL WINE CENTRE

DIVISION 1—MINISTER TO REPLACE BODY CORPORATE

Clause 4: Minister to replace body corporate

This clause provides for the dissolution of the *National Wine Centre* (the Centre) established under the *National Wine Centre Act 1997* (the repealed Act—*see clause 1 of Schedule 2*) and for the vesting of all of the Centre's assets and liabilities in the Minister.

DIVISION 2—CONTINUATION OF DEDICATION OF CENTRE LAND

Clause 5: Continuation of dedication of Centre land

This clause provides for the continuation of the Centre land (*see* the map set out in Schedule 1) as dedicated land under the *Crown Lands Act 1929* and declares the Centre land to be under the care, control and management of the Minister. The Centre land is dedicated for the purposes of a wine centre established—

1. to develop and provide for public enjoyment and education exhibits, working models, tastings, classes and other facilities and activities relating to wine, wine production and wine appreciation;
2. to promote the qualities of the Australian wine industry and wine regions and the excellence of Australian wines;
3. to encourage people to visit the wine regions of Australia and their vineyards and wineries and generally to promote tourism associated with the wine industry;
4. to provide facilities and amenities for public use and enjoyment; and
5. to provide other services or facilities determined or approved by the Minister.

The fact that the Centre land is dedicated land under the *Crown Lands Act 1929* and is under the care, control and management of the Minister does not limit the ability of the Minister to enter into any lease or other arrangement with a person or body to provide for the care, control or management of the whole or a part of Centre land.

DIVISION 3—LEASING AND TRANSFER ARRANGEMENTS

Clause 6: Minister may lease Centre land

This clause provides that the Minister may grant a lease, to any person or body (a lessee) as the Minister thinks fit, over any part of Centre land for a term not exceeding 25 years. Such a lease may be renewed. A lease should contain certain terms listed in the clause and may allow the lessee to sub-lease part of Centre land with the consent of the Minister. A lease may include any other terms that the Minister considers to be appropriate in the circumstances.

The Minister must cause a copy of a report relating to the lease of Centre land granted by the Minister to be laid before both Houses of Parliament.

Clause 7: Minister may deal with other assets and liabilities

This clause provides that the Minister may, by agreement with a contracting party, transfer to the contracting party a Centre asset or a Centre liability (*as defined in clause 3*), grant to the contracting party a lease or other right in respect of a Centre asset, and/or enter into any other arrangement in respect of the management of a Centre asset or the handling or disposal of a Centre liability. Any such agreement will have effect according to its terms and despite the provisions of any other law or instrument.

Clause 8: Related provisions

This clause provides that stamp duty is not payable in respect of a lease or agreement granted or entered into by the Minister under Division 3 of Part 2. It also deals with other formalities that may be associated with such a lease or agreement.

DIVISION 4—STAFF

Clause 9: Staff

This clause provides that the Minister may make arrangements with respect to the staff of the Centre. A person who was, immediately before the dissolution of the Centre under clause 4, a member of the staff of the Centre may be transferred by the Minister, by written instrument, to a position in the employment of another person or body (the new employer). Such instrument takes effect from its date or a later specified date, may, before it takes effect, be varied or revoked by the Minister by further written instrument, and has effect by force of this measure and despite the provisions of any other law or instrument.

Such a transfer does not affect the staff member's remuneration, interrupt continuity of service or constitute a retrenchment or a redundancy and, except with the staff member's consent, must not involve any reduction in a staff member's status or any change in employment duties that would be unreasonable having regard to the staff member's skills, ability and experience. A person whose employment is transferred from the Centre to the new employer will be taken to have accrued, as an employee of the new employer, an entitlement to annual leave, sick leave and long service leave that is equivalent to the entitlements that the person had accrued, immediately before the transfer took effect, as an employee of the Centre.

A transfer under this clause does not give rise to any remedy or entitlement arising from the cessation or change of employment.

DIVISION 5—ISSUE OF LIQUOR LICENCE

Clause 10: Sale and supply of liquor

This clause provides that the Minister may, by instrument in writing, require that a licence of a particular class under the *Liquor Licensing Act 1997* authorising the sale and supply of liquor from the Centre land be issued by the Liquor and Gambling Commissioner to a specified lessee or contracting party, subject to such terms and conditions as may be determined by the Minister after consultation with the Commissioner. The *Liquor Licensing Act 1997* will apply in relation to the licence once it has been issued by the Commissioner.

SCHEDULE 1: Plan of Centre Land

Schedule 1 contains the plan of the Centre land.

SCHEDULE 2: Repeal and Transitional Provisions

Clause 1 provides for the repeal of the *National Wine Centre Act 1997*.

Clause 2 provides for necessary transitional arrangements in relation to the Centre land. It is proposed that part of the land that is currently Centre land under the *National Wine Centre Act 1997* be dedicated not for the purposes of a wine centre but for the purposes of the Botanic Gardens and State Herbarium and declared to be under the care, control and management of the Board of the Botanic Gardens and Herbarium.

The Hon. P.F. CONLON (Minister for Government Enterprises): I move:

That standing orders be so far suspended as to enable the National Wine Centre (Restructuring and Leasing Arrangements) Bill to pass through all stages without delay.

Motion carried.

The Hon. R.G. KERIN (Leader of the Opposition): The opposition supports this bill and, in doing so, supports the actions of both the government and the wine industry in reaching this agreement. Certainly, as someone who is a great supporter of the National Wine Centre and its concept, I well and truly welcome this initiative. This is a way ahead and a way of ensuring that the Wine Centre operates well into the future and creates opportunities (which it will) for South Australia.

Much has been said and written about the National Wine Centre over the past couple of years, but the bottom line is that it is a very important centre, a very important piece of infrastructure for South Australia, because we are the major wine producer—certainly the major wine exporter—and it is absolutely vital that Adelaide is well and truly locked away in the mind of everyone around the world as the wine capital of Australia. This certainly locks that in.

One point that should be made about having it in South Australia is that it is the obvious choice. If it were not in South Australia, or if it were not allowed to go ahead, governments of all persuasions would cop a lot of criticism in future years, because we need to have the National Wine Centre in Adelaide, not interstate. There was a lot of interest from both the Hunter Valley and Victoria, and they would have been watching what was happening, so it is good that we have actually come to an arrangement. It is good for a range of reasons.

The two beneficiaries of the arrangement that has been reached are the wine industry and the tourism industry of South Australia. The wine industry in this state, as many people know, is making an enormous contribution to the economy. If you look at any one industry, that has been the major one to have contributed to the economic improvement we have seen over the past few years. The leadership that it has shown to our other export industries should not be underrated. I have often said that some of the success of our food industry over the past couple of years can be attributed to their seeing what the wine industry was able to do by setting bold targets and going about it in a cooperative fashion.

The wine industry has done that. Its members have worked extremely well together as an industry. Even though we have some big players there who are very competitive with each other, when it comes to taking on the world they have worked extremely well together, and the National Wine Centre is yet another example of their having done that. Exports are very important to this state. The fact that the wine industry has grown from about $200 million to over the billion dollar mark since the early 1990s, when exports in South Australia in total were not far over $3 billion, really shows what a major exporter it is.

It really has added a lot of wealth to the state. In 12 or 13 regions around the state the wine industry has provided enormous growth and prosperity and brought in a lot of new jobs and new skills. It has revitalised a lot of the communities. It not only made up for some of the decline as farms got bigger etc. in the sixties, seventies and eighties but it actually created new industries in some of these areas. We see that with the demands that are made on infrastructure. Housing is something that has now become short in some of those

areas, something we probably could not have even imagined 10 years ago.

The employment that the wine industry, initially, has created in a lot of these regional areas, as we saw from the census, has created a major turnaround in what had been declining numbers. After wine follows tourism and a whole range of other industries. We see the big bottling plant out at Gawler, we see the export industries that are built around the wine industry and we see what is happening with labelling and a whole range of other skills that have been brought to South Australia and to regional areas.

For conferences and conventions, particularly for the wine industry but also for others, the National Wine Centre offers a brilliant place for welcome receptions, etc. It has been used well for those ever since it opened. It certainly improves South Australia as a destination for the convention business. With the wine industry being such a growing business there will be a lot of wine conferences over the years, and Adelaide now becomes very much the automatic choice for those.

What underpins the importance to tourism of the wine industry and the wine centre is that we as a state pick up about 8 per cent of tourism in Australia, yet in wine tourism and visits to wineries we are about three times that average. It really is an important one for that and will underpin the future of wine tourism in this state. From those who have visited it, the comments have been extremely good, whether they be from locals or from people interstate. From a lot of the international delegates who have been here for various conferences—and quite a few members have been there for welcoming functions and dinners—the overall assessment is that what we have there is quite brilliant as far as the promotion of the wine industry goes.

It is a brilliant venue. I would like to congratulate Ian Sutton and the Wine Federation on having the foresight and the courage to take it on. Yes, there have been a few problems with how we quickly make this show a profit, but these guys are willing to have a go, and I think that is indicative of the leadership that has been shown within the wine industry over time. One of the things that has made the wine industry stand out over the past decade is the quality of leadership within that industry.

Although these guys all have their own businesses to run, the wine industry is a group of people who are willing to take leadership roles, willing to work together for the good of their industry and the good of both this state and Australia. Once again we see the wine industry people come to the fore, being willing to work together and look beyond their own businesses to the bigger picture of what is good for their industry and for the state, and I congratulate them once again on showing the leadership to do what they have done.

I thank the Treasurer and the government for agreeing to the deal that has been put forward. There has been a lot of hustle on the way there, and at the end of the day this is a good deal. This will see the wine industry do well. For tourism in South Australia it is absolutely vital that we have this running and that we have it running well, and that has been my primary aim ever since becoming more involved with the wine centre late last year. Once again, I agree with this deal. I think that it will deliver to us what we need, and I wish the Wine Federation and the management of the wine centre all the best for the future.

The Hon. M.R. BUCKBY (Light): I support this bill as a member of this house who, along with the member for Schubert, represents the best wine growing region anywhere in Australia. It is very good to see that the wine industry has taken on the challenge of the wine centre. It would have been an absolute tragedy if the wine centre had gone anywhere in any other state of Australia, because the fact is that well over 50 per cent of Australian exports of wine come from this state.

Over a long period we have shown that we produce some of the best quality wines anywhere in the world, and for the centre to have been located, as the Leader of the Opposition previously said, either in New South Wales or in Victoria would have been a tragedy to the wine industry in this state. With the wine industry taking over the wine centre, I believe that there is a range of options that can now be investigated by the wine industry itself. This centre has enormous potential in terms of combining wine and food and presenting that both to the public of South Australia and to tourists.

We have the best of both those areas here in South Australia and, with the use of wine makers, with connoisseurs of wine, with people such as Maggie Beer and the like producing top quality condiments for wine, and also the cheese that is produced here, I believe that a range of activities can be developed by the wine industry in pushing this centre forward and ensuring that it becomes a success and at the same time is able to stand on its own feet financially.

The benefits to South Australia of having this centre here are numerous. Its location, being within the CBD or just on the edge of it, meaning that tourists are easily able to sample a range of various wines from around the state and to see how the wine operation occurs in South Australia, is excellent. With the support of the wine industry, I hope that we will now see a range of different promotions that will occur that might not have been there before, and with a new enthusiasm from the wine industry that perhaps was not previously evident.

Briefly, I congratulate the wine industry for taking on this challenge. I am sure it will be successful. Just looking through the bill, I think the government has ensured that the lease arrangements that are set down in the bill are very adequate in terms of protection for the government. This is one bill that certainly should be supported.

Mr RAU (Enfield): As members probably would expect, I also strongly support the bill. In doing so, I would congratulate the Treasurer on having cauterised what would have been otherwise a very unpleasant wound for the state Treasury. I could see huge amounts of money disappearing down into the Wine Centre, and public money has better places to go than that. I am very pleased to see that the opposition has been bipartisan on this measure. I would congratulate all speakers I have heard so far from the opposition for approaching this in a very positive way.

An honourable member interjecting:

Mr RAU: Obviously all speakers on this side think it is a good idea, but it is very important for the people of South Australia to see that this is one issue where so early in the government's term of office the government and the opposition can come together on a point—

Ms Chapman: What about the Supply Bill?

Mr RAU: Yes, you are quite right, but it is really exciting for me, as a new member, to see everybody working together for the state's benefit. I look forward to the other important bill, the tattooing and piercing bill, getting the same sort of unanimous support, but I digress.

Going back to the wine centre, I must say that it is a magnificent building. Obviously a lot of public money has

been pumped into the building. I can understand why those opposite were keen to showcase our wine industry. It is a very important industry for South Australia, but it is important that we do not just look at this from the point of view of showcasing the industry, but also from the viewpoint of the taxpayers. The taxpayers of South Australia have enough burdens on them without having this additional burden year in, year out.

The arrangements that have been negotiated by the wine industry and the Treasurer are excellent for the state of South Australia. Importantly, if the scheme as presently envisaged does not work, the control of the centre reverts to the state, which is very important. I think it is something that all South Australians can be proud of. The fact that the opposition is prepared to endorse the bill in the way that it has should ensure its swift passage through both chambers of the parliament. I think it is a tribute to them for supporting it, and it is a tribute to the Treasurer that he has found such a universally accepted way of solving this problem. I commend the bill to the house.

Mr VENNING (Schubert): I rise to support this bill and to congratulate the government. I think it is the first time I have done that in six months, and I hope it is not the last. I certainly support the Winemakers Federation of Australia in taking over responsibility for the National Wine Centre, with the transition from government to industry under a 25-year leasing arrangement with the South Australian government. I am very happy to see the government strengthen its ties with the wine industry, because it is a critical industry to our state. It is a boom industry. It is an industry that has taken us through some fairly difficult times when the grain industry was in trouble. It has been the industry with the greatest success in the last three decades in South Australia, and this success knows no bounds.

Certain forecasts were made some years ago to see how far they would go to reach $1 billion in exports. The knockers said they would never achieve it, but we have not only achieved it, we have surpassed it, and we are still going strong. Premium grapes have more value today than they have ever had. I am very pleased to see that the government has chosen to get close to the industry via this deal. As we know, the federation will pay just $1 a year under this lease, but the state government will own and maintain the centre, which I think it should, because of where it is situated.

This deal also involves the government's handing over a once-off grant of $500 000 plus a loan of $250 000. The wine industry will embrace the National Wine Centre, being responsible for minor maintenance, but it will still be a South Australian asset and I hope, in time, a South Australian icon—

An honourable member interjecting:

Mr VENNING: An Australian icon, indeed. The wine industry has already contributed over $6 million to the National Wine Centre. The Liberal government fought and lobbied hard to ensure that the National Wine Centre was established here in South Australia when the eastern states were keen to get it. The Liberal government had the vision to secure the National Wine Centre for South Australia, but I am very pleased that the new Labor government has put in place a plan for its future, because we were the first to admit there were some problems. I would never accuse the current Treasurer of playing politics, particularly in a matter like this, and I will give him every credit.

With the Australian wine industry scoring the milestone, on 3 July 2002, of reaching $2 billion in export sales, the industry is one that is growing rapidly and which is certainly a huge contributor to the state and national economies. In April this year, wine exports surpassed domestic sales and the wine industry currently cannot meet its demands for premium grapes and premium wines.

With wine production regions in South Australia like the Barossa (I being fiercely parochial and biased), the Clare Valley—of course, I had the Clare Valley in my electorate, but it now rests in the Leader's electorate, and some very nice wines come out of it—McLaren Vale, the Coonawarra, and the Riverland, certainly South Australia is the home of wine in Australia, so it is fitting that our state maintains its tourism and wine industry centre.

Our wine industry has been the catalyst for other industries, as the member for Light said a moment ago, particularly the food industry, and we have had the previous government's Food for the Future committee, involving many of our food and cooking icons, and Food Barossa, with which I have been involved, which has been a huge success. Not only is it a great idea, it has brought out of the woodwork so many of our people 'icons', the Maggie Beers and others involved in cooking and all the fine foods, particularly with the historic Germanic background, and many other aspects of our complex Australian community. Food Barossa has been very successful and it is looped very carefully with wine and tourism.

The National Wine Centre has experienced a number of financial difficulties, as we know. The impact of 11 September and the collapse of Ansett certainly did not help this problem. This unsettling trading period, resulting in a poor financial performance, came at a time when the centre was in its infancy and was expected to take several years to break even. In any case, that was always the expectation. With this injection of $750 000, the National Wine Centre aims to be profitable within three years, and with increased consumer confidence, longer opening hours, new attractions, a stronger new business plan and a certainty that it will remain open, the future looks much brighter.

If we can fix the car park problem, I am sure it would be appreciated by the community. Car parking is a problem, and it is at a premium. If we can address that one way or another, that would add to the asset and to the amenity of that centre. With the support of the government, the wine industry, the tourism industry and loyal and satisfied customers, the centre can focus on shaping up as a major tourism destination and community facility that is an asset for South Australia.

Only the week before last I was a guest at a special function at the Wine Centre. It was a Henschke riesling evening. We sampled 14 Henschke rieslings, and it was a fine evening, beautifully done. These are the sorts of functions for which this centre will become famous and noted—it was a top evening. When I say 14 rieslings, there were seven times two, and each of those years were sampled with both cork stoppers and Stelvin stoppers. I have to say that the sooner we get Stelvin stoppers, particularly for white sparkling wines, the better off we will be. These are the sorts of shows that the wine centre puts on, and I think they do a beautiful job.

I wonder how many members of the house have actually been to the Wine Centre and spent time looking at all of the exhibits. I have been there twice, and I have spent nearly five hours there and still not seen it all, because there is such a range of exhibits, particularly if you read all the boards, smell all the odours of the different styles of wine in the little odour

boxes and look at all the history. It is beautifully put together. I say to members that if you have not been you must allow at least three hours to go through the main exhibit hall, because it is extremely interesting, and the quality and the technical side of the presentation is mind-boggling and wonderful, particularly the holograms of the winemakers. You push a button and a winemaker comes to life and speaks to you about the style of the wine that they make, its history and where they come from, etc.

With all of the political overshadow that there has been on this Wine Centre, inside is a magnificent facility which I think MPs initially should appreciate and, secondly, I hope the people of South Australia will appreciate it as well. I, too, congratulate Ian Sutton of the Wine Federation. He shows great leadership, as do so many others in our wine industry. The quality of the leadership is very high not just in South Australia, because these people are national leaders and, in some instances, international leaders. I am pleased that Ian and his group have stepped in and taken the bull by the horns thus saving this centre for the people.

I also want to congratulate Mr Bill Mackey and his staff at the Wine Centre. They do a wonderful job. It must be understood that they have been under some stress and pain and a lot of scrutiny. There were some criticisms floating around about the negative press. We knew that there were some cancellations of long-term arrangements, but since the announcement by the government I think some of these cancellations have been rebooked, and the centre is going on to greater strengths. So, to Bill and his staff I say: 'Well done, congratulations, you're doing an excellent job. I am sure that with the cooperation of all of us that job will be much easier for you and you will get rewards for the effort you are putting in.' We need to help them because there are some problems that local government and maybe this government will have to address. I highlighted the ongoing problem of car parking and also how people get there and how they know it is there. I am sure that with time we will overcome those problems.

South Australia is the wine state of Australia and I am confident that this facility will become the mecca for wine lovers and the wine industry alike. The wine industry in Australia is booming, as I said, and it has been revitalised. It revitalised our primary industries, especially when our cereals were down three or four years ago. I fully support the actions of this government. I appreciate the discussions that I have had with the Treasurer, and, yes, I, in true bipartisan spirit, say, 'Well done, Kev.'

Members interjecting:

Mr VENNING: I'm not just saying that; I mean that. I also invite the Treasurer to come to the Barossa, and the wines will be on me. It is on the record that the drinks are on me if the Treasurer and his lovely wife would like to spend some time with me.

The Hon. K.O. Foley: Whatever you need for your electoral office!

Mr VENNING: Thank you. That's on the record too. My final comment is that our wines are the best in the world and I am confident that with the goodwill of all involved our Wine Centre will be a must for tourists who visit Australia. I commend the government and the minister.

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

Mr WILLIAMS (MacKillop): Like a number of my colleagues before me, I wish to indicate my support for this bill. Briefly, I will make a few comments about the wine industry and the importance of the industry to not only South Australia but also my electorate. I recall many years ago driving through the Coonawarra in the heart of my electorate, which I would suggest, in spite of some comments and claims made by previous speakers, is the pre-eminent wine-producing region in Australia. Even though the region is relatively small, the quality of the product from there is extremely good.

I remember 20 to 30 years ago driving through the Coonawarra when it was a very small wine-producing area producing sherries, and so on, but a number of wine growers persisted with and had a belief in their industry. In more recent times, that belief has been realised and we all have seen the burgeoning of a world-class industry which has returned huge economic benefit to not only the state of South Australia and the nation of Australia but also, more particularly, to the rural and regional areas of this state in a decade which has been very difficult for most rural industries.

The decision of the previous South Australian government to push ahead and claim for South Australia the National Wine Centre, I think, was not only a brave and bold move but also a move which in the future will be seen to be of great benefit to South Australia. It was a decision which was very important because it placed this state where it should be as the pre-eminent wine-producing state of Australia. South Australia has traditionally produced in excess of around 50 per cent of national production in the wine industry, which is quite significant. If members want to look at the history and reason for that, one of the great factors why we have such a huge wine industry in South Australia compared with other states is that South Australia has been phylloxera free. Those early vineyards in Victoria and New South Wales were racked by phylloxera, and it was believed at the time it was pointless pursuing those industries, particularly in the traditional wine growing areas in those states. In the early days, if you wanted to be in the wine industry, South Australia was the place to be. The rest is history.

The industry has developed over the past 100 years or so in South Australia to the stage where this state now enjoys the pre-eminence about which I have been talking. Not only do we produce at least 50 per cent of the national wine output here in South Australia but we account for at least 60 per cent, and probably towards 70 per cent, of the nation's exports in wine. We know what has happened in relation to exports in the past few years. I think that highlights the importance of this industry to South Australia, with exports of wine worth probably around $1 billion today.

There is an interesting article in today's *Advertiser* about the wine industry. It talks about the reasons why prices have been steady or stable, or perhaps even falling, in the past short period. It talks about an oversupply, particularly in some varieties. It is interesting to note in the article that the number of wineries in Australia has risen from around 720 in 1990, to 1 318 in the year 2001, to 1 465 wineries selling their product today. The article goes on to say that the industry has been gaining a new wine producer every 72 hours over the past three years. That gives some indication of the way in which the industry is growing, and I can certainly attest to that as a result of what is happening in my electorate. I know it is reflected in a lot of other regions in the state but, certainly in the electorate of MacKillop, the wine industry over the past five to eight years has really boomed and it has literally poured hundreds of millions of dollars of investment into my electorate. As I said a few moments ago, at a time during the decade of the 1990s, when rural

industries were in the doldrums, largely due to the fact that the wool industry collapsed in the late 1980s and remained in that collapsed state for virtually all the 1990s, the wine industry was the saviour of rural communities and rural towns, certainly in my electorate and, as I say, in quite a few regions in South Australia.

The National Wine Centre highlights the importance of this industry to South Australia. It highlights the importance of the industry to the whole of Australia, but it also recognises the importance of not just the domestic but also the export part of the industry. I know that just one of our major wine exporting companies has been, over the last few months, exporting over 1 000 containers of bottled wine over the wharves of Outer Harbor, which is a fantastic turnaround for that port and for an industry in recent years.

But one thing I really would like to take the opportunity to say is that over the last few months, whilst the National Wine Centre has been under something of a cloud and there has been a lot of debate in the community about the future, about the original decisions and the wisdom thereof, it has irked me so much to occasionally pick up the daily paper and read letters to the editor saying, 'Well, if the wine industry wants this National Wine Centre in Adelaide it should pay for it.'

I would like to put on the record that the wine industry in Australia, as well as paying all the taxes, rates and charges that apply to every other industry and every taxpayer in this nation, pays over $1 billion a year in what is known as the WET tax: the wine equalisation tax. So, the wine industry contributes over $1 billion a year and, as I have said, at least half the wine industry is here in South Australia, so we can assume that, purely because it is the wine industry, at least $500 million a year in taxation, in addition to just being another taxpayer, is paid in the form of tax, in this case to the federal government but that taxfilters back to the state governments.

So, I think it is important for us to note and for the community to be aware of the fact that the wine industry in recent years not only has poured hundreds of millions of dollars particularly into rural South Australia but also has paid literally hundreds of millions of dollars over and above what every other industry pays in the form of taxation, which goes to support all sorts of functions of government across Australia.

Having said that, I would congratulate the new government on the work it has done to ensure the ongoing future of the National Wine Centre and also to ensure that the centre will stay here in Adelaide. I wish the Australian Wine Federation all the best, and I sincerely hope that they see good times in managing the National Wine Centre in Adelaide such as they and their colleagues have seen in managing the wine industry in recent times. I sincerely hope that in 10 or 20 years' time we have a very viable National Wine Centre still here in Adelaide reflecting the importance of that industry to the people of South Australia and particularly to those people of rural and regional South Australia.

Ms THOMPSON (Reynell): I, too, would like to join this debate on the future of the wine industry as it is reflected in the National Wine Centre. I am reminded of the evening of 18 March 1998 when we were all very fulsome in our support for the wine industry, recognising the contribution that it makes to the state's economy and hopeful that the National Wine Centre would be a vehicle for showcasing that industry and contributing to its continued prosperity.

Sir, you and I have had discussions at times about the impact of redistributions. In terms of the last redistribution one of the things that I am sad about is that the headquarters for Hardys is no longer in my electorate. I had the pleasure of having them in my electorate until 8 February this year and was very proud of the fact that this major wine company, about the tenth or eleventh largest wine company in the world, depending on which day of the week you count, was based in the electorate of Reynell and contributed significantly to the employment prospects in the area.

I mention not only Hardys but all the southern winemakers who share in the hopes expressed by the members for Schubert and MacKillop for the future of the wine industry, and recognise the contribution it makes. However, the poor old Wine Centre has had its ups and downs since our great hopes were expressed on 18 March 1998. Many members here would know that I am one who has followed very carefully some of the issues to do with the development of the wine industry and been saddened by the fact that some of its original aims were not able to be met. However, I am very pleased to see the way the Treasurer has approached this task. The wine centre is too much of a valuable asset to allow it to serve any other than its original purpose. It was purpose-built as a showcase for the wine industry. That is reflected in its architecture, in the materials used throughout the building and in the displays encompassed in it. So, to have it be anything other than a National Wine Centre would have been very unfortunate, indeed. I am pleased that the Treasurer has been able to negotiate a way to enable this centre to go forward.

I want to also mention the efforts the Treasurer has made to ensure that the current staff of the wine centre, who have been through some very difficult times, indeed, are protected in the transfer arrangements, and I want to commend and thank the Treasurer for his efforts and those of the team supporting him in ensuring that the rights and entitlements of the staff have been protected. I do not want to do anything to contribute to the debate tonight continuing to the length that it did in 1998. I am just pleased that, after the troublesome times that the wine centre has had, the Treasurer has been able to use his undoubted skills to negotiate with the Wine Makers Federation to find a way forward. I wish the Wine Makers Federation well in its challenging task. I wish Bill Mackey well in his challenging task, and congratulate the Treasurer on his initiative in this matter.

Ms CHAPMAN (Bragg): I rise to support this bill. It has caused me some concern that this is the third bill on which I have spoken in this house and which I have supported. Whilst the first was with a caveat and the second with amendment, support for this third bill is complete and absolute. Before I go on to make some comments favourable to others in the house—including the Treasurer—may I say that I intend to arrest this direction in the near future. However, for the moment, I indicate that this bill will have my support.

I might say that, as distinct from other speakers, I cannot profess to represent an electorate from which the wine industry has made a significant contribution to the economics of the state by the growing of grapes or the production of wine. However, I will say that with every product there must be a consumer, and it is fair to say that the people of Bragg have been significant investors in this industry in Australia, as well as being significant consumers, one of whom is me. Therefore, I have a clear mandate to speak on the topic.

Notwithstanding the compliments I am about to pay, I am not looking to have some extra extension to my electorate office or higher grade of electorate office. I have already been assured by the Treasurer that I will get one eventually, so I will be looking forward to that day. I thought, perhaps, that its delay might have been relevant to the fact that he was going to surprise me by suggesting that I might have a little annex to the Bragg office in the wine centre. However, after looking through the heads of agreement and the bill which we have just received, I am shattered to see no provision for that. Nevertheless, I congratulate the government and the Treasurer for having the vision to carry out a program to ensure the future of the wine centre.

I also record my congratulations to the Australian Winemakers Federation of Australia as I should correctly record it on joining with the government in ensuring the future of the wine centre. Might I say, as someone who viewed the development of the wine centre from outside this house as an elector and as a South Australian, that from my perspective this was always the vision for this state. That is, that it would have a national wine centre and that there would be indeed be a partnership between the principal players, which would inevitably be the government and the wine industry. Whether that be a capital-capital or a capital-management partnership or a combination of the same, it was in the early visions for the development of this site and, having captured it as the National Wine Centre, it was an integral part of ensuring that the wine industry itself, with its energy, skill, enterprise and motivation, would join with the government in ensuring the future of this icon for Australia.

In relation to the development itself as a partnership, I may also say that that is not new for South Australia. We stand in a building which was another fantastic partnership in the history of South Australia between the people of South Australia and, in this case, Sir Langdon Bonython, who also made in his time a very significant capital contribution of £100 000 to ensure that we have two chambers—two houses of the parliament—to serve the people of South Australia. That was a long term and very significant contribution to this state, and there have been many others since. The wine centre, as a partnership between the government and the wine industry, leads the way in continuing that great tradition, so I congratulate them both. In relation to the development of the centre itself, others have spoken about the importance for tourism and other industries that the wine industry serves by its leadership in this state and for us to be proud of it as South Australians and also that it support other industries.

In the statement presented by the Treasurer I note that this leasing arrangement, and indeed the centre itself, is designed to present the best option for the retention of a food and wine tourism icon. I add to that comment that, whilst I endorse that, I note that, in the provisions in the bill we have been provided with, the dedication for the purpose of this centre that is being perpetuated exclusively refers to the wine industry, the wine regions and activities related to wine, such as wine production, appreciation and others. It is very specific in its objectives but, with the introduction of the Treasurer's comments in this regard, the important initiatives that we are hearing about include the development as a showcase forum for food, including the magnificent seafood that is produced in South Australia, particularly on the West Coast of South Australia, which my colleague the member for Flinders very proudly represents. She is joined by the member for MacKillop, whose electorate is adjacent to the regions which produce a very considerable contribution to seafood consumption in South Australia and export income for this state. I am pleased to see that, notwithstanding that the objectives of the bill do not replicate that, this is a statement of enhancement of a support industry which is clearly intended to be included.

It is a premise which is almost directly adjacent to the seat of Bragg, situated in a magnificent area that is very proximate to the denser population within the city mile, and it is also very proximate to the Botanical Gardens and the North Terrace precinct. I, for one, place on the record the importance of the positioning of the wine centre and the establishment of the site in that precinct because, of course, I would hope that that will be part of an expanding opportunity for the tourism market that we offer in South Australia within the city of Adelaide, to which people will have easy access, because it is within walking distance. It will, of course, have to pass the Botanical Gardens which, as we know, is hidden somewhat behind a fence and large gates.

Some members may not know that the Botanical Gardens has some significant history. The importance in the history of South Australia is that in those days the gardens were protected against the homeless and others who might have caused some damage to the park. But we are living in a new century, and I would hope that we can look to expand the North Terrace precinct and seriously incorporate it with easy access for the significant number of tourists who come to this state.

Whilst we have had only a brief opportunity to view the bill, and whilst I have had an opportunity to read the presentation provided by the Treasurer, and also to read in the paper, as have others, the alleged terms of agreement between the Winemakers' Federation of Australia and the state of South Australia, there is not any record before us as to what those terms are, other than the provision in the bill for there to be the opportunity for a new body to be established to offer the lease and that it be for a term not exceeding 25 years. We do not know whether it has the appropriate provisions in the event that the exercise is a complete disaster—not that I, for one moment, think that it will be. However, it is appropriate that there is protection to the state of this very significant capital asset with provision for the transfer of the entity back to the secure hands of the people of South Australia in the form of the government.

There are a couple of things that I would like the Treasurer to address, if possible, in any reply, because I would like these things to be on the record. I would not like this to be a contentious issue to the extent that it requires any amendment or the like. I invite the Treasurer, in his response, to comment on two things. One is the proposed period in which he, or the minister at the time, intends to report back to the parliament in relation to the lease. Clause 6(7) imposes an obligation on the minister to report back to the parliament upon the lease being granted, and the terms of that must be laid before both houses of parliament. I would like a time frame in that respect.

I also would like some indication from the Treasurer as to the terms of agreement. We have read of those terms, and I understand them to include an annual fee, with the consideration of $1 to be paid. I have heard of the obligation that the government is proposing to commit some $750 000, I understand, in this financial year, with further payments of some $250 000, and a general provision for an obligation by the government to maintain the capital building. I make no criticism or comment on that, except to say that I would ask that they be placed on the record as identifying heads of

agreement, which I think have largely been published in the appropriate news and media outlets. They are the two matters upon which I would like some clarification, and I trust that that will be sufficient to ensure the swift passage of this bill.

I again congratulate the government, and the Treasurer in particular. I would expect that one could find no better partnership to enter into than the Winemakers' Federation of Australia in continuing this magnificent project for the benefit of all South Australians and our future heirs and successors.

Mr HAMILTON-SMITH (Waite): I rise to support the bill and to commend the government for resolving this vexed issue successfully. I speak as the shadow minister for tourism, the arts and innovation in pointing out to the house (without repeating the words of my colleagues) what a valued role this wine centre performs with respect to tourism, as has been outlined by previous speakers, and also to the arts. This is a very unique design. The architectural feat that has been accomplished with this wine centre is one that is admired now and will continue to be admired in the future. It is really quite innovative and quite unique. I think that in the fullness of time it will stand as an iconic destination as well as an iconic architectural feat. I commend those who were involved in its construction.

In regard to innovation it is, of course, a wonderful strategic fit with the centre of excellence in wine research that the state has established at the Waite campus and the outstanding accomplishments of the wine industry, which has shown the world that South Australia is at the forefront of technology, expertise and skill in producing fine quality premium wines. Of course, those very wines will be showcased at this wine centre. I believe that the centre stands as a testament to our ability to innovate in this state. It also stands as a symbol of the arts in South Australia and what can be achieved in architecture.

I am sure that it will be used as a venue for arts events and arts functions during Festivals of Art, WOMAD, etc., in the years ahead. It is as a very fine venue in which to stage arts within the broader context of major events and other activities going on within the state. Of course, building infrastructure such as this is vital to the people of South Australia. I am sure that, in a full sense of bipartisanship, the government would agree that this is a fine piece of infrastructure. I think that with this bill the government will ensure that the wine centre has a viable future in this state for generations to come.

In conclusion, as the shadow minister for arts, tourism and innovation, I think that this is a fine bill. The wine industry has been absolutely fantastic in the way in which it has worked cooperatively with the Treasurer and the government to nut out a solution. I am convinced that in private hands, under the overall guidance of the lease provided for in this bill, the centre will flourish as a viable business entity. I believe that the wine industry and the business community have shown that they have the skills to make it a success, as I am sure it will be. As an outsourced function, I am sure that it will be vibrant and financially stable. I congratulate the Treasurer and the government. I think that this is a very good outcome for the state, and I look forward to attending many enjoyable functions in the wine centre in the years ahead.

The Hon. K.O. FOLEY (Deputy Premier): I thank all members for their contribution tonight, particularly the Leader of the Opposition, who has shown fine leadership on behalf of the opposition in dealing with this matter in a constructive and bipartisan manner. I would like to make a few comments because, ultimately, the words that we speak here tonight will be read by many in this house over the course of the next 25 years. I appreciate that the opposition is providing swift passage of this legislation, given the time lines to consummate this arrangement.

When we came to office we were confronted with a significant dilemma which was clearly confronting the former government. I know that it was troubling the former government as to how the wine centre could be stabilised and put on a footing without taxpayers' money being required to fund it.

I do not intend to go into the history. The whole essence of this process is to be about supporting a new future, a new agenda and a very positive environment for the new wine centre. But the government was confronted with a clear choice, and I have been criticised by some for my hardline position on it, but there were only ever two choices for the government, which were: to get the right arrangements in place, or to close the centre. Closing the centre was never something I wanted to do, but it was something we were prepared to do. But I think, ultimately, commonsense prevailed on both sides, including on the government's part, because clearly closure would not have been the best outcome for the government although it was clearly one of the two choices.

I would like to say that a number of people played a very important role in all of this. I would like to put on the public record the work done by officers in my departments, particularly the Deputy Under-Treasurer John Hill and Libby Moran from the department of Treasury and Finance, who provided excellent advice to government and worked long hours to provide a clear analysis for government as to the exposure, together with Mr John Frogley from the Department of Industry Investment and Trade, who played a very important role in negotiating the final arrangements with the wine industry.

I would also like to put on the public record the contribution of the Chairman of the Economic Development Board, Robert Champion de Crespigny. Robert had already proved his value to all of the community of South Australia with the fine work he undertook and the major assistance that he provided in securing the ongoing investment at Mitsubishi. But Robert also played a significant role behind the scenes in negotiating with the wine industry and offering unsolicited help. It was something that Robert felt was a contribution he could make, and I was extremely pleased that he did that. His role in this cannot be underestimated.

Equally, I would like to express my appreciation to Brian Crozer. I would not be the first politician to have had to deal with somebody who is undoubtedly one of the great negotiators for his industry in Australia. Far be it from me as Treasurer of the state of South Australia to be wanting to overplay this, but Brian Crozer is somebody who has dealt with treasurers at a national level. I suspect in the main he has probably tended to get an outcome with which his industry could be extremely pleased and I suspect that other treasurers, be it Peter Costello, John Dawkins or Ralph Willis, have probably had their interesting and tense moments with Brian Crozer.

As an advocate for his industry, as somebody with a passion for his industry, and as somebody with the commitment, he is to be commended for his desire to stick with this project through thick and thin. It would be fair to say that Brian and I had some robust discussions, some unpleasant discussions occasionally, but his passion and forthright views in support of his industry never wavered. When you are

negotiating with such an important figure in the industry it is a very comforting feeling to know that, although you are going to have some tough, hard and tense negotiations and, ultimately, his goal was something he wanted for his industry and our goal was what we wanted for government, we could finally come together and the goal would be a common one. I think Brian Crozer's role in this was probably, at the end of the day, pivotal.

Had he not been the advocate that he was for his industry, I am not certain that the outcome would have actually been what it was. So I think it is important that Brian Crozer be appropriately acknowledged as an important person in seeing this dream and his vision delivered. Indeed, to those in the wine industry, to Ian Sutton and to the Winemakers Federation—the board of the Winemakers Federation and its President—to all the members of the wine industry, it was a good outcome.

In terms of the specifics, one cannot get too greedy. There was at least one public criticism of the $1 a year rent. I need not make much comment on that. I think the words of my critic have been well and truly silenced tonight. But, ultimately, it was an arrangement where there had to be win-win on both sides, and it would have been, I think, quite wrong and quite counterproductive for government to have attempted to receive a significant rental from the wine industry, because, ultimately, that rental cost, or the payment of the rental, would have gone to the bottom line and would have made it a more difficult lease and a more difficult venture to run.

The member for Bragg has put on the record a couple of questions that she would like answered, and I intend to get back to her with a more detailed answer, but what I have offered to the Leader of the Opposition today in relation to the lease is that we will have the lease negotiated between government and the Winemakers Federation, and I will arrange for officers of my agencies to come to the opposition, to the Leader of the Opposition, and to whomever the leader would wish, and talk you through the lease.

Ultimately, this is a lease that both the Labor Party and the Liberal party will have to live with over the next 25 years. There is nothing in it for me to have a lease of which the opposition is not supportive. So, in the spirit of bipartisanship, assuming that there are no major obstacles to agreement of the lease, it is my intention to reach an in-principle agreement on the lease with the Winemakers Federation, and then present that lease to the opposition in confidence, let it have a look at it and let it have an opportunity to pick over it. If the opposition has some issues, it can come back to us, come back to the winemakers and we can try to achieve a tripartite agreement between opposition, government and the winemakers, so that over the course of the next 25 years Labor and Liberal politicians of the future, if they are critical of us, will be critical of both sides of politics, I think that is probably sensible given the length of the agreement. That applies, too, to the terms and content of the agreement, and if the opposition has particular objections, I will, in the spirit of cooperation, be prepared to consider those properly and amend, if that is warranted.

It is important to note that the hard work is not over. The hard work now truly begins, because the vehicle that will be put in place by the Winemakers Federation does not have government support and does not have a government guarantee, and that is why it has been important, particularly for people such as myself, that we have to be extremely positive about the National Wine Centre, because the trading vehicle that will be put in place by the winemakers Federation is a stand-alone vehicle. The winemakers stand behind it, but there are not the guarantees that were underpinning the trading of the former entity.

So, we all have to provide support for that vehicle, that venture, that company structure to trade, so that creditors in the marketplace, debtors and everybody can be confident that this is a strong trading entity, and the government intends to offer that public support and, indeed, the important support behind the scenes.

The Minister for Tourism will be ensuring that the Tourism Commission provides meaningful, real, in-kind support. There will be officers of the Tourism Commission, I understand, who will work with the wine centre to ensure that we package the wine centre as part of our central tourism message, that we bring the wine centre in as a major tourist attraction in the major focal point of our tourism marketing, particularly our wine marketing, and that adds real dollar value to the product that is the National Wine Centre, and we have given that commitment.

We will be assisting the wine centre with both domestic and interstate marketing, I understand, and there will be other support. Government will treat the wine centre as a venue that it can utilise as a government. Whilst not wanting to take business away from other venues that the government has under its control and ownership, clearly government support for various functions is important, and that will be provided. There will be direct communication links between the wine centre management, the board and the Minister for Tourism to myself to make sure that we are in there with the wine industry where we are able. The overall structural maintenance is the responsibility of government, and the condition of the facility is something for which government has a responsibility, be it run as the National Wine Centre or used for any other operation. So, that is a cost we simply cannot avoid.

In conclusion, I would like again to thank the opposition. It is not too often somebody gets four or five positive mentions from an opposition. I think I have probably had more good words said about me tonight than I have in eight and a half years in opposition. I look forward to the spirit with which the opposition has treated the serious nature of what I have brought to the house tonight.

I think, perhaps, that this is a new dawning for politics in this state that an opposition can respect a Treasurer in what is a difficult task. Tomorrow and in the days following the introduction of the budget I look forward to receiving the same sort of glowing support, thanks and generous offerings from members opposite as I have already received. I think that is what South Australians want to hear. They do not want to hear any more bickering. They want us to be supported, and I am just touched that the opposition has clearly indicated that, come tomorrow with the budget, members opposite will be glowing in their praise for what will be a tough but fair budget with the right priorities for South Australia. I commend the bill to the house.

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

ESSENTIAL SERVICES COMMISSION BILL

The Hon. P.F. CONLON (Minister for Government Enterprises) obtained leave and introduced a bill for an act to establish the Essential Services Commission, to repeal the Independent Industry Regulator Act 1999, to amend the Local

Government Act 1999 and the Maritime Services (Access) Act 2000; and for other purposes. Read a first time.

The Hon. P.F. CONLON: I move:

That this bill be now read a second time.

Today, the government is delivering on a key election commitment by introducing to parliament major new legislation that aims to serve the long-term interests of the community with respect to the price and delivery of essential services. The Essential Services Commission Bill establishes the new Essential Services Commission as a powerful new industry regulator. Utility services, such as electricity, gas, water and sewerage, are essential to the daily lives of all South Australians. Reliable supply of those services at reasonable prices is essential to the community and to the ongoing competitiveness of South Australian businesses, small and large.

The government must play a central role overseeing the regulatory framework in which these essential services are provided. There has been even more focus on the government's regulatory role given the privatisation by the Liberal government of the state's electricity industry and national market reforms in the electricity and gas industries. Privatisation has failed South Australians. For example, the impact of privatisation on electricity prices was clearly apparent from 1 July 2001 when nearly 3 000 commercial consumers faced power price increases averaging 35 per cent, with some increases as much as 100 per cent.

Over the past few years South Australia has experienced numerous instances of electricity blackouts that have caused severe disruption to the community. There have also been supply shortfalls of gas affecting some of South Australia's largest businesses. On top of these previous price increases and supply problems, all households and small businesses consuming less than 160MWh per annum will face a fundamental change in the way they take electricity from 1 January 2003. These small customers will be required to choose their electricity retailer, a process referred to as full retail competition.

Some reports have estimated that electricity prices to households could increase by as much as 30 per cent from 1 January 2003. This Government inherited these price, supply and reliability problems. Our first response has been to call a halt to any further privatisation of government assets. Our second response is to consider how price, supply and reliability problems in essential services can be addressed. Our choices in this regard are effectively limited to ensuring that the regulatory regime is sufficiently directed and powerful.

The government believes that the current regulatory arrangements are inadequate and must be revised to provide greater clarity for the regulated businesses and the community they serve. The Independent Industry Regulator Act 1999 has been reviewed, as has the Victorian Essential Services Commission Act 2001. The Victorian act has been useful in providing insights to ways of improving the South Australian regulatory regime. The results of this review were incorporated into a position paper entitled 'Establishing the Essential Services Commission', which was publicly released in June 2002.

The new Essential Services Commission will subsume the existing regulatory responsibilities of the South Australian Independent Industry Regulator. The commission will continue to have regulatory independence and will not be subject to the direction and control of the minister with respect to its regulatory functions. The current regulator, Mr Lew Owens, will become the first chairman of the new commission.

Over the next few months the functions of the commission will be expanded from the electricity industry, third party access to the Tarcoola to Darwin railway and third party access to South Australian ports and maritime services to include regulation of the gas industry and water and sewerage services. However, the immediate focus of the commission will be on electricity, reflecting the immediate priority in preparing for electricity full retail competition.

Given the convergence of the gas and electricity industries, there is a large degree of commonality between gas and electricity regulation and there are benefits from having one regulator address energy matters. The government is currently reviewing the legislative amendments to the Gas Act 1997 and other related acts to bring gas pricing and licensing regulatory functions within the ambit of the commission. These amendments will be tabled in parliament by the end of this year.

The commission will also oversight the quality and reliability of water services and require a standard customer contract to be developed with SA Water. The economic regulation of water and sewerage services is excluded from the initial functions of the commission. There is flexibility to declare other essential services to be subject to the jurisdiction of the Essential Services Commission.

A major element of the bill is the introduction of a new primary objective. The commission must protect the long-term interests of South Australian consumers with respect to the price, quality and reliability of essential services. The long-term interests of consumers are consistent with efficient and financially viable regulated industries that have incentives for long-term investment. Accordingly, the commission must also have regard to these matters in its regulatory decisions.

A real strengthening of regulatory powers is achieved by a combination of increased enforcement powers and penalties in this bill and, as appropriate, by increased enforcement powers and penalties in the related industry act. In this bill, the maximum penalty for breach of a pricing determination by the commission is $1 million. Enforcement powers include warning notices and injunctions. Where it appears to the commission that a contravention has occurred, for example, of a pricing determination, it may issue a warning notice and receive an assurance that a breach has been, or will be, redressed. In addition, the minister, the commission or any other person may seek an injunction in the courts to require that an entity undertake actions to remedy a breach.

As an example of increased enforcement powers and penalties in related industry acts, the Electricity Act 1996 will also provide for penalties of up to $1 million for a breach of a licence condition, including breaches of industry codes or rules. Similar provisions with respect to warning notices and injunctions will also be included in the Electricity Act. Amendments to the Electricity Act will be tabled as soon as possible. Overall, these enforcement provisions will be a substantial incentive to industry participants to comply with the commission's determinations.

The approach of linking the Essential Services Commission legislation with the relevant industry act and stronger enforcement powers will be followed with the gas industry and other industries as appropriate. There are substantially improved governance arrangements for the Essential Services

Commission, as compared with those applicable to the South Australian Independent Industry Regulator.

In particular, there will be a commission chairperson and the capacity to appoint part-time commissioners. Appointments will be by the Governor. With the broadening of the regulatory responsibilities of the commission from those of the current regulator, it is important that further knowledge, skills and experience in these new fields can be brought to the commission to complement the skills and experience of the commission chairperson, as required. Joint decision making on important determinations, particularly in these new areas, can help ensure good regulatory outcomes. Additionally, the commission would be able to delegate specific functions and projects to the chairperson and to the part-time commissioners as considered appropriate.

A number of good practice administrative and operating procedures are specified. These procedures will ensure appropriate transparency and accountability and will not impact on the commission's regulatory independence. Consumers and industry will need to know the commission's general consultation and regulatory practices and principles. Accordingly, the Essential Services Commission is required to prepare and publish a Charter of Consultation and Regulatory Practice, outlining the commission's approach to, and processes of, consultation and regulatory principles. As it is an important document, the commission is required to consult with the minister in the preparation of this document.

In terms of improved communications, harmonisation and coordination of regulatory activities, the Essential Services Commission is required to enter into, and publish, memoranda of understanding (MOUs) with other regulators, such as the Office of the Technical Regulator. The commission is also required to consult with various entities, including consumer bodies. These entities will be declared by regulation.

The commission must submit to the minister an annual performance plan and budget, which must comply with the minister's requirements. It is expected that the Essential Services Commission will continue to be primarily industry funded through licence fees on regulated industries, as is the case with the South Australian Independent Industry Regulator.

The establishment of an Essential Services Ombudsman is another key government commitment that has been announced previously. The requirement for the electricity, gas, water and sewerage industries to participate in an ombudsman scheme will be legislated in the relevant industry act. For example, the amendments to the Electricity Act that are soon to be tabled will require such participation. Responsibility for resolution of consumer complaints with respect to gas and water and sewerage services will be added over time.

The new ombudsman scheme must be approved by the Essential Services Commission. It is expected that the scheme would build upon the existing Electricity Industry Ombudsman. As in the case of electricity industry participants, gas and water industry participants will be required to continue to fund the activities of the new ombudsman. I commend the bill to members and seek leave to insert the remainder of the second reading explanation in *Hansard* without my reading it.

Leave granted.

Explanation of clauses

PART 1

PRELIMINARY

Clause 1: Short title

Clause 2 Commencement

Clauses 1 and 2 are formal.

Clause 3: Interpretation

This Clause sets out definitions for terms used in the measure. It defines "essential services" as being:

(a) electricity services;

(b) gas services;

(c) water and sewerage services;

(d) maritime services;

(e) rail services;

(f) any other services prescribed for the purpose of the definition.

PART 2

ESSENTIAL SERVICES COMMISSION

Clause 4: Essential Services Commission

Clause 4 establishes the *Essential Services Commission*.

Clause 5: Functions

Clause 5 states the Commission's functions. These include the regulation of prices.

Clause 6: Objectives

Clause 6 states the objectives the Commission must have in performing its functions. It provides that its primary objective must be the protection of the long term interests of South Australian consumers with respect to the price, quality and reliability of essential services.

Clause 7: Independence

Except as provided under this measure or any other Act, the Commission is not to be subject to Ministerial direction in the performance of its functions.

Clause 8: Commission may publish statements, reports and guidelines

The Commission is empowered to publish statements, reports and guidelines relating to the performance of its functions.

Clause 9: Commission must publish Charter

Under this clause, the Commission must publish a Charter of Consultation and Regulatory Practice including guidelines relating to processes for making price determinations or codes or rules and conducting inquiries.

Clause 10: Consultation

Clause 10 provides that the Commission must consult with a relevant prescribed agency in the making of a price determination or a code or rules, in the conduct of an inquiry, after first consulting with the Minister and in preparing and reviewing the Charter of Consultation and Regulatory Practice.

It also provides that, if requested to do so by the Commission, a prescribed agency must consult with the Commission.

A prescribed agency means a person, body or agency that has functions or powers under relevant health, safety, environmental or social legislation applying to a regulated industry and is prescribed by regulation for the purposes of this Part.

Clause 11: Memoranda of Understanding

Under this clause, the Commission and a prescribed body must enter into a Memorandum of Understanding to include such matters as are prescribed and any other matters that the parties consider appropriate.

Clause 12: Membership of Commission

Clause 12 states that the Commission is to be constituted of a Commissioner, appointed by the Governor as the Chairperson, and such number of additional Commissioners as are appointed by the Governor.

Clause 13: Commissioners

A person may be appointed as a Commissioner who is qualified for appointment because of the person's knowledge of, or experience in, one or more of the fields of industry, commerce, economics, law or public administration.

Clause 14: Acting Chairperson

Clause 14 provides that the Governor may appoint an Acting Chairperson to act in the office of the Chairperson and a person so appointed has, while so acting, all the functions and powers of the Chairperson.

Clause 15: Staff

The staff of the Commission may comprise persons employed in the Public Service and assigned to assist the Commission or persons appointed by the Commission.

Clause 16: Consultants

The Commission may engage consultants.

Clause 17: Advisory committees

The Commission may establish advisory committees to provide advice on specified aspects of the Commission's functions.

Clause 18: Delegation

This clause allows the Commission to delegate functions or powers

to a Commissioner or any person or body of persons that is, in the Commission's opinion, competent to perform or exercise the relevant functions or powers.

Clause 19: Conflict of interest

Clause 19 provides that the Chairperson, an Acting Chairperson, a Commissioner or a delegate of the Commission must inform the Minister in writing of any interest that the person has or acquires that conflicts or may conflict with the person's functions. Unless that conflict is resolved to the Minister's satisfaction, the person is disqualified from acting in relation to the matter.

Clause 20: Meetings of Commission

The Chairperson may convene as many meetings of the Commission as he or she considers necessary for the efficient conduct of its affair. A quorum of the Commission consists of a majority of the Commissioners in office for the time being.

Clause 21: Common seal and execution of documents

Clause 21 provides that the common seal of the Commission must not be affixed to a document except in pursuance of a decision of the Commission and the affixing of the seal must be attested by the signatures of 1 or more Commissioners. It also provides that a document is duly executed by the Commission if the common seal of the Commission is affixed to the document in accordance with the proposed section or the document is signed on behalf of the Commission by a person or persons in accordance with an authority conferred under the proposed section.

Clause 22: Application of money received by Commission

Except as otherwise directed by the Treasurer, fees or other amounts received by the Commission will be paid into the Consolidated Account.

Clause 23: Annual performance plan and budget

This clause requires the Commission to prepare and submit to the Minister a performance plan and budget for the next financial year or for some other period determined by the Minister.

Clause 24: Accounts and audit

This clause requires the Commission to ensure that proper accounting records are kept of the Commission's receipts and expenditures. The Auditor-General may at any time, and must at least once in each year, audit the accounts of the Commission.

PART 3
PRICE REGULATION

Clause 25: Price regulation

Clause 25 provides hat the Commission may make price determinations if authorised to do so by a relevant industry regulation Act or by regulation under this measure.

Clause 26: Making and effect of price determinations

This clause sets out the process for making price determinations and deals with their commencement and subsequent variation or revocation.

Clause 27: Offence to contravene price determination

It is to be an offence with a maximum penalty of $1 000 000 if a regulated entity contravenes a price determination or part of a price determination that applies to the entity.

PART 4
INDUSTRY CODES AND RULES

Clause 28: Codes and rules

This clause provides that the Commission may make codes or rules relating to the conduct or operations of a regulated industry or regulated entities.

PART 5
COLLECTION AND USE OF INFORMATION

Clause 29: Commission's power to require information

The Commission is empowered to require a person to give the Commission information in the person's possession that the Commission reasonably requires for the performance of the Commission's functions.

Clause 30: Obligation to preserve confidentiality

This clause requires the Commission to preserve the confidentiality of commercially sensitive material received by it.

PART 6
REVIEWS AND APPEALS

Clause 31: Review by Commission

Under this clause, the Commission may—

- on application by the Minister, or by a regulated entity to which the determination applies, review a price determination
- on application by a person of whom a requirement has been made for information under Part 5, review that requirement
- on application by a person who has been given notice under Part 5 of the proposed disclosure of information that the person claimed to be confidential information, review the decision of the Commission to disclose the information.

Clause 32: Appeal

This clause provides that the applicant for a review under Part 6, or any other party to the review who made submissions on the review, who is dissatisfied with the result of the review may appeal to the Administrative and Disciplinary Division of the District Court. The Court may, on appeal, affirm the decision appealed against or remit the matter to the Commission for consideration or further consideration in accordance with any directions of the Court.

Clause 33: Exclusion of other challenges to price determinations

Under this clause, the validity of a price determination may not be challenged in proceedings apart from a review or appeal under Part 6.

PART 7
INQUIRIES AND REPORTS

Clause 34: Inquiry by Commission

The Commission is empowered by this clause to conduct an inquiry of its own initiative.

Clause 35: Minister may refer matter for inquiry

The Commission is required to conduct an inquiry into a matter if required to do so by the Minister administering this measure or a relevant regulated industry Act.

Clause 36: Notice of inquiry

This clause provides for the various notices that must be given of an inquiry.

Clause 37: Conduct of inquiry

This clause provides for the Commission's procedures and powers on an inquiry.

Clause 38: Reports

A report on an inquiry must be made to the relevant Minister and tabled in Parliament.

PART 8
MISCELLANEOUS

Clause 39: Annual report

Annual reports on the Commission's operations must be made to the Minister and tabled in Parliament.

Clause 40 : Warning notices and assurances

This clause allows the Commission to issue warning notices and obtain assurances from persons who contravene the measure.

Clause 41: Register of warning notices and assurances

The Commission must keep a register of warning notices and assurances. The registers may be inspected without fee.

Clause 42: Injunctions

This clause allows for various court injunctions to be obtained against persons contravening the measure.

Clause 43: False or misleading information

It is to be an offence with a maximum penalty of $20 000 or imprisonment for 2 years if a person makes a false or misleading statement in any information given under the measure.

Clause 44: Statutory declarations

The Commission may require that information provided to it be verified by statutory declaration.

Clause 45: General defence

Under this clause, it will be a defence to a charge of an offence if the defendant proves that the offence was not committed intentionally and did not result from any failure on the part of the defendant to take reasonable care to avoid the commission of the offence.

Clause 46: Offences by bodies corporate

If a body corporate is guilty of an offence against the measure, each director of the body corporate is, subject to the general defence, guilty of an offence and liable to the same penalty.

Clause 47: Continuing offence

This clause provides a daily penalty for continuing offences.

Clause 48 : Order for payment of profit from contravention

The court convicting a person of an offence against the measure may order the convicted person to pay to the Crown an amount not exceeding the court's estimation of the amount of any monetary, financial or economic benefits acquired, or accruing to the person as a result of the commission of the offence.

Clause 49: Immunity from personal liability

This clause provides an immunity from personal liability for a person engaged in the administration or enforcement of the measure for acts or omissions in good faith. The liability will instead lie against the Crown.

Clause 50: Evidence

This clause provides assistance in the proof of various matters in prosecutions and other proceedings.

Clause 51: Service

This clause deals with the methods of service of documents required or authorised to be given under the measure.

Clause 52: Regulations

The Governor may make regulations for the purposes of the measure.

Clause 53: Review of Act

Under this clause, the Minister is to review the measure as soon as possible after the period of 3 years from the date of assent. A report on the outcome of the review is to be completed within 6 months after that period of 3 years. The report must be tabled in Parliament.

SCHEDULE 1

Appointment and Selection of Experts for Court

A panel of experts is to be established to sit as assessors with the Court consisting of persons with knowledge of, or experience in, a regulated industry or in the fields of commerce or economics.

SCHEDULE 2

Repeal and Transitional Provisions

The *Independent Industry Regulator Act 1999* is repealed.

The Commission is declared by this Schedule to be the same body corporate as the South Australian Independent Industry Regulator established under the *Independent Industry Regulator Act 1999*.

The person holding office as the South Australian Independent Industry Regulator is, under this Schedule, to be taken to have been appointed as the Chairperson of the Commission.

SCHEDULE 3

Consequential Amendments

This Schedule makes consequential amendments to the *Local Government Act 1999* and the *Maritime Services (Access) Act 2000* replacing references to the South Australian Independent Industry Regulator with references to the Essential Services Commission.

Ms CHAPMAN secured the adjournment of the debate.

CHILD PROTECTION REVIEW (POWERS AND IMMUNITIES) BILL

The Hon. S.W. KEY (Minister for Social Justice) obtained leave and introduced a bill for an act to facilitate the Child Protection Review by conferring powers and immunities. Read a first time.

The Hon. S.W. KEY: I move:

That this bill be now read a second time.

The government has established a Child Protection Review to examine the state's child protection laws and to develop strategies to improve the way in which the government responds to the needs and welfare of children. The review will look at child protection policy and practice within government departments and government funded services as well as criminal processes and legislative frameworks. The review has made a public call for submissions and has received 380 registrations of interest in making a submission. A large number of registrations of interest have come from private individuals.

The purpose of this bill is to facilitate the conduct of the review by ensuring that people are not prevented from providing information to the review by confidentiality provisions in legislation. The Children's Protection Act 1993 has a number of confidentiality provisions that could prevent people from providing information that is relevant to the review. For the review to be effective, it is important that people can provide relevant information to it.

The bill also provides that certain personal information provided to the review will be kept confidential in line with the Children's Protection Act 1993. The bill provides an ability for the reviewer, Ms Robyn Layton QC, to determine that other information should be kept confidential if she considers it appropriate to do in the interests of justice or to prevent hardship or embarrassment of any person. There are exceptions to provide when such information can be divulged.

Finally, the bill provides people involved in the conduct of the review with the same protections, privileges and immunities as those applying to a judge of the Supreme Court. It also provides the same protection to people who provide information to the review as they would have if they were a witness in the proceedings before the Supreme Court.

I commend this bill to the house, and I seek leave to insert the detailed explanation of the clauses in *Hansard* without my reading it.

Leave granted.

Explanation of clauses

Clause 1: Short title

This clause is formal.

Clause 2: Interpretation

This clause sets out the definitions of terms used in the Act.

Clause 3: Procedure

This clause sets out procedural powers that may be exercised by the person appointed to conduct the Review.

Clause 4: Provision of false information

This clause makes it an offence to provide false information to the Review and imposes a maximum penalty of $10 000 for doing so.

Clause 5: Confidentiality and disclosure of information

This clause sets out the confidentiality and disclosure provisions that are intended to safeguard the interests of children whilst allowing for as free a flow of information as possible for a proper Review to be conducted. Subclause (1) permits a person to provide information to the Review where such disclosure may otherwise be prohibited (for example under section 58 of the *Children's Protection Act 1993*). However, under subclause (2), the information obtained must not be further disclosed or published if—

- it relates to a child, its guardian or other family members or a person alleged to have abused, neglected or threatened a child; or
- it identifies a person who has notified the Department of child abuse or neglect; or
- the person appointed to conduct the Review considers it necessary in the interests of justice or to prevent hardship or embarrassment to any person.

Subclause (3) sets out the situations in which information may be further disclosed or published, namely—

- for the purposes of the Review or a report to the Minister; or
- if the person to whom the information relates (not being a child) has given consent to its disclosure or publication; or
- to a person engaged in the administration of the *Children's Protection Act 1993* or a similar Act of a State or Territory or of the Commonwealth; or
- to the police; or
- if the information has evidentiary value in a court (subject to restrictions set out at subclause (4)); or
- if the information has been made public.

Subclause (4) requires evidence of information referred to in subsection (2) that is to be used in proceedings before a court to be adduced only with leave of the court. Unless leave is granted, such information cannot be sought, or if sought, cannot be required to be produced in answer.

Subclauses (5) and (6) impose further restrictions on the use in court of evidence of information referred to in subsection (2), namely, the court may not grant leave for such information to be adduced unless the court is satisfied of its significance to the proceedings and to the proper administration of justice or the person (not being a child) to whom the information relates consents to the evidence being admitted. Subclause (6) provides for further restrictions relating to applications for leave to adduce such evidence.

Subclause (7) makes it an offence for a person to contravene subsection (2), the maximum penalty for which is $10 000.

Subclause (8) imposes a requirement on authorised persons to take all reasonable steps not to identify particular children in any report to the Minister.

Subclause (9) enables the Minister or the Chief Executive, if of the view that it would be in the public interest, to publish a report containing information otherwise restricted by the provisions of the section, unless such publication would be contrary to a law other than the Act.

Subclause (10) provides that terms used in the Act, if defined in the *Children's Protection Act 1993*, will have the same meaning as in that Act.

Clause 6: Privileges and immunities

This clause provides that authorised persons, persons providing information to authorised persons, and legal practitioners representing persons in connection with the Review have the same protections, privileges and immunities as their respective counterparts in the Supreme Court.

SCHEDULE

Terms of Reference for Review of Child Protection in South Australia

The Schedule sets out the terms of reference for the Review and is referred to in the definition of 'Review' in clause 2.

Ms CHAPMAN secured the adjournment of the debate.

AIR TRANSPORT (ROUTE LICENSING—PASSENGER SERVICES) BILL

The Hon. M.J. WRIGHT (Minister for Transport) obtained leave and introduced a bill for an act to establish a licensing system for regular passenger air services on declared routes between airports in the state and for other purposes. Read a first time.

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

That this bill be now read a second time.

It empowers the government to control the provision of scheduled air services on routes wholly within the state. It provides the Minister for Transport with the power to declare a route then to require airlines to compete for a licence to operate it. This is a very significant step for the government to take and it is not taking it lightly. It is important therefore to understand the circumstances that have led to it.

Until 1979, the commonwealth effectively exercised this power at both the national and intrastate levels. However, in 1979, after the constitutionality of its intervention in intrastate markets was brought into question, the commonwealth restricted itself to the operational regulation of intrastate airlines which had been specifically provided for in 1937 through enabling legislation by the states.

Since 1979, scheduled air services within South Australia have operated without economic regulation of any kind. Subject to their meeting the Commonwealth Civil Aviation Safety Authority's operational requirements, airlines have been free to enter or withdraw from any route they choose. Some other states chose to replace commonwealth economic regulatory powers with powers of their own. Some, including Queensland, New South Wales and Western Australia, still exercise those powers and issue route licences of one sort or another. However, South Australia under successive governments since that time has preferred to allow market forces to determine which routes are operated and the level of service on each of them. Until recently, that policy has generally served the state well. A number of studies has suggested that, while the number of operators and the routes they served initially mushroomed after 1979, a process of commercial rationalisation has generally produced good outcomes for regional communities.

While there has been a large number of regional airline failures and significant shrinkage in the state's regional route structure, generally the failure of one airline created opportunities for another. Routes lost were a result of either close proximity to a larger community with better air services or of improved road access to Adelaide itself. While average aircraft size decreased, the frequency of services generally increased.

Additionally, our regional air fare structure has remained generally below that of the regulated states. Unfortunately, these circumstances have changed over the past several years, culminating in the virtually simultaneous conjunction of the terrorism events in New York last September and the collapse of Ansett. However, even before these events, the regional airline industry was suffering unprecedented instability caused by declining passenger patronage, its low capital base and increased operating cost pressures.

As a result, the number of regional airlines operating in South Australia has declined from 10 only five years ago to four, one of which is operating under administration pending sale. Additionally, all four are suffering difficult market conditions and consequently are risk-averse in the context of maintaining marginal routes or expanding their businesses to take on new routes. Similarly, the number of routes operated within the state has shrunk to a core of only eight, the loss of any of which would impose significant disbenefits on the communities concerned. However, all are operated without assistance, and they are either profitable or regarded by their operators as likely to return to profitability in the short term.

If services are lost on any of the smaller remaining routes, we cannot now, as we have been able to in the past, assume that market forces will induce another operator to take them up. The start-up costs involved in acquiring aircraft to serve a vacated route may be enough to deter another operator from implementing a replacement service. Under these circumstances, the government may intervene usefully by declaring such routes and issuing single operator licences to operate them. This bill gives the government the power to do just that.

Potential operators, knowing that they will have a defined period during which they will have sole rights to the route and to recoup their investment, will have more confidence in making the associated business decisions. The ultimate beneficiaries, of course, will be the regional communities that retain their air services through adverse market conditions or regain services that operators previously have withdrawn. This is not then about subsidising regional air services but bringing more stability to those that are only marginally profitable.

This government believes that providing financial assistance to commercial airlines is not an appropriate role for governments, state or federal, and that ultimately air services must be viable if they are to continue. The government has consulted extensively with regional airlines, industry associations, regional councils, commonwealth government agencies and regulators and relevant state government agencies. That was essential to ensure that the bill is workable for the industry that it seeks to serve, and that it will work in the interests of regional communities for whom air services are so vitally important.

Some very practical comments have been received and incorporated into the bill. I am pleased also to report that the bill has received widespread support for the outcomes it seeks to achieve; that is, to bring some measure of stability to those routes which are marginally viable but will clearly support only a single operator. I seek leave to have the remainder of the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

The bill is very simple in its construction:

Parts 1 and 2 contain the process by and circumstances under which the Minister may declare a route, the details of the declaration such as its commencement and term, and the number and conditions

of the route service licences expected to be made available. This is important and makes it clear that a declaration will only be made when certain criteria are satisfied which ensure that the declaration is in the public interest in order to encourage an operator or operators of air services to establish, maintain, re-establish, increase or improve air services on the route. It is not intended that routes will be declared which are large enough to support competing services, or large enough that the Minister can be reasonably sure, even in the absence of a declaration, that another operator will implement services on it if the existing operator withdraws.

Part 3 specifies the requirement for a route service licence to operate a declared route, the process of applying for a licence, the conditions of a licence, and other details pertinent to the process of awarding and administering licences. Important aspects of this part are the requirement for the Minister to table in Parliament full details of the licence within twelve sitting days of its award in order to ensure transparency of process; the requirement for the Minister to offer the licence to any existing operator on fair and reasonable terms before making a general invitation for applications to operate the route; and, most importantly, explicit reference to the fact that award of a route service licence does not constitute any sort of warranty of the licensee's operational fitness as that role remains the sole responsibility of the Commonwealth Civil Aviation Safety Authority.

Part 4 deals with the circumstances under which route licence holders may appeal decisions of the Minister to the Administrative and Disciplinary Division of the District Court. This makes it clear that, although the previous parts incorporate considerable flexibility for the Minister to agree or not to such matters as the transfer of licences to other parties, the variation of licence conditions, the surrender of licences, the suspension or cancellation of licences and so on, all such decisions may be appealed by the licensee. This will ensure that these matters are not arbitrarily decided but must instead be the subject of a process of negotiation and agreement between the parties. This, in turn, will ensure that the benefits of the air service to the communities it serves remain the ultimate objective of the process.

Part 5 contains the normal provisions of a bill of this nature.

The bill, in its entirety, is intended to increase the confidence of regional air operators in making the difficult business decisions involved in serving marginal routes in South Australia. This is to ensure, to the extent possible, that the risks inherent in providing scheduled air services to our small communities are minimised. That is vital if we are to achieve a stable network of commercially sustainable air services so necessary to meet the government's economic and social development objectives throughout the state.

Explanation of Clauses

PART 1

PRELIMINARY

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

The measure will come into operation on a day fixed by proclamation.

Clause 3: Interpretation

This clause sets out the meaning of various terms used for the purposes of the measure.

Clause 4: Prescribed criteria

This clause sets out various matters the Minister must take into account in making a decision regarding the number of route service licences that should be awarded for a particular route and to whom a licence should be awarded. These include the extent to which a monopoly may result, the benefits in maintaining and developing air services and competition, steps that may need to be taken to promote efficient operation of air services and the public benefits that may accrue if air services are maintained or encouraged within the state.

PART 2

DECLARED ROUTES

Clause 5: Declared routes

Under this clause the Minister may declare by notice in the *Gazette* that a particular route between two airports within the state is to be a declared route for the purposes of the measure. A declaration may be for a period of up to three years and may be extended for a further period of three years, after which time, the Minister must make a new declaration if the route is to continue as a declared route. The *Gazette* notice must include details of the route, the number of licences expected to be granted in relation to the route, any conditions that may attach to the licence and information on how to apply for a licence in relation to the route.

In deciding whether to declare a route the Minister must be satisfied that it is in the public interest and be made in order to encourage, establish or improve scheduled air services on the route. The Minister must also take into account such things as the public demand for scheduled air services on the route, the intentions of any operator or potential operator of air services on the route, any economic or social costs that may be suffered by the community if no declaration is made, the extent to which scheduled air services may improve if a declaration is made, alternative methods of transport that may be available if a declaration is not made, and financial issues associated with the operation of a scheduled air service on the route.

PART 3

ROUTE SERVICE LICENCES

Clause 6: Requirement for licence

A person must not operate a scheduled air service on a declared route unless the person holds a route licence issued by the Minister under this measure. There are some exceptions to the requirement to hold such a licence. These include where the air service is a charter service, the licensed operator is unable to provide the service due to an emergency or technical difficulties with the plane, or the terms of the licence contemplate an alternative or additional air service.

Clause 7: Applications for licences

An application for a licence must be made in the manner and form required by the Minister. The Minister may require such further information of an applicant as is necessary and relevant.

Clause 8: Conditions

This clause sets out the conditions that may be attached to a route service licence. These include the term of the licence, requirements as to the performance and service levels and flight schedules in relation to a route, the fares that may be charged in relation to a route, the provision of infrastructure or expenditure by the holder of the licence, reporting requirements and the grounds for suspension or cancellation of a licence. In addition, it will be a condition of each licence that the holder of the licence have appropriate CASA certification. Conditions imposed by the Minister may be varied by the Minister.

Clause 9: Special terms

A route service licence may provide that the licence holder has exclusive right to operate scheduled air services on the route. However, such a right does not affect the ability of another person to operate an air service of a kind specified by the regulations or the licence itself (including a scheduled air service).

Clause 10: Assignment of rights under licence

A route service licence holder must only assign, transfer, subcontract or otherwise deal with the licence with the consent of the Minister, who must be satisfied that adequate provision will be made for the operation of services under the terms of the licence before consent is given.

Clause 11: Special fees

The Minister may require payment of a fee for the lodging of a tender for a route service licence or administering a route service licence.

Clause 12: Existing operators

If the Minister makes a declaration of a declared route in relation to which there is an existing air service operator, the Minister must offer to grant a route service licence to the existing operator on fair and reasonable terms before making a general invitation to the aviation industry for applications for route service licences. An existing operator has 14 days in which to accept the offer.

Clause 13: Report to Parliament

Within 12 days of awarding a route service licence, the Minister must cause a report to be laid before both houses of Parliament that includes details about to whom the licence has been awarded, the term of the licence, the performance and service levels, flight schedules and the fares to be charges under the licence.

Clause 14: Other matters

The holder of a route service licence may surrender the licence with the consent of the Minister.

The awarding of a route service licence does not constitute a warranty or representation by the Minister or the Crown that the person is fit to, or capable of, operating an air service in a safe or reliable manner, and no liability may attach to the Minister or the Crown

PART 4

APPEALS

Clause 15: Appeals

This clause sets out the basis on which a person may appeal to the Administrative and Disciplinary Division of the District Court

against a decision of the Minister under the measure. These include decisions of the Minister in relation to a variation of licence conditions, the refusal of consent to transfer or assign or otherwise deal with the licence under clause 10, the fixing of conditions of a licence offered to an existing operator under clause 12, the refusal by the Minister to allow the surrender of a licence or the suspension or cancellation of a licence by the Minister.

PART 5
MISCELLANEOUS

Clause 16: Authorised officers

This clause provides for the appointment of authorised officers and sets out the powers of an officer in relation to the administration, operation or enforcement of the measure.

Clause 17: Delegations

The Minister may delegate a function or power of the Minister under the measure.

Clause 18: Exemptions

This clause allows the Minister by notice in the *Gazette* to exempt certain persons or specified classes of service from the provisions of this measure.

Clause 19: Annual reports

An annual report must be provided to the Minister on the operation and administration of this measure. The Minister must cause copies of the report to be laid before both houses of Parliament within 12 sitting days of receiving it.

Clause 20: Immunity of persons engaged in administration of Act

No personal liability attaches to a person engaged in the administration of this measure, who acts in good faith in the exercise of his or her duties. Any such liability attaches instead to the Crown.

Clause 21: False or misleading information

It is an offence for a person to make a false or misleading statement in relation to any information that is provided under this measure.

Clause 22: Continuing offence

A person convicted of an offence against this measure may be liable for an additional penalty for each day during which an act or omission continues up to one-tenth of the maximum prescribed penalty.

Clause 23: Liability of directors

If a body corporate is guilty of an offence, each director is guilty of an offence and is liable to the same penalty as the principal offence unless it is proved that the offence did not result from the failure of the director to take reasonable care to prevent the commission of the offence.

Clause 24: Evidentiary

This clause sets out evidentiary provisions in relation to certain matters under the measure that may be certified by the Minister.

Clause 25: Obligations under other laws

Nothing in this measure affects an obligation of a person to hold a licence or registration which is otherwise required by law.

Clause 26: Regulations

This clause sets out provision for various regulations that may be made under the measure.

Ms CHAPMAN secured the adjournment of the debate.

STATUTES AMENDMENT (TRANSPORT PORTFOLIO) BILL

The Hon. M.J. WRIGHT (Minister for Transport) obtained leave and introduced a bill for an act to amend the Civil Aviation (Carriers' Liability) Act 1962, the Harbors and Navigation Act 1993, the Motor Vehicles Act 1959 and the Road Traffic Act 1961. Read a first time.

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

That this bill be now read a second time.

This bill was originally introduced by the previous government in the spring 2001 session of parliament. The bill lapsed when parliament was prorogued. The government has since reviewed this bill, which provides for amendments of a technical nature to remove a number of anomalies and enhance the effectiveness of various aspects of transport legislation. The only addition that has been made to the bill is the inclusion of a proposed amendment to section 47E of the Road Traffic Act which I will go through in a little detail later. Its inclusion in this bill has been necessitated by comments made in the judgment of Chief Justice Doyle in Police v Siviour and the consequential need to amend the Road Traffic Act to assert the intent of this section.

With respect to the other areas, this is fundamentally a rats and mice bill which, as I have said already, was introduced into parliament by the former government. It has clauses which amend the Civil Aviation (Carriers' Liability) Act of 1962. There are also amendments to the Harbors and Navigation Act 1993 in relation to an amendment to section 72(2) to correct a drafting error; authorised persons to issue expiation notices; creation of an offence of allowing an unlicensed person to operate a vessel; and time within which a prosecution may commence.

There are amendments to the Motor Vehicles Act 1959 which relate to: excluding probationary licence holders from acting as qualified passengers; refund of fees for issue of motor driving instructors' licences; ability of the nominal defendant to recover from the driver or owner of an uninsured vehicle; and retention of images of licensed drivers.

There are also amendments to the Road Traffic Act 1961, and that, as I said earlier, is the only addition to the previous legislation that was brought forward by the former government. This relates to section 47E(1)(a) of the Road Traffic Act and empowers a member of the Police Force who believes on reasonable grounds that 'a person, while driving a motor vehicle or attempting to put a motor vehicle in motion, has committed an offence of contravening or failing to comply with a provision of this Part [Part 3] of which the driving of a motor vehicle is an element' to require that person to submit to an alcotest or breath analysis, or both.

In Police v. Siviour a magistrate held that the police could not require the defendant to submit to an alcotest because the offence against rule 20 of the Australian Road Rules of driving at a speed over the applicable speed limit was not an offence of contravening a provision of part 3 of the Road Traffic Act. The magistrate overlooked section 14BA(2) of the Acts Interpretation Act 1915 which provides that 'a reference in an act to a part or provision of that act or some other act. . . includes, unless the contrary intention appears, reference to statutory instruments made or in force under that act or other act in so far as they are relevant to that part or provision'.

On appeal, two members of the Supreme Court concluded that the offences referred to in section 47E(1)(a) of the Road Traffic Act included offences against the Australian Road Rules. However, Doyle CJ described section 14BA(2) of the Acts Interpretation Act as a rather 'obscure provision' and Perry J dissented from the majority decision. To assist users of the legislation and avoid the need to rely on section 14BA, it has been decided to amend section 47E(1)(a) so that it applies to offences of a class prescribed by the regulations. Regulations will be made in due course to maintain the class of offences to which section 47E(1)(a) currently applies.

So, that part that is being introduced is the only difference from the previous legislation which the former government introduced. The only other part of this bill that relates to this section of the Road Traffic Act is defect notices. I seek leave to have the remainder of the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Defect notices

Section 160 of the *Road Traffic Act 1961* currently allows a defect notice to be issued only where the vehicle does not comply with vehicle standards and would constitute a safety risk if driven on the

road. The use of the word 'and' means that a notice cannot be issued where a deficiency in the vehicle would constitute a safety risk but is not covered by the vehicle standards. This would be the case, for example, for general rust on the vehicle body. This also creates the situation where a motorist may be prosecuted under section 112(1)*(b)* for driving a vehicle that "has not been maintained in a condition that enables it to be driven or towed safely", but a defect notice cannot be issued in relation to the vehicle.

Clearly, to ensure the safety of the community and all road users, the legislation needs to enable a defect notice to be issued wherever a vehicle has not been maintained to a safe driving standard. Accordingly, the bill amends section 160(4a) and 160(5) to replace references to the vehicle standards with references reference to "deficiencies". A definition of "deficiencies" is inserted which states that for the purposes of section 160 a vehicle has deficiencies if the vehicle does not comply with the vehicle standards, if the vehicle has not been maintained in a condition that enables it to be driven or towed safely, if the vehicle does not have an emission control system fitted to it of each kind that was fitted to it when it was built, or if an emission control system fitted to the vehicle has not been maintained in a condition that ensures that the system continues operating essentially in accordance with the system's original design.

The amendment will enable enforcement officers to issue a defect notice where a vehicle fails to comply with the vehicle standards or otherwise if the vehicle has not been maintained to a safe standard for use on roads. The categories of major defect and minor defect will continue to apply.

The bill also addresses an anomaly in the current Act that renders a police officer or Transport SA inspector unable to affix a defective vehicle label to a vehicle with a minor defect. To correct the oversight the bill amends section 160(5a)*(b)* to enable enforcement officers to affix defective vehicle labels for both major and minor defects.

These amendments are in line with the *National Road Transport Reform (Heavy Vehicles Registration) Regulations* and the *Administrative Guidelines: Assessment of Defective Vehicles* approved by Transport Ministers. These documents create uniform national procedures for dealing with vehicle defects and allow for jurisdictions to attach labels for minor defects and to create an offence of unauthorised removal of a defect label under local law.

Finally, the bill also empowers police officers or Transport SA inspectors to vary a defect notice where appropriate. Currently police officers and inspectors extend the 'grace period' to allow drivers to continue use their vehicles on roads. This is particularly aimed at assisting rural and regional road users, particularly farmers, where an extended period off the road due to a defect notice would cause significant disadvantage. It is felt that this power should be explicitly provided for in the Act and consequently the bill empowers a police officer or Transport SA inspector to vary a defect notice.

I commend the bill to honourable members.

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 by proclamation.

Clause 3: Interpretation

This clause is the standard interpretation provision included in statutes amendment measures.

PART 2

AMENDMENT OF CIVIL AVIATION (CARRIERS' LIABILITY) ACT 1962

Clause 4: Amendment of s. 3—Interpretation

This clause inserts a definition of "state authority" for the purposes of proposed new section 7A(5).

Clause 5: Amendment of s. 7A—Administration of Commonwealth/State scheme as Commonwealth Act

Paragraph *(a)* amends section 7A(2)*(b)* so that, in the application of Commonwealth laws to offences against the Act, it is clear that those Commonwealth laws apply as State laws.

Paragraph *(b)* amends section 7A(2)*(b)* by specifying that, for the purposes of the application of Commonwealth laws to offences against the Act, the offences are to be considered as being offences against Commonwealth law, not State law.

Paragraph *(c)* inserts four proposed new subsections into section 7A.

Proposed new subsection (3) ensures that where there is a reference in a Commonwealth law to other provisions of that law, or provisions of other Commonwealth laws, those other provisions apply as laws of South Australia.

Proposed new subsection (4) sets out the most important Commonwealth laws that apply as State laws to offences against the Act.

Proposed new subsection (5) ensures that State authorities have the power to enforce the Act, as well as Commonwealth authorities.

Proposed new subsection (6) enables the Minister to seek an injunction restraining a carrier from engaging in carriage when the carrier does not have an acceptable contract of insurance, and provides that a reference in section 41J of the Commonwealth Act to a Commonwealth authority will be taken to include a reference to the Minister, so that the provisions in relation to the application for an injunction by CASA under that section will also apply to the Minister when the Minister seeks an injunction.

PART 3

AMENDMENT OF HARBORS AND NAVIGATION ACT 1993

Clause 6: Amendment of s. 14—Powers of an authorised person

This clause amends the principal Act to empower authorised persons to give expiation notices for alleged offences against the Act.

Clause 7: Amendment of s. 47—Requirement for certificate of competency

This clause creates a new offence of causing, suffering or permitting an unqualified person to operate a recreational vessel and fixes a maximum penalty of $2 500 and an expiation fee of $105.

Clause 8: Amendment of s. 72—Police to facilitate blood test at request of incapacitated person, etc.

This clause corrects a reference. It changes "authorised officer" to "authorised person".

Clause 9: Repeal of s. 88

This clause repeals section 88 of the principal Act which requires a prosecution for an offence against the Act to be commenced within 12 months after the date of the alleged offence. The repeal will result in the time limits within which offences against the Act must be prosecuted being those prescribed by section 52 of the *Summary Procedure Act 1921*.

PART 4

AMENDMENT OF MOTOR VEHICLES ACT 1959

Clause 10: Interpretation

This clause inserts a definition of "photograph" for the purposes of the Act.

Clause 11: Amendment of s. 75A—Learner's permit

This clause amends the principal Act to prevent holders of probationary licences from acting as qualified passengers for holders of learner's permits.

Clause 12: Insertion of s. 77BA

This clause inserts in the principal Act new section 77BA to limit the purposes for which the Registrar may use photographs of persons taken or supplied for inclusion on driver's licences or learner's permits to the following:

- for inclusion on licences, learner's permits and proof of age cards;
- to assist in determining the identity of persons applying for a licence, learner's permit, proof of age card, duplicate licence or permit or registration of a motor vehicle;
- in connection with the investigation of a suspected offence against the Act;
- for the purposes of any legal proceedings arising out of the administration of the Act or the *Road Traffic Act 1961*;
- for a purpose prescribed by the regulations.

The new section also imposes a duty on the Registrar to ensure that photographs are not released except in accordance with a request of a person or body responsible under the law of another State or a Territory of the Commonwealth for the registration or licensing of motor vehicles or the licensing of drivers, where the photograph is required for the proper administration of that law.

Clause 13: Amendment of s. 81B—Consequences of contravening prescribed conditions, etc. while holding learner's permit, provisional licence or probationary licence

This clause makes a minor amendment to the definition of "relevant prescribed conditions" in section 81B of the principal Act which was inserted by the *Road Traffic (Alcohol Interlock Scheme) Amendment Act 2000*. The amendment is consequential on amendments made to that section by the *Statutes Amendment (Transport Portfolio) Act 2001* (No. 17 of 2001).

Clause 14: Amendment of s. 98A—Instructors' licences
This clause amends the principal Act to provide for a proportion of licence fees paid for the issue of a driving instructor's licence to be refunded on surrender of the licence.

Clause 15: Amendment of s. 116—Claim against nominal defendant where vehicle uninsured
Section 116 of the principal Act gives the nominal defendant a right of recovery against the driver of an uninsured motor vehicle or a person liable for the acts or omissions of the driver where the nominal defendant has paid a sum to satisfy a claim or judgment in respect of death or bodily injury caused by or arising out of the use of the vehicle and the driver was wholly or partly liable for the death or bodily injury. The amount recoverable is at the discretion of the court and the defendant has a defence if able to prove that the vehicle was being used by or with the consent of the owner and the defendant did not know and had no reason to believe that the vehicle was uninsured.

This clause amends the section to make the right of recovery absolute where the driver—

- drove the vehicle, or did or omitted to do anything in relation to the vehicle, with the intention of causing the death of, or bodily injury to, a person or damage to another's property, or with reckless indifference as to whether such death, bodily injury or damage results; or
- drove the vehicle while so much under the influence of intoxicating liquor or a drug as to be incapable of exercising effective control of the vehicle; or
- drove the vehicle while there was present in his or her blood a concentration of .15 grams or more of alcohol in 100 millilitres of blood.

In cases not involving such behaviour on the part of the driver the discretion of the court to award such sum as the court thinks just and reasonable in the circumstances is to be preserved, as is the defence, but the defence is not to be available if the driver—

- drove the vehicle while not duly licensed or otherwise permitted by law to drive the vehicle; or
- drove the vehicle while the vehicle was overloaded, or in an unsafe, unroadworthy or damaged condition.

PART 5
AMENDMENT OF ROAD TRAFFIC ACT 1961

Clause 16: Amendment of s. 47E—Police may require alcotest or breath analysis
This clause replaces paragraph *(a)* of subsection (1) which empowers a member of the police force to require a person to have an alcotest or breath analysis (or both) if the member believes on reasonable grounds that the person, while driving a motor vehicle or attempting to put a motor vehicle in motion, has committed an offence of contravening, or failing to comply with, a provision of Part 3 of the Act of which the driving of a motor vehicle is an element (excluding an offence of a prescribed class). The new paragraph provides for the relevant offences to be prescribed by the regulations.

Clause 17: Amendment of s. 160—Defect notices
This clause amends section 160 of the principal Act to make the powers given to members of the police force and inspectors under that section to a stop and examine a vehicle and issue formal written warnings and defect notices exercisable when a vehicle has deficiencies or there is reason to suspect that a vehicle has deficiencies.

For the purposes of the section, a vehicle has deficiencies if—

- it does not comply with the vehicle standards; or
- it has not been maintained in a condition that enables it to be driven or towed safely; or
- it does not have an emission control system fitted to it of each kind that was fitted to it when it was built; or
- an emission control system fitted to it has not been maintained in a condition that ensures that the system continues operating essentially in accordance with the system's original design.

For the purposes of the section, a vehicle is not maintained in a condition that enables it to be driven or towed safely if driving or towing the vehicle would endanger the person driving or towing the vehicle, anyone else in or on the vehicle or a vehicle attached to it or other road users.

The clause also amends the section to require defective vehicle labels to be affixed to all vehicles in relation to which defect notices are given, to empower members of the police force and inspectors to vary defect notices, and to make it an offence for a person to obscure a defective vehicle label without lawful authority.

Ms CHAPMAN secured the adjournment of the debate.

MEMBER'S REMARKS

The Hon. DEAN BROWN (Deputy Leader of the Opposition): I seek leave to make a personal explanation.

Leave granted.

The Hon. DEAN BROWN: Earlier today I indicated that the Premier should resign as he had promised to do if an election promise were broken. Since making that statement in parliament, I have become aware that the Premier has denied making such a promise, and I accept his assurance. I am happy to withdraw my comments and to assure the house and the Premier that any such misstatement was inadvertent.

LIQUOR LICENSING (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 13 May. Page 138.)

Ms CHAPMAN (Bragg): I rise to support the bill, subject to one matter—

The Hon. M.J. Atkinson interjecting:

Ms CHAPMAN: This is a terrible trend, isn't it? Listen to this: subject to one matter, which I will address and on which I will seek some explanation—and which I am sure will be readily provided. Save and except for the exclusion of the proposed variation of the review and appeal process, the bill repeats the provisions of the Liquor Licensing (Review Appeals and Noise Complaints) Amendment Bill 2001 with the incorporation of a number of amendments proposed by the Hon. Angus Redford.

The history of this legislative reform is well and comprehensively recorded in the debates of members in the other place, and I do not propose to traverse them in detail. Suffice to say that the foresight and passion for the live music industry's survival and advancement by the Hon. Diana Laidlaw will always be a shining example of the commitment to cause in this parliament.

The Hon. M.J. Atkinson: It was Angus Redford actually.

Ms CHAPMAN: Diana Laidlaw.

The Hon. M.J. Atkinson interjecting:

Ms CHAPMAN: I recall the election campaign of 1993—

The Hon. M.J. Atkinson interjecting:

The DEPUTY SPEAKER: Order!

Ms CHAPMAN: —when she opened early with her proposals for young musicians, and she has not abated in her actions to give them a future. Perhaps the honourable member's responsibilities in the area of planning have given her a particular capacity and understanding of the conflicting interests of parties and the path to resolution, which is the subject of this bill.

The Hon. M.J. Atkinson interjecting:

Ms CHAPMAN: The working group chaired by Angus Redford undertook comprehensive consultation, and not only agreed and recorded 10 basic principles fundamental to its consideration of options but also developed a set of amendments to enhance the objectives of this bill. I note that those amendments where relevant to the Liquor Licensing Act have now been incorporated in this bill.

I have read the debates with interest and delight. They span from July to October 2001 and I have observed that, although the Hon. Sandra Kanck held out with her amendments almost until the bitter end, the spirit of compromise

ultimately prevailed and the bill presented for consideration now reflects that. I also note the significant contribution made to this progress being made by the Australian Hotels Association. It, too, has presented an initial position and a letter that each member has now received confirms its willingness to resolve the difficult matter in the spirit of compromise. The letter dated 29 May 2002 and signed by Mr John Lewis, General Manager, states:

> The Australian Hotels Association (SA) is pleased to support the Liquor Licensing (Miscellaneous) Amendment Bill 2002 which we believe is an important step forward in securing the future of the live music industry for the South Australian community.
>
> The AHA appreciates the level of support from all parties which has been shown on this issue, allowing a sensible and balanced approach which will meet the needs of the live music industry without disadvantaging local residents with legitimate concerns. We would especially like to acknowledge the support of the previous government which set up the Live Music Working Group, the current government which has moved quickly to adopt the recommendations, and the Australian Democrats which has long championed the cause of live music.
>
> The result is an historic piece of legislation which no doubt will be adopted by other jurisdictions grappling with similar issues. We would like to thank the parliament for its support on this issue and we look forward to the passing of the bill in both houses of parliament.

For the record, that correspondence has been forwarded to a number of members of parliament. Personally, I say that I was surprised to see a move to include 'the live music industry' in the objects of the act. The passing of this bill will enshrine this industry as one of only three examples recorded therein, joining tourism and hospitality as an associated industry to the liquor industry. I expect they will be pleased—as they should be—and I have no doubt they will be the envy of others. It is a clear reflection of the cross-sectional support this industry now enjoys. Doubtless, the public support demonstrated during the rally on 14 July 2001 has been acknowledged in this debate, and I congratulate those participating, as their views have surely been heard.

Before addressing the matter of the addition to the original amendment now incorporated in the bill, I refer to the Attorney-General's comments in respect of minor technical amendments, namely clause 5 of the bill to amend section 61 of the principal act and clause 6 of the bill to amend section 77 of the principal act. Of course, these arise out of the decision of Liquorland vs Hurley, which was handed down in the Supreme Court on 18 July 2001.

I welcome those amendments and I express my appreciation that the Supreme Court has brought this to the attention of the parliament for immediate action. Sometimes the scrutiny of the judiciary, when a case comes before them, does highlight the deficiency in the drafting and it is important that this is remedied as soon as practicable. The legislation is not just for future litigants but to ensure that it is a clear guide to the current relevant parties in their adherence and their application.

I now wish to specifically refer to clause 7(b)(i) of the bill. The amendment proposed by the Hon. Angus Redford provided that in hearing or determining a complaint the commissioner or court must take into account 'the period of time'. The bill adds the words, preceding the above:

> ..the relevant history of the licensed premises in relation to other premises in the vicinity and, in particular...

I seek an explanation from the Attorney-General for the addition, as he does not mention it in his second reading explanation. If he can clarify this, we may not need to refer to it in committee. 'Relevant history' is not defined in the principal act or this bill, and this particular subclause of the bill now proposes to relegate the period of time of a certain activity or its change as only one—albeit that it has the status of 'in particular'. In relation to what other history is relevant—and I raise the question as to whether that should be defined—I note that this 'relevant history' is placed in the context only in its relationship to other premises in the vicinity. 'Premises' is defined in the principal act as 'in a public convenience.' I would just mention that, in relation to section 4 of the principal act, the definition of premises includes:

> (a) land
> (b) any building or structure on land
> (c) a public convenience
> (d) a part of premises

The principal act defines 'public convenience' as follows:

> . . . means an aeroplane, vessel, bus, train, tram or other vehicle used for public transport or available for hire by members of the public, but does not include a conveyance hired on a self-drive basis if all passengers (if any) are to be transported free of charge or other consideration.

Having read those definitions, I simply indicate that the mind boggles somewhat at how a court is expected to take this into account as one of the factors it must consider under the bill. As an example, I refer to a seaside hotelier and a complainant against activity in that hotel having to identify every premises including any ship regularly passing by that offers live entertainment. I raise that because that is what the definitions say and there is no attempt to identify that in the bill. I just seek some clarification of that.

If it is intended to elevate the significance and highlight the importance of live music in a licensed premises being the subject of a complaint, where other neighbouring hotels no longer offer this entertainment, then I suggest it should do so. That may aid the cause but, where there has been a reverse trend in a particular area—that is, of live music in other venues—it could work against the retention of or place greater restriction on the subject premises. I seek some clarification on the definition issue so that we can be quite clear on that. I otherwise indicate my support for the bill and look forward to hearing from the Attorney-General.

The Hon. J.W. WEATHERILL (Minister for Local Government): I rise to support the bill and to make some observations of a planning nature. As a result of the residential building boom in the 1990s and the rediscovery and subsequent promotion of inner-city living and cafe lifestyles, there has been this pressure on legitimate business activities, especially in the hospitality industry and the mischief we seek to remedy. A growing trend of residents moving into this these areas—although in full knowledge of a hotel, cafe or restaurant next-door—has increased complaints about noise levels. This has effectively contributed to the closure of a number of venues or at least severely curtailing their activities. This issue has recently become more critical with a number of the state's leading suburban live music venues either considering or in some cases actually stopping live performances as a direct result of residents' complaints. The last live music gig was played at the Bridgewater Inn on 23 June 2001. The Bridgewater Inn is not alone. Some of Adelaide's best known entertainment venues are also under significant pressure: they include the Stag, Governor Hindmarsh, Crown and Anchor, Kensington, Wheatsheaf, Exeter and Grace Emily.

In South Australia, more than 21 000 live band performances are held in hotels each year. These hotels are an important link to the South Australian music industry and provide a place for musicians to graduate from garages to live gigs and then often to a career in the music industry. To name just a few, some of the band, singers and musicians who have been discovered or have honed their talents in South Australia include: Cold Chisel and Jimmy Barnes; the Angels; the Twilights; the Masters Apprentices; Greg Champion; Glen Shorrock; Becky Cole and the legendary late Bon Scott of ACDC.

More recently, a young South Australian woman, Sia Furler, left Adelaide to expand her career as a singer and song writer, and to enjoy living in London's West End. Indeed, her very successful album released in the UK in July 2000 has now been released in Australia, and I have it here with me: it is called 'Sia: healing is difficult'. She is described as a '. . . singer of voluminous talent. Her vocals are totally unique and leave you gasping for more after just one listen. Pure quality music; maximum respect'. Elements of this could be regarded as racy, and for some of the older members opposite like the member for Stuart I would issue a word of caution in case blood pressure levels rise to malignant levels. It is a great CD, and I would recommend that anybody who has not listened to it should do so.

An honourable member interjecting:

The Hon. J.W. WEATHERILL: Yes, I can assure the member for Stuart it is very different from Slim Dusty. Support of pubs like the Governor Hindmarsh, Stag and Austral were essential to Sia's developing her career. She could not have moved forward without the pub gigs, which are so important as a lifeline for young musicians. Such is the relationship between musicians and those venues that they often support their rise to success. Sia continues to provide entertainment in those venues when she comes back from London. In London she is very big news; she is about to become even bigger news here, and she is an Adelaide girl. There is a lot to support about this industry, and we should be getting behind young people who make it their lifestyle and their job.

There is much speculation among young people that Adelaide is a boring place and that there are not things to do here. It is little wonder that those sorts of attitudes occur when we do face these threats of losing our live music industry. We do not want to lose those fresh ideas or creativity, and we want to provide ways in which we can support our young people. The arts are not just about theatre, and jobs are not just about car plants. The future of South Australia might be in those places we expected it to be. Members have noted the bipartisan way in which this issue is being dealt with, and I note the work of the Live Music Group, which consisted of representatives of the state division of the AHA, the Property Council, local government, the Environment Protection Agency, Planning SA, SA Police and the Liquor and Gaming Commission, all of whom made important contributions to bringing about this legislation.

The nature of hotels means that noise will always be associated with businesses, and residents need to be aware of and acknowledge this when they are deciding to take up residence in close proximity to a hotel. The Liquor Licensing Act obviously states that noise levels cannot be offensive, annoying, disturbing or inconvenient, but that means that, even if a licensed premises meets its obligations under the Environment Protection Act, it still may not have met its obligations under the Liquor Licensing Act. If just one resident considers a noise level to be unreasonable, even if that is not backed by the EPA readings, under the previous regime the decision would have been taken to curtail the music at the venue. So, this legislation is important to remedy that issue.

Our economy is not just about what we grow, build or manufacture: it is centrally driven by the services we also provide. Some 78 per cent of employment is found in the services sector, and the entertainment industry is just one component of that large and growing sector. The music industry as part of that industry is the sixth largest export industry in the nation. A substantial amount of employment is taken up by young people in that sector, and members would be aware that youth unemployment remains one of our central public policy dilemmas. But this issue is not just about jobs: it is about creating a space for people to enjoy themselves, enjoy each other's company and listen to the talents of the people who perform in these venues. Our government believes that the measures contained in the bill provide a sensible balance between the rights of residents and those who want to listen to live music. I commend the bill to the consideration of the house.

Ms CICCARELLO (Norwood): I will be very brief with my comments. I agree with the comments made by the Minister for Urban Planning and Development. We have grappled with this issue in my community for many years. Long before the move to urban living in the city we were facing this issue in Norwood. We had many hotels surrounded by residents and, obviously, as the nature of hotels changed, there was some conflict between residents and the live music venues. We had a very unusual instance back in the late 1980s, when the Norwood Hotel lodged an appeal against a residential development that was happening on Osmond Terrace. It was when the Adelaide Central School of Art moved to Norwood, and part of the development plan was to build five townhouses. Whilst the proprietors of the Norwood Hotel thought that residential development on Osmond Terrace would be eminently appropriate, they wanted to put on the record for any people who might move into the area in future years that the hotel had been operating for many years and had a closing time of 4 a.m.

An honourable member: Do the Saturno brothers still have that place?

Ms CICCARELLO: The Saturno brothers still have that hotel, and the residential development did go ahead. The School of Art has been working very well and the Norwood Hotel, which is now Finn MacCool's, is also operating extremely well. It is very important that musicians of all ages have opportunities to exhibit their talents and entertain people from the community, so I think this bill is eminently sensible. It has been far too long in coming, and it certainly would have been very helpful in my electorate if we had had it much sooner. I attended the rally that was held last year, and there was enormous support from a wide cross-section of the community, so I think this will be a very popular move.

I recently attended a youth forum in my electorate, and one of the complaints that came from the young people (and some were under age; some would not have been able to go to pubs) was that there are very few places these days where they can enjoy live music because of changes in society and what people think is appropriate. I commend this bill and look forward to more live music being available for all to enjoy.

Mr HAMILTON-SMITH (Waite): I rise to support the bill, as shadow minister for tourism and the arts. I seek to make a few observations about how the bill will impact on the tourism industry and the arts within the state, and provide some personal perspectives on what I believe must be done in addition to this bill. I will then conclude with a few general remarks about the benefits of the bill and the challenges ahead.

The essential problem here is that music and people must coexist; that hotels that provide live music venues and residents must coexist; and that Adelaide and regional centres must have a life and a heart. People need to use a good deal of commonsense. There needs to be a degree of peaceful coexistence. In this respect, live music is not the only example of such disputes and such dilemmas. Another example is the issue of air traffic noise and airfields and residents. It has been quite common in recent decades for residents to establish homes around airfields that have been there for a very long time and, after a period of time, having moved into the area knowing that there was an airfield and knowing that there would be disturbance, feel aggrieved at the degree of air traffic noise that is going on and seek either to limit the operations of the airport or to close down the airport. In fact, there are some synergies with that dilemma and this dilemma of live music. However, the live music issue is much closer to the heart of the city of Adelaide and is a much more complex issue in many respects.

The bill seeks to provide a mechanism for residents and hotels providing live music to resolve their disputes amicably, in a way which gets around the problems of first use and which provides a fair go for both residents and those who provide live music. Without this bill, and without an outcome, many venues around the city of Adelaide and elsewhere simply face closure. Should this bill not pass, the result would be that Adelaide, as a well established centre for music over many decades, would risk withering on the vine. But, of course, to stop that from happening, far more needs to be done than is provided for in this bill. In particular, if Adelaide is to remain a vibrant 21st century city, it must continue to cater for the arts and entertainment and not simply for residential and retail uses. If live music and hotel uses are lost, the role and fabric of our city will be eroded. That will have a very detrimental impact, not only on the quality of life for all South Australians but also on businesses that hinge on the entertainment and tourist industry.

These amendments to the Liquor Licensing Act go some way to providing a resolution. But, of course, new noise guidelines need to be provided through the EPA to provide a suitable mechanism for residents and live music venues to resolve their differences. Of course, other actions need to be taken to ensure that buyers of residences are made aware of the existence of live music venues before they purchase their home. Therefore, when they purchased a home they would know that a venue is operating in the precinct and can expect to have that as part of their daily life.

As I mentioned earlier, a degree of commonsense and reasonableness needs to be evident. People cannot move into an area that is alongside a live music venue one week and then decide the following week that they want the venue to be closed. That is one of the problems this bill seeks to overcome. Of course, there will be implications for local councils, particularly in regard to their development plans and planning amendment reports. They will need to embrace the spirit of this bill and implement it. There will also be implications for building codes. Other initiatives will probably be needed in terms of the Summary Offences Act 1953 in regard to patron behaviour to ensure that not only behaviour inside live music venues is dealt with but also the behaviour around live music venues. This often results in complaints from local residents and is not within the ambit, responsibility or the ability of a hotelier to control.

A live music fund was suggested by the former government to be applied for various purposes: first, to assist venues to undertake improvements that meet EPA noise levels; secondly, to assist developers in residential development in mixed-use zones with noise attenuation measures; and, thirdly, to enhance the development of the South Australian live music industry generally. It is one thing to provide legislation but it is another thing to provide the money required to make it a reality. That is why I was alarmed last night when I heard from industry sources that an initiative of the former Liberal government to establish a new live music fund was at risk by this government and is likely to be axed in the budget tomorrow.

The investment that the former government was to make of $200 000 (an extra sum on top of current expenditure of $400 000) through Arts SA was to provide for contemporary music projects, such as the doubling of funding for the recording assistance program of about $80 000 each year. First, this was to give more musicians the assistance they need to kick start their careers. Secondly, a state-wide live music touring program was to be launched, incorporating extra support for regional areas to present local musicians and to provide mentorships and business skill workshops. Thirdly, a music house was to develop and conduct industry training courses and manage Music Business Adelaide as an event. Fourthly, the South Australian Folk Federation was to be assisted to relaunch the annual Folk Festival in the Adelaide Hills. Finally, the annual Frances Folk Gathering in the South-East was to receive $10 000 to help train student musicians in recognition of the ongoing support provided by the Governor Hindmarsh Hotel.

I understand that that money is to be axed tomorrow afternoon by the current government. I am very disappointed to hear that. With this bill, the government has followed the leadership of the previous government and sought to make changes designed to achieve better co-existence between the live music industry and hotels and the residents of South Australia. It is a shame that the arts minister (the Premier) is to slice this $200 000 off the live music fund. I will be delighted tomorrow afternoon if I am proven wrong and the funding remains. But I suspect from very reliable sources that I will be disappointed, and I see the minister assisting for the arts leaving on that note. Perhaps he would like to spring to his place and correct me and tell me that the funding will be preserved, but I take from his departure that it is as good as gone. Nevertheless, I hope that the hotels and the live music providers of South Australia are not disappointed tomorrow afternoon.

In conclusion, and following on from my colleague the member for Bragg, I indicate that, of course, we support this bill. This measure will enhance tourism within the city of Adelaide in particular, and it will be good for the arts. It will be good for the arts community. It will be good for those musicians and others who are involved in the provision of live music, which is very much what Adelaide and South Australia are all about.

In saying that, I remind the house that the needs of young people in this state are often needs that we ignore. We go ahead, we create legislation, we take actions that we feel are

in the best interests of South Australians but, of course, as you look around the chamber and consider the age of members of parliament, you could be forgiven for expressing concern that we may from time to time forget that Adelaide needs to be good fun for young people; and live music venues are very much a part of that good fun. So, in supporting the bill, I urge the government to look at the other issues which I have raised and which were flagged late last year by my colleagues in this house and the other place, and implement them in concert with this bill.

In concluding, I would like to bring to the house's attention some comments made by my colleague the Hon. Angus Redford in another place, whose terrific work in preparing this legislation is to be commended. He said on 25 October:

> I draw members' attention to the fact that it is my strong view that in 100 years we will not be judged by the political events of the last week or the last fortnight; we will not be judged by the result of the forthcoming federal election; and we will not be judged by the results of inflation factors, employment levels or the sorts of things that generally occupy us on a day-to-day basis. In 100 years we will be judged by the product of our artists, authors, musicians and poets. We judged the late 19th century and the early 20th century by the likes of C.J. Dennis, Banjo Paterson and Henry Lawson. In 100 years our community will be judged by our musicians—their words and music, their activities and their success—whether it be on an international, national or local stage.

I think he is right, and I commend the bill to the house.

The Hon. M.J. ATKINSON (Attorney-General): The origin of this bill is a decision of the Development Assessment Unit of the Charles Sturt Council. That council decided to grant development permission to Mr Peter Jurkovic to build a series of townhouses on First Street at Hindmarsh immediately behind the Governor Hindmarsh Hotel. The Governor Hindmarsh Hotel is in my electorate, and for many years it has been a venue for live music.

An honourable member interjecting:

The Hon. M.J. ATKINSON: Indeed, it is a good pub and a pub without pokies. Its licensees, Brian and Richard Tonkin, are well known to me, although the developer of the townhouses, Mr Jurkovic, is also well known to me as his sister lives next-door to me. The Charles Sturt Development Assessment Unit granted permission for the erection of, I think, seven townhouses immediately behind the Governor Hindmarsh Hotel and next to the railway line to Woodville; indeed, next to the Bowden Railway Station. Now, quite why someone would want to live with the Governor Hindmarsh on one side, Woodville railway on another and the fishmongers, Raptis Brothers, on the eastern side, is beyond me, but I gather people are willing to buy these townhouses.

The anxiety of Brian and Richard Tonkin was that residents would move into these townhouses and, under the Liquor Licensing Act, those residents would be in a strong position to complain about the noise emanating from the Gov and perhaps be in a position for the Liquor Licensing Commissioner to penalise the licensees, or even to close down the live music.

So, the Tonkins felt that their licence was under threat from the decision of the development assessment unit of the Charles Sturt Council. I hasten to add that, as I understand it, the development application did not even go to the planning committee of the council, or to the full council: it was just decided by the development assessment unit, the same unit that made the decision to grant planning permission to the Rebels motorcycle gang to build their headquarters on the corner of Chief Street and Second Street, Brompton, not so far away. Quite rightly, the Deputy Ombudsman was concerned about the proceedings and methods of the Charles Sturt Council's development assessment unit, and I am pleased to say that that unit has been reformed.

I understood the anxiety of the licensees of the Gov, but I was also mindful that some people had lived in the immediate vicinity of the Gov for quite a long time. It is not true to say that it is an entirely non-residential area. Mr Len Gregory and Mrs Gregory, who are well known to me, live at number 2, Gibson Street, right at the back of the Gov, and, in the 12 years I have been a member of parliament, they have made no complaints about the live music.

The late Erwin Schwarz, too, used to live at the back of the Gov, very close to the stationmaster's building at Bowden Railway Station, and he never made any complaints to me, though I called at his home a couple of times. Indeed, the late Mr Schwarz's home was burnt down by squatters after his death, and it was the bulldozing of his home that made way for the townhouses to be built. So, that is my interest in the matter as the local member of parliament.

The Tonkins mobilised other hotels that felt that they might also be under threat from residential encroachment, and so the Grace Emily and the Aurora Hotel and, I believe, the Wheatsheaf Hotel at Thebarton, joined in the campaign. Ultimately, a rally was held at Parliament House, which I was pleased to attend, along with the now Premier and the now member for Adelaide.

Ms Ciccarello: And me.

The Hon. M.J. ATKINSON: And the member for Norwood, and many bands played for our entertainment on what was a pretty cold day.

I commend the Hon. Angus Redford for the work he has done in getting this bill together, particularly his work chairing the working group that looked at the difficulty. Since the working group reported and the bill came into parliament last year, someone has moved into one of the townhouses in First Street, Hindmarsh, and the Tonkins have contacted me because they are anxious that that person not be able to use the current Liquor Licensing Act to challenge live music at the Gov. So, I am eager to expedite this bill. I am sure that once it gets into another place, the Hon. Angus Redford and the government will make sure it goes through swiftly.

Indeed, the bill should have passed this place on the last sitting day last year. The opposition offered the then Liberal government its support for expediting the bill and getting it through before parliament rose and was prorogued before the election and, for reasons best known to himself, the deputy premier decided not to do that. So, it remains for us to get the bill through parliament.

I thank members for their contributions to the debate. I thank the member for Bragg for supporting the fourth Labor government bill in a row, and I hope that her father is still talking to her and that she will oppose the second reading of one of our bills some day soon.

The member for Bragg made a close textual analysis of the bill and I thank her for reading its provisions carefully, including the Liquorland csae amendments that were added to the bill. The member for Bragg, if I heard her correctly, seemed to think that the definition of 'premises' in section 4 of the act was too inclusive. That definition provides:

> 'premises' includes—
> (a) land;
> (b) any building or structure on land;
> (c) a public conveyance;

(d) a part of premises;

In my view, that definition does not present any difficulties in combination with the current amendments. If I heard her correctly, the member for Bragg was thinking that people on a passing ship might be able to complain about live music emanating from a hotel. Well, I will take the member for Bragg's point seriously when the crew of a live sheep carrier headed for Bahrain complains about the bass guitar being played in the Largs Pier Hotel. I do not think it is a serious point but I commend the honourable member for reading the bill carefully. The member for Bragg also asks why the word 'history' was included in clause 7 of the bill, which provides:

In hearing and determining a complaint under this section, the commissioner or the court, as the case may be—

(b) must take into account—

(i) the relevant history of the licensed premises in relation to other premises in the vicinity and, in particular, the period of time over which the activity, noise or behaviour complained about has been occurring and any significant change at any relevant time in the level or frequency at which it has occurred;

I think that part of clause 7 is of the very essence of the bill. It is what the bill is all about. I think that all sides of the house believe that it would be unfair if new residents were able to move into Mr Jurkovic's townhouses and complain about the noise of live music coming out of a hotel that has had live music for many years. The Gov has been well established in the area and it should not be prejudiced by residential encroachment. I think that most members of the house take the view that if you move into one of the town-houses in First Street, Hindmarsh, you take the area as you find it, and members opposite are nodding in agreement. That clause reflects, in legislation, the belief of the house about this matter. The word 'history' was used in the working group report. I refer to page 4 of the working group report, which states:

· provide that in determining a complaint the licensing authority:

(iii) must make an objective assessment of whether any offence, annoyance, disturbance or inconvenience alleged in support of the complaint is undue, having regard to the nature of the locality in which the licensed premises are situated, the nature of the activity complained about, and the respective histories of the licensed premises and the various premises in the vicinity thereof;

This year the government has reflected in the bill what the working group wanted. In the last version of the bill Parliamentary Counsel dropped out the reference to 'history' and the Australian Hotels Association asked that it be reinserted in the bill to make it accord with the intentions of the working group. That is why, in answer to the question of the member for Bragg, 'history' is back in the bill. 'History' has its natural meaning—I do not think it needs to be defined in section 4 of the parent act.

The member for Bragg asked how the commissioner or the court will get to know about the history of the locality in which the licensed premises are situated. The commissioner or judge will not be required to make their own inquisition into the history of the locality as it will be presented by the parties, I would expect, in accordance with our adversarial system of justice in South Australia, which we inherited from Britain. The evidence of the history of the neighbourhood will be adduced in the normal way. With those remarks, I thank members from both sides for their contribution to the debate and wish the bill a speedy passage both here and in the other place. Once it has passed both houses the government will take all reasonable steps to expedite Vice Regal assent and proclamation.

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

CORNWALL, Dr J.

The Hon. M.J. ATKINSON (Attorney-General): I seek leave to make a personal explanation.

Leave granted.

The Hon. M.J. ATKINSON: Earlier today the member for Bragg asserted that I had misled the parliament in relation to a ministerial statement I made last night concerning the outcome of the Supreme Court action of Dawn Rowan against a former health minister, the Hon. Dr Cornwall, and others. The member for Bragg claimed that Dr John Cornwall was found jointly liable for damages for defamation. My statement was based on the Crown Solicitor's view of the effect of the entirety of the judgment. However, as I informed the house yesterday, formal orders have not yet been made by the judge. There is a dispute between the state defendants on one side and the other defendants as to the effect of the judgment on this issue.

The Crown Solicitor remains of the view that the interpretation of the judgment, which is long and complex, given by me yesterday is correct. Given that this is still a live issue in the proceedings, and that the final orders have not been given by Justice Debelle, it would be preferable if the matter were left to be dealt with in court rather than in parliament.

ADJOURNMENT

At 9.35 p.m. the house adjourned until Thursday 11 July at 10.30 am.