

## LEGISLATIVE COUNCIL

Wednesday 2 September 1998

The PRESIDENT (Hon. J.C. Irwin) took the Chair at 2.15 p.m. and read prayers.

## WRIGHT, Hon. J.D., DEATH

**The Hon. R.I. LUCAS (Treasurer):** I move:

That the Legislative Council expresses its deep regret at the recent death of the Hon. John David Wright, former Deputy Premier and member for Adelaide for the House of Assembly, and places on record its appreciation of his distinguished public service.

I am sure that it is with some sadness that all members in this Chamber will support this motion today to place on the public record our deep regret at the passing of a very famous labour figure—and that is small ‘l’ labour—in the labour movement and also a very powerful figure within the Labor Party in terms of his contribution to the work of his own parliamentary Party, his political organisation of choice. I am sure that a number of members in this Chamber from the Labor side of politics will be able to speak in much greater personal detail of the very great attributes of Jack Wright, as he was known, that endeared him to his colleagues within the Labor Party and also, more importantly, within the union and the broader labour movement.

As a member of Parliament and prior to that as a person who worked in politics, I was certainly aware in my Party, the Liberal Party, of the tremendous contribution that Jack Wright was making to labour politics generally and then ultimately to the Labor Party when he was first elected to the seat of Adelaide in 1971 and first became a Minister in the then Dunstan Government of 1975. He came into politics at a time of turmoil through that period of the early 1970s—turmoil in political terms in the way in which the Parliament was operating and turmoil within the Liberal Party. The Liberal Party at the time was going through the early development of the Liberal Movement. We had elections in relation to franchise and a lot of controversial topics were being introduced and debated in the Parliament during the early part of the 1970s in particular. Jack Wright was an important part of the Labor Party’s and the Labor Government’s contribution to that debate.

I joined the Liberal Party in 1973, which would have been soon after Jack Wright was elected to Parliament. I was involved in Party redistributions right from my early days in 1973, and through that I spent a reasonable amount of time with great Labor figures like Hugh Hudson and Geoff Virgo and—I do not know whether should say ‘great Labor figure’ in relation to Chris Schacht—prominent Labor figures such as Chris Schacht and others who were active—

**The Hon. T. Crothers:** You mean g-r-a-t-e.

**The Hon. R.I. LUCAS:** The Hon. Mr Crothers says that it is g-r-a-t-e in relation to Mr Schacht. I give that as an example of working in redistributions with people of that ilk. At that time and even more recently in the redistribution, the seat of Adelaide was always a focus of Party submissions, as the Labor Party would always seek to move it into the western suburbs. The debate has changed and it is now a question of how far north it goes, but in those days it was a question of whether we would move the seat into the western suburbs, which made it better for Jack Wright and the Labor Party, or north and east or east, which would have made it a better prospect for the Liberal Party. Jack Wright took a great

personal interest, as do all Lower House members, in redistributions—

**The Hon. T.G. Roberts:** For the greater good.

**The Hon. R.I. LUCAS:** I am sure it was for the greater good, but he also took a personal interest in those proceedings as we engaged in debate before various redistribution commissioners about the shape and nature of Adelaide. If one looks at the seat of Adelaide over the years it is a bit like a waterbed: you pop it in one area and it pops out in another. In various redistributions it has headed off west and then it has been poked in there and it heads out north, and various other areas. In more recent days it has been a question of how far north or north-east the seat of Adelaide went.

It was during that time that I had my first peripheral experiences with Jack Wright and saw firsthand his contribution through the latter part of the 1970s and 1980s. I was elected to Parliament in 1982 and was able to see at closer hand the power that he helped wield within the Labor Party during that time. He had to retire from the Parliament due to ill-health, and I know that saddened him. It also saddened many of his colleagues that he was no longer able to contribute to the Parliament. I well remember—and I cannot remember the exact year, but it must have been either the 1989 or the 1993 campaign, whenever his son Michael first contested the seat of Mawson—

**An honourable member:** It was 1993.

**The Hon. R.I. LUCAS:** I am reminded that it was 1993. He stood in the southern suburbs against Robert Brokenshire, who has turned out to be an outstanding local member of Parliament for the seat of Mawson. At that time it was not just Michael Wright who was doorknocking: even with his ill-health, Jack Wright (with Mrs Wright, I understand, on occasions) was out there in the hot weather day after day, week after week in the period leading up to the 1993 election, doorknocking for his son to try to win back the seat of Mawson.

*An honourable member interjecting:*

**The Hon. R.I. LUCAS:** We might tackle that on another occasion: this is an occasion to highlight the strengths of Jack Wright, the man. Despite his ill-health and despite the heat, Jack was out there doorknocking. He did that not just in the last four weeks of the election campaign (because it is easy enough to do it then; to steel yourself for the four weeks of doorknocking) but for literally months and months beforehand. I remember that Robert Brokenshire said to me, ‘They are really putting all their resources into it’—it was part of an argument about getting more Liberal Party resources into the seat as well, I suppose. He said, ‘Jack is out there and he has been doorknocking, and Mrs Wright is out there.’ I believe that that was an indication of the man: he obviously believed in the Labor Party and the broader labour movement.

Jack Wright would do anything to try to further the cause for the broader labour movement and for his own Labor Party. He was obviously also a very great family man, and he wanted to see his son succeed in his then chosen career—or now chosen career also, I suppose, because he has been successful in another seat since then—and he was prepared to do anything, at considerable cost, I am sure, to his own personal health and well being during that period.

This is an unusual circumstance today, in that the Legislative Council is the only House of Parliament sitting, and therefore we are in a privileged position to be able to place on the public record our tribute to Jack Wright’s contribution. I am sure that, when Parliament next convenes at the end of October, his Lower House colleagues will do likewise, as is

the custom and the tradition. However, on behalf of the Government, particularly Government members in this Chamber—and I also speak on behalf of the Premier, the Cabinet and the Liberal Party generally—I place on record our tribute to Jack Wright's contribution to his political Party, to the broader labour movement and to the community. We express our sincere condolences to Jack's wife and to the remaining members of his family.

**The Hon. CAROLYN PICKLES (Leader of the Opposition):** I support the motion. I am sure that most of my colleagues on this side will wish to take the opportunity to place their thoughts about Jack Wright on the *Hansard* record. Jack Wright was a quintessential Labor man. He was a quintessential Labor MP and a quintessential labour trade unionist. He believed most fervently in those two causes: those of the labour movement and the Labor Party.

Jack was loyal and steadfast and he worked hard until the very day that he left this Parliament—in fact, he left the Parliament before the election after which I became a member of Parliament. I am very glad indeed that Jack enjoyed some years of his retirement in good health because I believe that, once removed from the stresses and strains of this place and being able to get out, you lead a much more healthy life. Before he died, Jack played a great deal of golf with his wife Norma, with Mick Young and with his old friend Keith Plunkett—in fact, when I used to work for Keith Plunkett in the electorate of Peake, regular as clockwork, Jack and Mick used to play rounds of golf on a Friday afternoon, which they thoroughly enjoyed. The Opposition and I are saddened to know that those three Labor luminaries are all dead. Jack was probably one of the last of those people. The other day, former Senator Don Cameron, who also belonged to the AWU, passed away—and we were all very sad to hear that.

Jack had a distinguished career in the Parliament as Minister Assisting the Premier in Industrial Democracy, Minister for Labour and Industry, Minister for Public Works, Minister for Labour, again Minister for Public Works, Minister for Emergency Services and, of course, Deputy Premier from November 1982 until July 1985. One of the things that I remember most clearly about Jack was his anger when we lost the election in 1979. As I have said, Jack believed most fervently in the labour movement, and he felt that it was a bitter blow to be out of Government, but we rallied and came back. Jack always believed that we, too, would rally and come back—as we will.

Jack also had a distinguished career in the trade union movement. I am sure that my trade union colleagues will describe his career in far more detail. His old friend the Hon. Trevor Crothers no doubt will know of some old union tales, some of which can be told in this place and others which obviously cannot. Jack held a number of positions with the Australian Workers Union. He was an organiser, branch secretary, branch president, and a delegate to the convention and the national executive.

There were some interesting scuffles in the old AWU. I will not go into the details, but the Hon. Mr Crothers might recall those incidents. Some of the people who were involved included: former Senator Don Cameron; Reg Groth, a former member of the House of Assembly; Jimmy Dunford, a former member of the Legislative Council; and Mick Young. They were a tremendous team of Labor stalwarts. It is particularly sad for us to recall those people who were certainly fine young men who developed into fine older men as their

careers developed. Not one of them ever lost their Labor ideals—and for that they are to be commended.

I think it is sad and poignant that, only a few hours after Michael was appointed to the shadow Cabinet, Jack died. The Hon. Mr Lucas has highlighted the way in which Jack worked so hard for his son of whom he was so proud. All Jack wanted was for Michael to come into Parliament, something which Michael also wanted. Jack and Norma and I worked on that campaign. They put in an enormous number of hours, and Jack did this with a huge amount of enthusiasm, because he believed in the cause for which he was working. I have not spoken to Michael, but I would like to think that Jack knew that Michael had been successful in that endeavour and that he died with a smile on his face knowing that his ideals will be carried on through his son. They are big shoes to fill.

I am also sad for Norma who was not just a wife in the ordinary sense of the word—she was Jack's pal. I know that she will be devastated by losing him. I express my condolences to Michael and his wife Meredith, and to Alexander and Victoria, Jack's grandchildren, whom he idolised and loved dearly. Some of us remember Jack as a figure of whom we were a bit fearful: it is difficult to think of him as a fond and loving grandfather, which he was.

I was not able to attend Jack's funeral, but I am told that Meredith read his favourite poem. My colleague the Hon. Trevor Crothers tells me that for many years this poem hung behind the door in Jack's old AWU office. This was the poem, Jack's favourite, which Meredith read at his funeral. It is called 'The Old Unionist' by Henry Lawson. I would like to read it into the *Hansard* record, because I think this sums up the life of Jack Wright the MP and the trade unionist:

I don't know if the cause be wrong,  
Or if the cause be right—  
I've had my day and sung my song,  
And fought the bitter fight,  
To tell the truth, I don't know what  
The boys are driving at,  
But I've been Union twenty years,  
And I'm too old to 'rat'.  
Maybe, at times in those old days,  
Remembered now by few,  
We did bite off in various ways  
Much more than we could chew—  
We paid in sodden strikers' camps  
Upon the blacksoil flat;  
We paid in long and hungry tramps—  
And I'm too old to rat.  
The Queensland strike in eighty-nine,  
The Ninety's gloomy days—  
The day the opera comp'ny sang  
For us the Marseillaise;  
The sea of faces, stern and set,  
The waiting 'bitter cup'  
The hopeless hearts unbeaten yet,  
The storm clouds rushing up.  
The fighting, dying Boomerang  
Against the daily press;  
The infant Worker holding out;  
The families in distress;  
The sudden tears of beaten men—  
O you remember that!—  
Are memories that made my pen  
Not worth the while to rat.  
I've wept with them in strikers' camps,  
Where shivered man and beast;  
I've worn since then the badge of men  
Oh Hell! And London East!  
White faces by the flaring torch;  
Wraith wives!—the slaves of Fat;  
And ragged children in the rain—  
Yes!—I'm too old to rat.

Vale Jack Wright.

**The Hon. IAN GILFILLAN:** I express our sympathy on the death of Jack Wright. Of the Democrats I was one who knew Jack and who worked with him quite extensively in the early 1980s. I came to like him as a person. I also had great admiration for his wonderful, consummate skills as a politician and a very powerful figure who in many ways dominated this Parliament. I am quite sure that we will hear many of the legendary anecdotes, for in his lifetime he did create almost a Jack Wright mythology. Rightly or wrongly, he was attributed with picking, more or less single-handedly, John Bannon as successor to the throne as Premier. If it was apocryphal, it certainly indicated the influence and respect that he held in the Labor Party.

But it was not only within the Labor Party. In my personal contact with Jack, I felt it most significant that there was no pettiness in the man. He, as others, realised that the Democrats were another at times provocative ingredient in the political mix, and from time to time others were inclined to be a little abusive. Jack never was. Jack was always respectful, polite and therefore very effective. Although I was not close to him on an intimate, friendly basis and I did not know his family, I remember Jack as one of those few people who leave a lasting and durable impression on one even if the contact was not for so very long and might have been some years ago. I shared with Jack, in some ways, his frustration in leaving Parliament prematurely because of his ill health and, then, his frustration that he seemed to recover quite dramatically. He confided to me that he wished he had not got out so soon; he was really itching to get back. Of course, it was quite clear that he did suffer from an ongoing degree of ill health, which eventually took him in death.

On behalf of the Democrats, I put on the record that we regard him very highly in the pantheon of State politicians of the latter era and that we realise he will be sadly missed by his many friends, by his colleagues who have worked with him and, of course, by his family, to whom we send our condolences.

**The Hon. G. WEATHERILL:** I would also like to say something about Jack, but before I do I point out that I was quite thrilled with the Premier's decision to give Jack a State funeral. Being such a great Australian, he deserved it. Jack served for quite a while as Deputy Leader of the Party, and I am sure that Norma and the family were also very thrilled with the Premier's decision. I appreciated that Jack would have a State funeral, and it went off extremely well.

I went to the funeral yesterday, and it was interesting to listen to the many people who spoke there. I have known the trade union people for 37 years and I have known Jack ever since we were in the trade union movement together. I would meet him quite regularly at the Trades Hall bar. He always liked a beer.

Jack was absolutely devoted to Norma, and Norma was devoted to him. In fact, when Jack came into Parliament I was surprised to see that Norma was not sitting next to him, because they were so close—they truly were. They were a great couple. Jack and his family were great sports people. Michael is apparently a good tennis player. My sons once played against Norma, and she is the deadliest person on the court I have ever seen in my life. To be quite frank—and given that I am under parliamentary privilege—I would have to say that she cheated a little as well. She seemed to put her foot over the line too many times when you were ready to

serve, and so on. She was an A grade player, and she played extremely well. She is a great lady.

Among those at the funeral yesterday were members of the great Australian Government Workers Union, and it is interesting to note where some of them went; for example, Mick Young went to Federal Parliament; Clyde Cameron, the Senate; Don Cameron, the Senate; Jim Dunford, the Legislative Council; and Keith Plunkett, the House of Assembly. All these guys were very close mates. We would get together quite a lot in the Trades Hall bar. There were a few good drinkers among us as well, I might add. I remember something Rob Sneath said yesterday that was absolutely great. The President was there yesterday listening to all this, and his comment was interesting. He said, 'Can you imagine having this group of people in the same shearing shed? Wouldn't the cost go up?' He would really put the screws on. Given the make up of that group, why not?

As I said, Jack and I would go out quite a lot together. However, when Jack came into Parliament and he took over the industrial relations portfolio, I thought, 'He's a mate of mine. I can go and talk to this guy and get a few things done.' However, it was not as easy as that with Jack. You had to put up a good argument to get what you wanted, because his attitude was, 'This is not a trade union any more, George: I am in Parliament, and I have responsibilities of State.' I would get a bit shirty with him at times. Now and again I had a win, but it was very rare with Jack. Jack was very honest, and he would put up his argument. If you had a better argument, he would accept it. He was a very good Minister. My heart goes out to Norma, Michael and the family. It is a terrible loss to them, and it will take them a long time to get over it. I wish them all the best in the future.

**The Hon. L.H. DAVIS:** Jack Wright was a great Australian. He was a man's man. He was dinkum; he was straight. His word was his bond. He had a great record of service to the union movement, to the Parliament over 14 years, from 1971 to 1985 and to the community. That was recognised by the fact that he received an Order of Australia. He was only 58 years old when he retired from Parliament prematurely on the ground of ill health but he continued to have a lively interest in the Parliament and also in community activities. I got to know him reasonably well after he left the Parliament, although I obviously had some dealings with him during his time here. He had a record of service on the Lotteries Commission and he had interests in other activities. It has already been mentioned that he was a keen golfer, and Jack and I shared something in common in that we were both great Redlegs supporters.

I attended the celebration of his life yesterday at Centennial Park. One of the speakers advised that the workers at Centennial Park were members of the AWU so Jack would get a good plot and would be well looked after. That brought laughter from the large number of friends who had come to pay tribute to Jack. I am sure that Jack would have liked that. At the celebration of his life at Centennial Park, there were particularly moving tributes to Jack from his son Michael, as well as from many other friends and union officials. There is a common misconception that members on opposite sides of the Chamber are daggers drawn. Of course, that is far from the truth, as some very real friendships develop in the Parliament, even though we may have different political philosophies.

It was my privilege to know Jack Wright and to respect his integrity, his ability, his straightforwardness and his decency.

I want to pay a particular tribute to his service to this State through his commitment to the Labor Party. I know how much Norma will miss Jack. They were very close and were obviously a very happy couple, and I want to express my deepest sympathy to Norma and Michael on the sad loss of Jack Wright, a fine Australian.

**The Hon. T.G. ROBERTS:** I would like to join other members and pay my tribute in respect of Jack Wright, recently deceased, and pass on some anecdotes which I can remember in dealing with Jack and which illustrate the points that the Hon. Legh Davis and others raised about his being a great Australian. In being the Australian that he was, Jack was effectively efficient and an unorthodox administrator in relation to his parliamentary duties. Between 1979 and 1982, Jack administered his portfolio in a way that no other Labour Minister or shadow Minister had done before or has done so since. Possibly the Hon. Mr McKee may have administered his portfolio along similar lines, but certainly Jack was remarkably efficient, yet unorthodox, in the way he performed his duties.

To illustrate, if you were in a union office or even on a shop floor with a dispute which had been running for some time and which looked as if it did not have a solution and was going to end up in the commission in a long drawn out struggle, as a union official or union Secretary you would say, 'Before it gets to that stage we had better give Jack a ring.' People either rang Jack here at Parliament House, his electorate office or at home at any hour up until 11 o'clock, when you would respect his privacy. You would put forward what you thought was a fair and reasonable solution to the dispute and Jack would make it his business to ring the employer organisations the day after and organise informal talks; in fact, pre-conciliation talks were held informally via the Minister and his office at all times.

It was a time when national capital and national labour were fighting an undeclared class war in which Jack was on the side of good, but he would always draw together the parties to make sure that the forces of reasonableness (the trade unions) would always come away with a decision that would be acceptable if it was placed before the corporate board rooms mainly here in Adelaide. That is another mark that has changed. Nowadays, you really have to be talking to people in Sydney or further afield to get solutions to these problems.

The distinctive mark that Jack was able to place on his portfolio was that he had the respect across the board of employers and employees. If you indicated to him informally that you were prepared to accept whatever arrangements you outlined to him on the telephone, you were not to move from them. There was no renegotiating the rules next day and being involved in one-upmanship because Jack did not stand smarties too much. He only gave one opportunity to people who did deals like that.

Jack was very good at summing people up. As those who knew him well would remember—and I am sure that the Hon. Trevor Crothers does—he had a special look. If he was not *au fait* with people with whom he was dealing, he gave people a special look in his first assessment of them when sitting around a table in committee. Those of us here who are professional negotiators, either through the law or industrial relations, know that the first assessment is very important in knowing what you are dealing with. If I saw Jack with a certain look on his face, I could always tell that he would go into bat harder for those on the labour or industrial side to try

to get a reasonable settlement from employer organisations or individuals, or those who were negotiating on their behalf would come away with black marks against their name and it would be much more difficult to get a reasonable settlement. Jack's first assessment would sometimes slow the process down. Inevitably there would be a result and he would ensure that those arrangements were adhered to.

Jack had a lot of influence in the drawing up of the amendments to the Workers Compensation Act 1971 and 1974, and in 1976 he moved amendments to the Act. Probably the longest period in which the Act operated without amendment was when it was under Jack's care and concern, although others here might argue differently. If you had problems of interpretation or if you wanted support and assistance, you rang Jack personally and spoke to him and he would always make sure that copies of the Act were provided or that the facilitation or administration processes would be made available immediately to those trade unionists who required them.

It is another mark of respect for Jack and an indication of how the Labor Party operated in those days that there was a crossover of representation between the industrial wing and the parliamentary wing, and it probably has not worked as well since Jack left. Other Ministers who have administered the Act under different climates, in different times and in different circumstances tried to get the relationship between the industrial and political wings as settled as it was in the 1970s and early 1980s but, because of changing circumstances, the changing nature of capital, the way in which industrial organisations are structured and the way in which boardrooms are made up, it has been much more difficult to get that sort of blended climate that existed in those days.

Jack was a man of his time. He was able effectively, efficiently and quietly behind the scenes to put together those sorts of arrangements and deals that everyone on both sides respected. He gave South Australian employers as much help as he could to make sure that the benefits to be derived from State support services were always provided in a fair and reasonable way against any unfair competition that might be put in their way. It was another time and another era, but we have suffered much from the removal of many of the benefits that State and Commonwealth Governments are able to provide, because the levers that Governments try to hold to exert influence within communities no longer exist. We might hold the handles, but there is a gap between the accelerator pedal and the instrument that Governments hold to try to effect those changes.

With those few words, I pass on my condolences to his widow, Norma, and to Michael and his family. I just hope that Jack's influence within the Labor Party remains, particularly with those people who carry the bat to pass on to future generations. Jack was certainly a generation in front of me, but the respect I have for the principal way in which Jack operated certainly stuck with me throughout my early days in this Parliament.

**The Hon. P. HOLLOWAY:** I wish to be associated with this tribute to Jack Wright. My involvement with Jack Wright was not great but there was a time when he represented the Adelaide electorate which, in those days, extended into the western suburbs, and a small part of that electorate coincided with the Federal electorate of Hawker. At that time I was working for the Federal member for Hawker and I attended meetings at which Jack Wright was present and took part in discussions in relation to the Labor Party. During that time

I was certainly struck by what an impressive figure Jack Wright was.

I always thought that he was a reflective and incisive person. As others have said, he never lost his cool; he was always good humoured and spoke with great authority. There was a real presence when Jack was around—you could not help but feel it. At Jack's State funeral yesterday those who had worked more closely with Jack paid adequate tribute not only to his great negotiating skills but also to the very difficult task which he took on in Government and within the Labor movement and which he handled so well. When the history books are written I believe that they will record the very considerable contribution that Jack Wright made to not only the industrial movement but also to the Australian Labor Party.

There is no doubt that Jack Wright was a key figure in the success of the Labor Party during the 1970s and 1980s. Jack Wright was one of a generation of Labor figures raised during the Depression. They were a fairly unique breed, and I count it as a great privilege that I have been able to meet and work with that generation of politician, because they had a tremendous commitment to Labor ideals that were forged as a result of difficult working conditions faced by people in those times. Their commitment to the Labor cause never wavered. I express my condolences to Jack's wife, Norma, and to Michael and Meredith and their family.

**The Hon. T. CROTHERS:** In rising to pay tribute not just to my colleague but to my mate and my friend in his passing, I put on record that, because of my own health problems at the moment, I was not able to attend the funereal celebrations that took place yesterday. I welcome the opportunity to place on record just a few thoughts that I have in respect of Jack Wright. As my colleague the Hon. Paul Holloway said, Jack Wright was one of a generation of Australians who was brought up during the depths of the Depression of the 1930s and, as such, people, like Jack, progressed through the union ranks into the Parliament. The Depression left an indelible mark, I think, on all Australians.

When you have seen someone like Jack Wright, who had not much formal education but who had a powerful intellect in respect of his capacity for absorption of thought and deed, it does say something in respect of the ingredient mix that we get today relative to people in positions of power, such as Parliament and other areas of our society. It almost seems that now, unless you have a university degree, you are regarded as not being suited to fill those positions. People such as Jack Wright, of course, and his colleague Mick Young, give the lie to that particular matter in the way in which they discharged all their responsibilities and duties that fell their lot. They pursued what they saw as their way through life relative to endeavouring to ensure that the sons and daughters of the generations succeeding them would be born into and brought up in a better Australia than that which they witnessed in their childhood and which took place in the 1930s.

My colleague, George Weatherill, referred to Jack's sporting prowess. That is something that is almost strange to me, but not quite. I recall an occasion—I was a West Adelaide barracker and it was well known that Jack was a Redleg barracker—and we met in almost the opening season at Football Park. Jack certainly showed me a lot of sporting prowess on that day: I think I had to be assisted home somewhat the worse the wear thanks to Jack's sporting prowess.

*An honourable member interjecting:*

**The Hon. T. CROTHERS:** I think about 6.15. Again, on another occasion, as a very poor golfer I was teeing off at the nine hole course at Regency Park and a ball whizzed past my nose and about 10 seconds afterwards someone sang out, 'Fore'. I looked up and it was Jim Dunford. I felt the wind of the ball as it rushed past my nose as I was lining up to tee off on the first hole. Jim, along with other Labor stalwarts—Geoff Virgo, Jack Wright and Mick Young—were coming down the other way. Jack, being an old mate of mine, apologised profusely to me and decided that we should immediately retire to the 10th hole at Regency Park where they would ensure that I did not suffer any stresses and strains from that near miss. It took us about six hours to ensure that my rectitudinality fully recovered.

*The Hon. L.H. Davis interjecting:*

**The Hon. T. CROTHERS:** I do not know whether it was a left or right hook: it might have been down the middle, knowing Dunford. There are many stories one could recount, but I recall the day my friend, who was a punter—and those who know me know that I am not a punter—lost his car through suspension of licence and asked me to drive him to Cheltenham—which I did. There, looming large as life and striding purposely towards where the trainers are located, is Jack Wright and Mick Young. Knowing Jack's propensity for a punt here and there, I asked him if he could give me any winners that day—as I was absolutely naive and did not really punt at all. He said, 'We are just going down to see the trainer of a horse we have got, along with Keith Plunkett. We do not know what's happening yet.' I said, 'Righto, give us the drum when you come back.' I kept a wary eye open and 10 minutes later he came back and said, 'The trainer (whom he mentioned by name and whose son was riding the horse) has told us to have something each way as a saver. It couldn't win today.'

So, I am down there having my \$5 each way and my mate, who by this time had the bit between his teeth, had \$50 each way on the horse. The horse was Red Hot Mama. As we were standing in the old wooden grandstand near Torrens Road, my mate was standing behind me and hitting me wallops behind the back that would have flummoxed Phar Lap. I said, 'Don't do that: what's wrong?'; he said, 'Our horse is 2½ lengths in front and going away', and, of course, it duly won by about five lengths. I said to Jack, 'You're a nice bloody mate'; he said, 'What? We are just going down to line up the trainer now. I told you what he told us. I had only \$20 each way on it myself.'

Of course, back yonder when, there is no doubt that Bob Hawke owed his election as President of the ACTU to events that unfolded here in South Australia. That would be a matter reasonably well-known to the inner sanctum in South Australia, but not generally well known to the general public. But, Hawke was elected over Harold Souter to the presidency of the ACTU—Souter had been a former South Australian secretary of boot trades—largely due to the efforts of some members of the trade union movement in South Australia.

Of course, HQ, as it remained for many years, was the Earl of Aberdeen, where there were the inveterate punters, former shearers and mates of Jack and Mick, all the shearing fraternity, such as Dunford and so on. There was the bar manager there, in fact the lessee, big Fred Cooke. Big Fred Cooke was as rough a diamond as anybody else that you would ever have met in that fraternity, and many a time I saw the Hon. Bob Hawke return from the races slightly the worse for wear and, on a couple of occasions—as my own mother would describe it—three sheets to the wind. That was the sort

of fraternity that was down there—anything was always possible and indeed on many occasion it happened.

I want to pay a tribute to Norma Wright, Jack's wife. It is not really known but Jack himself did tell me on many occasions that anything he ever became he in no small measure owed to Norma. At a time when Jack, as a good numbers man, both in the union and elsewhere, was always watching very carefully the numerical performance of his sub-branches in respect of which way they might vote, he was always able to absolutely 150 per cent depend on Norma Wright. She looked after the numbers side of politics, whilst Jack looked after the political side of politics.

But I first met Jack Wright many years ago when he was an organiser with the Australian Workers Union in their old office in, I think, Flinders Street. It was not far from the old Trades Hall, which was then operative where the ANZ Bank is at Trades Hall Lane off Grote Street. It was a rambling old building that was used by the union; I think it was an old church, but the union occupied that until they moved to the other premises. It was where I first met Jack Wright many, many years ago, down in the old Trades Hall in Grote Street. Jack was in my view an industrial giant. His passing has probably brought the end of an era. He is the last of a breed where at one time, say 20 years ago, there was a mix of people from all over the place in the Labor Party who would be picked out as candidates for pre-selection, and certainly Jack Wright was always on the look out for talent. In that regard where he could throw support behind people he regarded as being talented he would do so.

That has changed today. I will not say whether it has changed for the better or for the worse but simply that it has changed now, where very few trade unionists are coming through the ranks into the upper echelons of the pyramid of power that is represented in any political party by the various parliamentary chambers right across the nation, and indeed in other nations. The AWU was a very important union in Australia because it was really the first union of industrialised workers formed up in Australia. It was formed by a Scotsman called Augustus Spence, who was a shearer and who was centred on Creswick, up in the goldfields of Victoria, when first he took to the road and formed a coalition of workers, which then became the Australian Workers Union, representing shearers, amongst many other workers, non tradesperson workers, throughout the length and breadth of this nation.

It was as a pastoral union that the AWU first started up and, of course, it would be fitting to record that many of the people who came through the pastoral industry, particularly the shearing sheds, became parliamentary representatives of the working class of this nation. It is a class that I think is being neglected by all political Parties at the current time. I recall that when as a little fellow—and I am sure you will not mind if I digress, Mr President—my father would say to me, 'Son, the Almighty must love the little fellow,' I would look up at my dad and say, 'Why is that dad?' He would say, 'Because he made that bloody many of us.' I have never forgotten that and I never will, and neither did Jack Wright forget it.

I could place many other things on record, but I am sure, Mr President, in the exercise of your discretion you would have to have several pages torn out of *Hansard*. However, I will recall Jack's *modus operandi*, and there is no doubt that he was different. His *modus operandi* in respect of the resolution of problems was different entirely from any that I have seen before or since. I doubt very much whether we will ever see Jack Wright's like again. In my view he

certainly represents the end of an era, because most union officials today have not come up through the school of hard knocks and the university of adversity, as they did in my day. Most union officials today are carrying as many degrees as anyone else at the periphery of political ideology, from the extreme Right through to the extreme Left. In my view, Jack concludes an era which I think served Australia and the people of Australia very well. Jack Wright epitomises all the good things I could go on to say about him; within his own self he encapsulated the lot.

I was extremely sorry that my own health did not permit me to attend the memorial service for him at Centennial Park, but I will say this in conclusion. Jack Wright had the stamp of a giant. Although he has been gone as a union official for 30 years now, he is still remembered reverentially by those people who were members of the union when he served as union organiser, as delegate in the sheds among all the other 'greasies' and then as union secretary. It is a sad day for me being here on my feet paying tribute to Jack. I almost feel like shedding a tear, and I am holding myself together. But pay a tribute I must, because if ever a man earned the undying respect of everyone who ever came in contact with him, such a man was Jack Wright; a giant of a man, who will be remembered in the AWU for the good works he did and who will continue to be remembered many years after his death. One can say that of few people but I say that in full knowledge of the rectitude not only of my position but in respect to the late departed Jack Wright.

**The Hon. R.R. ROBERTS:** I rise also to speak in memory of my comrade brother Jack Wright. I first came into contact with Jack Wright in about 1973 or 1974. As a young trade unionist in Port Pirie I had heard stories about the troubles within the AWU and all that that entailed. A secretary whose name has long been forgotten sacked a band of elected trade union officials, of whom Jack was one. They then engaged the services of a young QC—Dame Roma Mitchell as she is known now—to fight that case. They won a very famous victory to reinstate those people and, boy, has that decision been vindicated. Most of those people went on to distinguish themselves within the trade union movement and Australian parliamentary life, and included among them were people such as Jack Wright, Mick Young, Clyde Cameron and Don Cameron, all of whom made enormous contributions.

*An honourable member interjecting:*

**The Hon. R.R. ROBERTS:** Reg Groth was another who was involved in that. I had heard all this, including what a great deal doer and solid campaigner Jack Wright was, with a reputation for seldom losing a fight. In those times Jack Wright was an organiser at Port Augusta. The AWU and the Australian Labor Party have always had a strong working relationship. At that time the Australian Labor Party was going through a bit of a trough in the organisation at Port Augusta. Jack was the organiser and set about trying to re-establish the sub-branch.

Jack had also married a young lady from Quorn, to whom others have referred. Jack organised a barbecue at Mambray Creek and a few likely lads from Port Augusta and a few from Pirie went up there and all had a rousing time and made a lot of money. Some suggested there was a two-up game, but I doubt whether that was necessarily the case. I had still not met Jack Wright at that stage, but in 1973-4 the seat of Pirie preselections were being looked at once again and the President of the Australian Labor Party and State Secretary

were sent to Port Pirie on a fact finding mission to find out who ought to be preselected for the Australian Labor Party for the seat of Port Pirie on the retirement of Dave McKee.

I was working in the smelters and got a message that two chaps wanted to see me—a George Whitten and a Jack Wright—to discuss preselection. I met them at an appropriate place—the Federal Hotel at Port Pirie, that great bastion of the Labor Party for many years. Mick Young used to reside there; Dave McKee was a regular, as was Jimmy Dunford. After I had worked my trotter—I had to get my priorities right—we had a long discussion about whether a Jack Phelan or a Ted Connolly would be the best candidate for the seat of Pirie. For the record, I proffered the fact that I thought Ted Connolly would win in a canter at that stage, and after some two hours and quite a few beers—and I was not a good drinker at that stage—it was suggested to me by Jack Wright that I ought to consider standing for the preselection myself. I nearly fell off the bar stool because in those days I had no inkling about politics and was interested in trade unions. That is where I saw my association with brother Jack Wright as being the only interest we were sharing at that stage.

Given that Jack had a reputation of being such a good dealer, I was convinced about a hour later that I ought to put my name forward and George Whitten and Jack Wright left Port Pirie in a solid state of mind. They told me on subsequent occasions that it was their recommendation to the State Executive that I should be preselected—about the only deal Jack did not deliver. However, it created some interest in politics. I met Jack Wright again after the very famous loss—which probably started the run of Independents in the Labor Party—where Ted Connolly had stood as an Independent and won. We had gone through the processes and history has a habit of repeating itself.

When Ted Connolly, on the advice of another famous Labor person—Don Dunstan, applied for readmission into the Labor Party it was my task from Port Pirie to oppose that. I did that vigorously, lost on the voices and Jack Wright called me aside and said, ‘I want to talk to you.’ I thought, ‘Here it comes now.’ He said, ‘You did that very well—you could have ruined your whole career, but you did it very well.’ I said, ‘Jack, that is because I lost: I don’t know whether you’d be so forgiving if I’d won!’ I said that in jest because Jack was one of the few politicians who knew that politics was the art of the possible and we had to keep going on.

He came to me later with a proposition that we ought to be supporting John Bannon as the replacement for Premier Don Dunstan, although Don had moved on and Corcoran had gone through. He said, ‘This bloke will achieve as much as Don Dunstan.’ I thought that they were big shoes to fill. I believe that Jack Wright’s assessment of the potential that John Bannon showed, and his enormous record of achievement—and I know that it is very easy to look at John Bannon’s contribution and only come to the State Bank—

*An honourable member interjecting:*

**The Hon. R.R. ROBERTS:** I note that there is an interjector at the moment—at the time of eulogy—who wants to play games. But John Bannon’s record vindicates Jack Wright’s assessment of him when he named him as someone who ought to be supported for Premier.

Jack and I shared a whole range of other experiences, including our interest in trotting. When Jack was the Minister and there was a job creation scheme and a proposal from Port Pirie to revamp the track and upgrade the lighting, due to my background in electricity and trotting I was the natural selection of the Port Pirie committee to do the liaison.

I remember ringing Jack Wright and trying to explain to him what a great proposal this was and suggesting that, as Jack came from our area, he owed us something. He said, ‘No, you will have to put in a proper proposal and fully explain,’ and he pointed out to me that he could not influence the decision by saying that this project had to be undertaken—however, he could say that a proposal should not go ahead. After I had talked to him for about an hour as to why I thought it was such a great idea, he undertook to talk to the project director. Two days later the project manager came to Port Pirie, and he was no longer saying ‘If you get funding,’ but ‘When you get funding.’ So, Jack in his way, whilst it was according to Hoyle, did influence that decision, and that has been a bonus.

After I became a member of Parliament, Jack was the President of the South Australian Trotting Board, and on a number of occasions in the course of my official duties he, Norma and I often met at functions and enjoyed the trotting.

Something that my colleague the Hon. Terry Roberts touched on—and which is an interest that I have always had because of my trade unionism—was that Jack was, in many ways, the architect of the WorkCover system in South Australia. I believe that that was the best WorkCover proposal anywhere in Australia. Collectively, we have gone about knocking the legs out from under it—but it is still a reasonable system. Jack has a legacy there: when workers are injured, in no small way do they owe something to Jack Wright.

Jack Wright was a great believer in the Labor traditions. He sincerely believed that the unity of labour was the hope of the world, as we put it. He was a person of great solidarity and I am sure that, when the song *Solidarity Forever* was sung at his funeral yesterday, he would have been very welcoming of that. I look forward to meeting Jack Wright in another place at some time, in solidarity. I do not believe that I will be promoting trade unionism or politics, but I certainly will be willing to go along with Jack and Norma to the trots (if they have them up there) and have a few quiet ales.

**The Hon. CARMEL ZOLLO:** I, too, rise to express my condolences to Norma and Michael Wright and his family at their sad loss. I regret not being able to attend the funeral yesterday. I had committed myself to represent the Hon. Mike Rann MP, Leader of the Opposition, at investitures at Government House. I thought it inappropriate if the Opposition was not represented at a public and community function to acknowledge people who have contributed so much to their State.

I did not have the pleasure of working with Jack Wright, but I met him socially on many occasions. I always found him to be a generous man, who never forgot where he came from and what he stood for. I heard a former colleague of his, Don Hopgood (now Moderator of the Uniting Church) say on radio yesterday that he sat next to him on the front benches of Parliament for many years but neither had ever had reason to say a cross word to each other.

Jack Wright is remembered as a competent man who worked hard and expected the same of the people who worked for him. My husband Lou was a ministerial adviser for several years at the beginning of the Bannon Government and knew of the respect in which Jack Wright was held. Jack Wright was a shearer who worked his way through the union movement and, as a natural progression, I guess, became a member of Parliament.

Don Hopgood described Jack as a quietly confident man who could hold his own amongst some of the intellectuals by whom he was surrounded at the time. Certainly, history has had reason to be kinder to him than others. Jack Wright was not a man who attracted animosity; he was a conciliator and a negotiator, and I understand that he had a good sense of humour. In my short time in the Parliament I am fast learning that when one is dealing with the ego of some people humour is an important asset in politics. Mick Young, one of Jack's best friends, is reported as saying that the only flaw that he could find in Jack Wright's character was his support of the wrong football team.

In keeping with his belief of improving the lives of working class people, Jack Wright was the architect of several pieces of legislation which did just that. In 1975 he became the Minister for Labour and Industry. Jack brought commonsense to industrial relations legislation in this State. He made major contributions to industrial law and practice and distinguished himself in his other portfolios. He also set the stage for South Australia's compensation debates on injured workers' rights and rehabilitation, as has been mentioned by other members. An article written in 1985 at the time of Jack's retirement states:

Jack Wright, who started working as a shearer in Queensland 45 years ago, has always considered himself a working class man. Friend and foe agree.

Together with the whole of the labour movement, I offer my condolences to the family of Jack Wright.

Motion carried by members standing in their places in silence.

[Sitting suspended from 3.28 to 3.45 p.m.]

## QUESTION TIME

### BLANDY, PROF. R.

**The Hon. CAROLYN PICKLES:** I seek leave to make a brief explanation before asking the Treasurer a question about an *Advertiser* article on Professor Blandy.

Leave granted.

**The Hon. CAROLYN PICKLES:** Today's *Advertiser* carries an article from Professor Richard Blandy in opposition to the sale of ETSA. The *Advertiser* has carried much comment in support of the sale from Professor Cliff Walsh who is on Premier Olsen's payroll as chief economic adviser. Significantly, Professor Blandy was a chief economic adviser to the deposed previous Premier, Dean Brown, in his role as head of the South Australian Development Council. That council was abolished and Professor Blandy was sacked shortly after John Olsen became Premier. My questions to the—

**The Hon. L.H. Davis:** You've answered your own question, have you?

**The Hon. CAROLYN PICKLES:** Well, I wonder why. My questions to the Treasurer are—

**The Hon. L.H. Davis:** Do you smile when you say that?

**The Hon. Diana Laidlaw:** What a horrible face!

**The Hon. CAROLYN PICKLES:** Well, it's a horrible person asking that question. My questions to the Treasurer are—

**The Hon. L.H. Davis:** You've answered your own question again.

**The Hon. CAROLYN PICKLES:** —if I could just get to them—does the Treasurer agree with Professor Blandy's statement that 'the truth is that the sale of ETSA is unlikely to be a magic bullet that solves South Australia's economic problems' and that 'ETSA is worth a lot of money in the Government's own hands'? Does the Treasurer agree with Professor Blandy's statement that 'if the Government sells ETSA for \$5 billion it can repay \$5 billion in State debt but it also loses a State asset worth at least the same amount'? Will the Treasurer answer Professor Blandy's question, namely, would a private buyer 'really pay \$5 billion for this sort of income stream from an electricity utility whose financial viability in current Government ownership, so we are being told, is likely to be at risk when the national electricity market starts at the end of the year'?

*Members interjecting:*

**The Hon. CAROLYN PICKLES:** Well, you were very friendly with Professor Blandy at one time, weren't you?

**The Hon. R.I. LUCAS:** I point out to the—

*Members interjecting:*

**The PRESIDENT:** Order! The Treasurer is on his feet to answer the question.

**The Hon. R.I. LUCAS:** The Government and certainly I as Treasurer have never proclaimed that the sale of ETSA and Optima would be some sort of magic bullet. To that extent, to use gender inclusive language, that is a straw-person's argument. It is not an argument that the Government has developed—that this was some simple solution to the State's problems. However, what we have said and continue to say is that it is a hell of a lot better than any other solution that anybody, including Mike Rann—

**The Hon. L.H. Davis:** Who hasn't even got a solution.

**The Hon. R.I. LUCAS:** —who hasn't even got a solution—or, indeed, any other commentator has put on the table to solve the debt burden, the debt problem and the financial structural problem we have in our State budget.

**The Hon. L.H. Davis:** The Pickles' plan is yet to be seen.

**The Hon. R.I. LUCAS:** Yes, we haven't seen the Pickles' plan, the Rann plan or, indeed, any Labor plan. It is easy to cheer from the sidelines and to say what is wrong or 'We disagree.' However, nobody has been prepared to put down an alternative plan to the Government's proposition. The proposition that the Government has put with its four year financial plan involving the sale of ETSA and Optima is the only game in town. No other alternative has been put down by anybody in relation to our \$7.5 billion debt and how we will manage the State's finances over the coming four years to meet even part of the wages increases that the front bench colleagues of the Hon. Mr Holloway continue to support publicly when union leaders seek 4 and 5 per cent annually, as did Lea Stevens, the member for Elizabeth, during the nurses' dispute. That is the simple answer to the first question from the honourable member.

We have not claimed it, and it is wrong for anyone to suggest that we have claimed that this is a magic solution to all the problems that confront the State. It is a significant part of the solution, together with our four year financial plan and the other changes that are incorporated as part of it. I rather like Dick Blandy and will continue to count him as an acquaintance and a friend. However, on this occasion, I disagree strongly with some of the points Dick has made. He is entitled to his views, and the honourable member in her explanation is critical of the *Advertiser's* giving prominent coverage to Cliff Walsh's views. The *Advertiser* has given prominent coverage to John Spoehr's views—



**The Hon. L.H. Davis:** And John Quiggin.

**The Hon. R.I. LUCAS:** —to John Quiggin's views and to Dick Blandy's views. For the honourable member to be saying that the *Advertiser* has been giving coverage only to Cliff Walsh's views by way of inference in support of the sale of ETSA and Optima is to deny the reality of the coverage that Quiggin, Spoehr and Blandy now have in terms of arguing an alternative viewpoint.

One of the deficiencies in Dick's analysis today was that it was notably silent on the whole issue of risk. Dick was making judgments about the value of the asset, and again there were some aspects of that about which, if I get the opportunity, in discussions with Dick I would be happy to engage in constructive dialogue with him, where again we would take a different viewpoint. He incorporated some Quiggin-Spoehr type analysis that we were generating some \$300 million annually from ETSA and Optima. In his article, he did not look at the impact of the national market on that dividend and income stream over the coming years. As I said, I have some regard generally for Dick's views on economics. I would be surprised if he was adopting a position that we could assume, as Mike Rann and others are arguing, that we would continue to get this existing dividend and income flow forever and a day with a publicly owned ETSA and Optima competing in a cutthroat national electricity market. As I said, there are very few sensible people left in South Australia who will argue that we can continue to maintain and, as Mike Rann argues, actually increase the dividend and tax stream flow from ETSA and Optima into the Government's coffers.

I respect Professor Blandy's views in relation to this; I just happen to disagree with some aspects of his analysis. There are important critical areas, such as the risk of owning public utilities like ETSA and Optima in a cut-throat national electricity market, that were not addressed by Dick Blandy in his analysis. In any judgment that anyone sensibly has to make about whether we continue to own and maintain the risk as taxpayers or whether we sell and remove substantially the risk to private sector shareholders, you have to do that analysis on the risk of ownership of those assets. I would be happy to provide Dick with further information in the hope that he will be prepared to have a serious look at those important issues.

## FEDERAL BUDGET

**The Hon. P. HOLLOWAY:** I seek leave to make a brief explanation before asking the Treasurer a question on budget forecasts.

Leave granted.

**The Hon. P. HOLLOWAY:** Today the Federal Treasurer announced that the Federal budget forecast would be revised following the release today of the latest national accounts data. The forecast for national growth has been revised down from 3 per cent to 2.75 per cent. The forecast for unemployment has been revised upward from 7.75 per cent to 8 per cent. Therefore, my questions to the Treasurer are:

1. Does the Treasurer stand by his budget prediction of State growth of 2.5 per cent or will this now be downgraded?
2. Does the Treasurer stand by his budget prediction of employment growth of 1 per cent or will this now be downgraded?
3. Does the Treasurer stand by his prediction of a budget surplus of \$4 million? If not, what is the Treasurer's new forecast for the budget outcome?

**The Hon. R.I. LUCAS:** In the space of the—

*The Hon. A.J. Redford interjecting:*

**The PRESIDENT:** Order! The Hon. Mr Redford.

**The Hon. R.I. LUCAS:** I must admit I was slightly heartened to see that Federal Treasury's prediction of the impact on GDP nationally was only .25 per cent. Certainly, I think a lot of the private sector and other commentators were predicting a significant winding back of GDP estimates for 1998-99. To a degree—

**The Hon. P. Holloway:** Whom do you believe—the Treasurer or the private sector?

**The Hon. R.I. LUCAS:** I listen to all of them. I am comforted because, unlike the Hon. Mr Holloway, I do not close my ears to all sorts of advice that I receive. I am prepared to listen to anyone with a constructive contribution to make to the debate. What was predicted in terms of the downgrade was at the lower end of the predictions or projections by a number of commentators. Certainly, it would not surprise most sensible people, I would hope, to note that, in the space of two hours since that has been changed by the Federal Treasury, we have not churned through all our numbers as a State, and I am sure that the other State and Territory Treasuries have not done so. We will continue to maintain a watchful eye not only on the Federal Treasurer's projections but on the information which is available to us as a regional economy. State Treasury and other State-based commentators share a view that South Australia is not as exposed to the Asian markets as are some other States and Territories. Whilst obviously—

*The Hon. T.G. Roberts interjecting:*

**The Hon. R.I. LUCAS:** We have less going to the Asian economies, but we have a greater exposure to Europe and America. However, we must acknowledge that we are reliant on the health of the Eastern States economies in terms of our interstate trade. If Asia has an impact on the health of the Eastern States, there is a second tier effect on the South Australian economy as well. All we can do is look at our assumptions now that the Federal Treasury has adjusted its figures and, in the normal process of time, we will continue to monitor our situation. I imagine that we will do a review at six months and then make a judgment whether or not we need to change our forecasts. In the space of two hours I have had no advice, and I would not have expected any advice from Treasury to say that we must hastily downgrade our employment and State product projections, as well as our estimates of the State surplus.

In relation to the State surplus, there are many factors which impact on it, one of which is the estimate of national growth and the potential impact of that on State growth. Before we hasten to make any adjustments to our bottom line budget projection, we take that factor into account and many other factors as well.

**The Hon. A.J. REDFORD:** I have a supplementary question. Is the Treasurer aware of the information that South Australia is outperforming the Eastern States in relation to retail sales growth and car sales growth, and does he have any comments to make about those figures?

**The Hon. R.I. LUCAS:** It is true that the most recent retail sales figures, which came out in the last week (I am going on memory here), showed growth over the last 12 months of about 8 per cent or 9 per cent, which was the best of virtually all the States in terms of retail sales growth. Those who are prepared to look at some of the positive aspects of the economic figures that are produced, rather than just the negative aspects or downside of some figures, might like to share in some of the good news occasionally. As the

Hon. Mr Redford has indicated, we would be happy to share our retail sales figures and other growth figures with the merchants of doom and gloom across the Chamber if they were interested in terms of the positive aspects of growth in South Australia.

### ELECTRICITY, PRIVATISATION

**The Hon. T.G. ROBERTS:** I seek leave to make a brief explanation before asking the Treasurer a question on the sale of ETSA and Optima.

Leave granted.

**The Hon. T.G. ROBERTS:** A timely article by Professor Richard Blandy in today's *Advertiser* balances the *Advertiser's* opinion in its editorials and letters to the Editor, which are countered somewhat, I suspect, by Professor Blandy's article. The article refers to issues of the national market, and everyone who has made a contribution in this Council has spoken about the vagaries of being able to compete. The article states that further economies in ETSA's operations are just as possible under public ownership as under private ownership, but public ownership should not be an impediment to gaining the efficiencies that are required to compete on a national market. Professor Blandy contends that:

The same economies could be effected by ETSA itself, even if it remained in Government ownership. The only body that could possibly stop it from doing so would be the Government of South Australia itself.

He goes on to say that the only way a private company could be more profitable would be by cutting costs, and that point was made by a number of members on this side of the Chamber who said that that is one of the ways, traditionally, in which privatisation has delivered benefits to shareholders, sometimes not in the public interest. The report continues:

The real reason why ETSA might be worth more to a private buyer is that there is inevitably going to be a fall in employment in ETSA if it is going to be nationally competitive, but the Government does not want to do this or carry the can for cutting back the jobs itself.

**The Hon. L.H. Davis:** Oh, don't be ridiculous, Terry.

**The Hon. T.G. ROBERTS:** My questions to the Treasurer are:

**The Hon. L.H. Davis:** Jobs have been cut from 6 000 to 2 800 in public ownership. What a ridiculous assertion.

**The Hon. T.G. ROBERTS:** The interjection from my colleague on the other side is that cuts from 6 000 to 2 500 have already occurred in public employment. That is the exact point we have been making on this side of the Chamber: the trade-off in relation to efficiencies and jobs has been done through negotiations over almost a decade. It is not as if they happen instantaneously: those reforms have taken place to allow ETSA to survive into the 1990s. It is no secret—

**The PRESIDENT:** Order! The honourable member sought leave to make an explanation and not to debate the matter.

**The Hon. T.G. ROBERTS:** I am answering the honourable member's interjection.

**The PRESIDENT:** The Hon. Terry Roberts should not answer an interjection.

*Members interjecting:*

**The PRESIDENT:** Order!

**The Hon. T.G. ROBERTS:** My questions to the Treasurer are:

1. Does the Treasurer acknowledge that the only significant way in which a private owner might run ETSA more financially effectively to the benefit of shareholders than the Government is by significant job shedding and, if so, what value are the Government's assurances of no forced redundancies?

2. Given the Government's support for the motion before this Council which states 'to ensure that at least 90 per cent of the proceeds from the sale of ETSA and Optima Energy are used to retire debt or other long term liabilities of the State of South Australia', will the Treasurer explain the contradiction between his support for this motion and the stipulation of the Electricity Corporations (Restructuring and Disposal) Bill that all proceeds of the sale should go towards debt reduction?

**The Hon. R.I. LUCAS:** I am happy to debate a motion which appears on the Notice Paper when we reach the Notice Paper. If, Mr President, you permit me to respond to that question, I am happy to do so during Question Time. I would have thought that 100 per cent is certainly at least 90 per cent. It is a pretty simple answer to the honourable member's question. The motion which is before the Chamber later today states that at least 90 per cent of the Government's preferred position has been put down in its reform legislation. It may be that, in the end, in the interests of getting the legislation through the Parliament, as always the Government, being a reasonable Government, might have to compromise on its preferred position. That is an option which is certainly not a concluded view from the Government at all: it remains an option on which the Government can make a definitive decision in the future. There is certainly nothing inconsistent in that.

In relation to the first issue, the simple reality is that, as the Hon. Mr Davis highlighted by way of interjection, under a Labor Government for approximately four years and under a Liberal Government for 4½ or 4¾ years, we have seen a reduction in employment within ETSA and Optima Energy from approximately 6 000 to 2 500 employees—a reduction of 3 500. The hypocrisy is that the Hon. Mr Ron Roberts interjected that he is protecting the jobs of workers, particularly in regional areas, but where was the Hon. Ron Roberts (under his Labor Government) protecting jobs—if that is what he says he was doing—when the number of employees within ETSA and Optima declined from 6 000 to 2 500? We know where the Hon. Ron Roberts was: he was sitting fat, dumb and mute on his hands not doing anything about it, because that is the way of the Hon. Ron Roberts.

*An honourable member interjecting:*

**The Hon. R.I. LUCAS:** Well, we might hear a lot but there is no action from the Hon. Ron Roberts—that is the point we are making. One hears a lot, a lot comes from his mouth, but there is no action—never was in Government and there has been nothing in Opposition.

*Members interjecting:*

**The PRESIDENT:** Order!

**The Hon. R.I. LUCAS:** He reminds me of the star centreman who ends up in the back pocket one step away from the interchange bench and forever gone.

*The Hon. L.H. Davis interjecting:*

**The Hon. R.I. LUCAS:** I do not know whether he was a star centreman, but he is in the back pocket at the moment and he is soon to disappear. The reality is that the previous Labor Government realised and the Liberal Government has realised that in terms of being able to compete in the cutthroat national market that is soon to start both ETSA and Optima

will have to be radically different organisations and utilities in the late 1990s and the early part of the next millennium from what they were in the days of the 1970s and 1980s when we saw significant growth.

That was a reality acknowledged by both Labor Governments and Liberal Governments in terms of total employment. I think the proposition that Dick Blandy is putting in his article this morning—and with great respect to Dick, I do not agree with him—is that in some way this is a ruse because Governments have not been prepared to bite the bullet and to reduce employment within the publicly owned electricity utilities because of fear of backlash. The reality is that both Labor and Liberal Governments have been trying to bite the bullet and to make the electricity utilities as competitive as possible for the advent of the national market.

*The Hon. T.G. Roberts interjecting:*

**The Hon. R.I. LUCAS:** That is not going to change.

*The Hon. T.G. Roberts interjecting:*

**The Hon. R.I. LUCAS:** If the Hon. Mr Roberts is prepared to look at the legislation that the Government has brought into the House, if he is prepared to talk to union leaders such as John Fleetwood—

*The Hon. T.G. Roberts interjecting:*

**The Hon. R.I. LUCAS:** You were not able to give a guarantee under public ownership. The Hon. Terry Roberts wants to know if we will give a guarantee.

*Members interjecting:*

**The Hon. R.I. LUCAS:** What guarantee did you give them?

*The Hon. T.G. Roberts interjecting:*

**The Hon. R.I. LUCAS:** What guarantee did you give them?

*Members interjecting:*

**The Hon. R.I. LUCAS:** The Government has given its commitment that there will be a two year certified agreement under the Workplace Relations Act.

*The Hon. Sandra Kanck interjecting:*

**The Hon. R.I. LUCAS:** I am happy to engage in a political argy-bargy with the Hon. Sandra Kanck about this issue, but I am trying to respond to the questions from the Hon. Terry Roberts in relation to the issue: no forced redundancies up to the point of sale; a two year certified agreement after the point of sale, which would have no forced reductions; and under the Federal legislation—

*The Hon. Sandra Kanck interjecting:*

**The Hon. R.I. LUCAS:** I would hope that the Hon. Sandra Kanck would at least listen to the answer I am trying to give to the Hon. Terry Roberts. I am sure that the Hon. Terry Roberts would know better than a number of other members that under Federal legislation the commitment can only be removed from the certified agreement with the agreement of the unions representing the workers of ETSA and Optima. The Hon. Terry Roberts nods his head; he knows that if there is a certified agreement it can only be removed with the agreement of the union. If the union agrees on behalf of the employees, then that is a decision that the union takes—and I am sure knowing the unions involved that they would do it only if they were getting some sort of benefit or trade off or deal which meant they were prepared to agree to it.

We have been negotiating with the union for months. We have bent over backwards to negotiate. It is not just a Labor Government that can negotiate with Mr Fleetwood and Mr Donnelly and others who represent the workers of ETSA and Optima, but we are genuinely endeavouring to meet all

reasonable requests. We believe that through the certified agreement proposal, through no forced redundancies up to the point of sale—and we have the power to reduce if we wanted to—it is then a decision for the workers themselves and their representatives as to whether that particular provision or condition was to continue in subsequent certified agreements.

The Hon. Mr Roberts is familiar with the Federal Act and knows the powers of that Act in relation to these provisions that are included in legislation. In summary, the Government does not accept the view that in some way this sale is just about trying to hide from taking the difficult decision of the reduction in the number of employees within the public sector. This Government and the previous (Labor) Government have been taking those difficult and painful decisions over a long time and, frankly, if we remain within public sector ownership, it will remain an issue for either this or some future Government if our ETSA and Optima are to continue to compete in this cutthroat, national electricity market.

### NATIONAL HERITAGE TRUST

**The Hon. A.J. REDFORD:** My question is directed to the Minister for Transport and Urban Planning, representing the Minister for Environment and Heritage. What level of funding is South Australia expecting to receive from the 1998-99 allocation of the National Heritage Trust?

**The Hon. DIANA LAIDLAW:** South Australia is seeking \$44 million from this fund. Already, as a State Government, we have made available \$6.8 million in additional funding in 1998-99 to help attract this level of National Heritage Trust funds. Bids totalling \$114 million were actually received for projects across the State. After an assessment of those projects in early May by regional assessment panels, assisted by technical assessment panels, the State assessment panel met in late May and presented the bid to the Commonwealth. Whilst all projects are assessed on merit and projects from South Australia are in open competition with projects from other States and Territories, the State Government is (perhaps quietly at this stage) generally confident of exceeding the level of investment in 1997-98.

In that year and earlier we have consistently received more than a *pro rata* share of funding from these special grant areas. Our *pro rata* 'entitlement' is about 9 per cent. However, South Australia has been receiving up to 20 per cent, depending on the environmental program. This is quite an outstanding result and a credit to the local groups that have been preparing the programs within South Australia. Some of these projects from last financial year are worth highlighting. In the Murray Darling region the 2001 project was worth \$7.2 million. Another project, the Upper South-East Salinity and Flood Mitigation Program, received \$1.8 million from the National Heritage Trust, which funds are directed at drainage, salt land agronomy, revegetation and wetland restoration and management. The fencing of regnant vegetation also receives a considerable boost in funding of \$1.03 million from the National Heritage Trust.

**The Hon. T.G. ROBERTS:** As a supplementary question, will the Minister supply a list of those successful applications in regional areas?

**The Hon. DIANA LAIDLAW:** Yes, as soon as they are announced. Is the honourable member talking about the 1997-98 applications?

*The Hon. T.G. Roberts interjecting:*

**The Hon. DIANA LAIDLAW:** Yes, those already made for 1997-98; we can certainly provide those. As I noted, we believe that the funds that will flow from the 1998-99 program, which I should have noted, we should hear about in September, later this month. All these projects should be under way by the end of the year.

### RURAL GRANTS

**The Hon. IAN GILFILLAN:** I seek leave to make a brief explanation before asking the Minister representing the Minister for Natural Resources and Regional Development (but I would also assume the Treasurer would have some interest in this) a question about the Rural and Regional Areas Infrastructure and Facilities Fund.

Leave granted.

**The Hon. IAN GILFILLAN:** On 14 April this year the Rural Local Government Regions of South Australia wrote to the Premier under the heading 'Grants for major cultural, recreation, tourist and public infrastructure projects.' The authors of this letter are the leaders of local government areas, and I will list them in a moment. After listing major projects that have gone ahead in the metropolitan area of Adelaide and South Australia, the letter states:

... what we do find regrettable and unacceptable is the lack of anywhere near comparable commitment in the non-metropolitan areas of the State. We propose to you that this clear imbalance be tackled not in an *ad hoc* way through the selection of a small number of projects in rural areas which the Government might agree to support, but rather through the putting in place of an ongoing program on a systematic basis. In summary, our specific proposal is as follows:

1. The creation by the Government of an interest bearing account to be known as the 'Rural and Regional Areas Infrastructure and Facilities Fund';
2. The payment into that fund of a minimum amount of \$10 million a year for the seven years commencing 1998-99 (noting that a case for substantially more than the \$10 million could well be made);
3. Both capital and operational expenditures to be eligible for assistance from the fund; all associated costs (research, design, administration, etc.) would also be met from the fund;
4. The projects to be supported to be recommended by a committee comprising the majority of representatives of rural and regional areas but also with some Government involvement.

That letter was signed by the Chair of the Mid North Local Government Region Inc., representing Eyre Peninsula, Northern, Yorke Peninsula, Murray and Mallee, and South-East Local Government Associations. I have seen the Premier's responses to that letter and also a briefer one from the Treasurer. I will not quote from them, but they both virtually turned down the request flat. Today I received a letter from the Central Local Government Region of South Australia signed by the secretary, Bob Hart. Referring to the response from the Premier, its second paragraph reads:

Unfortunately, the response from the Premier was negative and the initiative could not be supported as he was of the view that the State Government was supporting regional South Australia in a variety of ways to the tune of over \$750 million on rural and regional capital works over the past five years. For this reason, the Premier does not believe that the proposal should be pursued further at this time. We do not necessarily dispute this level of funding, but the rather cursory dismissal of the concept is not acceptable in our opinion as we feel that the whole point of raising the idea for examination has been missed entirely. There did not seem to be even a willingness to question closely the merits of the proposal before reaching a more informed position. At a time when rural and regional communities are clearly under economic and social stress, there can be little doubt that the application of a fund of this nature has the potential to not only bring some equity between city and country but also lead to substantial benefits for country people.

Virtually simultaneously to this response, we hear that the Mallala V8 motor race event will join the Gawler Three Day Event, which was pulled from Gawler to the parklands; and the Schutzenfest from rural South Australia (Hahndorf) to the parklands. Now this event will move from Mallala to the parklands at an estimated cost of \$14.7 million. Does the Minister—or the Treasurer in this case—agree that—

*The Hon. M.J. Elliott interjecting:*

**The Hon. IAN GILFILLAN:** Yes, probably: the Tunarama would fit in well in the wetlands of the south parklands. Does the Minister agree that regional South Australia is justified in feeling let down by the Premier's refusal to consider the regional fund contribution of \$10 million while at the same time putting up \$14.7 million to pull the V8 event from country Mallala to Adelaide? How can this be seen to be supporting regional South Australia? Will the Government reconsider its earlier refusal to look at the proposal by the Rural Local Government Regions of South Australia and set up a fund?

**The Hon. R.I. LUCAS:** I will need to read the honourable member's question again, but my recollection of his explanation was that the request was for \$10 million a year. It is not fair to compare a one-off cost—\$14.7 million, I understand, with some one-off costs—with a smaller amount of money over a longer period for the operations of the race. With the \$10 million figure the honourable member would acknowledge that—

**The Hon. Ian Gilfillan:** The *Advertiser* article said \$10 million.

**The Hon. R.I. LUCAS:** That was a request.

**The Hon. Ian Gilfillan:** No, that was for the Mallala V8 event.

**The Hon. R.I. LUCAS:** No. I understood that the honourable member explained that the request for the regional infrastructure development fund was for \$10 million a year and, therefore, I think it would be important to compare that figure, like with like over that period—whether it be a request for \$50 million or \$70 million or whatever it is—with the five year cost of operating the V8 car race just announced. I am happy to get that information and compare those comparative costs for the honourable member.

Governments get a lot of good ideas which we as Ministers would love to be able to fund. If the Government were in a position, through the sale of ETSA and Optima, to generate this up to \$150 million a year in our third and fourth year in our budget, some good ideas like a regional development infrastructure fund might be a sensible way (and I am not suggesting \$10 million a year) for some of the proceeds of the money to be spent in terms of infrastructure and development for rural and regional communities.

**The Hon. T.G. Roberts:** Barker needs some major projects.

**The Hon. R.I. LUCAS:** I will not enter into that. The reality is that this is not an idea that has been dismissed easily by the Premier. I reject the notion that the Premier looked at it, said 'No', turned away and said that we will not do anything about it.

**The Hon. Ian Gilfillan:** What about your reply? It's shorter than the Premier's.

**The Hon. R.I. LUCAS:** The length of a reply does not indicate the degree of thought that goes into the consideration of the question, because otherwise we would all be speaking for a very long time in this Chamber on every issue. If you can concisely summarise your Government's position you do not need a three page letter to say, in effect, 'We don't have

the money.' In all portfolio areas there are hundreds if not thousands of terrific ideas in terms of new programs where we could spend money doing worthwhile things for the community, both regional and metropolitan. I do not seek to decry this suggestion or proposal at all: I am simply saying that we are in difficult financial circumstances.

We are trying to construct a budget to do all the things I have said in the budget speech in terms of new expenditure on Kangaroo Island infrastructure, a \$100 million employment program, our railway expenditure, our convention centres, our rural arterial roads, and reasonable wage increases for teachers, nurses and police. We are trying to do all those things and on occasions we try to fund things and events that might capture a bit of excitement, attract people from other States to come and visit South Australia, spend their money in our restaurants, hotels and caravan parks and enjoy themselves.

We do not spend all our time on the bread and circuses, but it is important that events that can assist our economy and that can also, in effect, give the State a sense of pride in being able to achieve and attract important sporting events—whether they happen to be a footy final or a netball grand final or a car race or a Tunarama or whatever—a rodeo—

*Members interjecting:*

**The Hon. R.I. LUCAS:** A Democrat national convention.

**The Hon. M.J. Elliott:** Is that an offer? I'll take it.

**The Hon. R.I. LUCAS:** I am happy to talk to you, Mr Elliott. It will not surprise you what I might want to talk about. In the first week of October we are spending money on an alumni convention, where all the alumni from our three universities are coming back for a major convention, and we hope that they will spend some of their money in our hospitals, cafes and restaurants, but also be part of that alumni convention for our—

**The Hon. Diana Laidlaw:** What about *The Ring* cycle?

**The Hon. R.I. LUCAS:** And our *Ring* cycle. If we were to ask regional communities whether we should spend the money on *The Ring* cycle or a car race or a netball stadium as opposed to this event, I am sure that we would receive a response from those communities that they would prefer the money to be spent in that particular area. But these are the difficult decisions of Governments in trying to achieve a reasonable balance of expenditure across portfolios, including important portfolios such as recreation and sport and arts and cultural heritage, in terms of the overall development of our State and providing for a balance of the needs of all the members of our community. As I said, if we are able to free up this up to \$150 million a year in our budget, we will have the capacity to look at some of these terrific ideas that regional and metropolitan communities put to Governments so that we can agree to fund some of those proposals.

I am certainly happy to refer other aspects of the honourable member's question to the responsible Minister to see whether I can provide any more detailed advice, but I am sure that the response will be not that Ministers and Governments have not given it consideration and not that Ministers do not believe that it is a good idea (at least in part) but that, in the end, we are constrained by the debt and the difficult financial circumstances that we in South Australia face. That is an issue that all members in this Chamber, including the Hon. Mr Gilfillan, will need to address when we revisit this and other debates in the October session.

**The Hon. IAN GILFILLAN:** In light of the fact that the Treasurer responded to that proposal personally, will he

undertake to look again at that proposal and give me a detailed answer as to why he turned it down?

**The Hon. R.I. LUCAS:** I believe that I just did, but I am happy to do it again.

**The Hon. M.J. Elliott:** He said 'detailed', not 'lengthy'.

**The Hon. R.I. LUCAS:** The Hon. Mr Gilfillan was judging the consideration that I had given to the issue by the shortness of my reply.

*Members interjecting:*

**The Hon. R.I. LUCAS:** No, I will not go for the next 10 minutes, but I will again look at the honourable member's question. However, as I said, I believe that the response will still be not that we do not think it might not be a good idea, but that we just do not currently have the money. But there is a way that we might be able to get some of the money.

## FEDERAL ELECTION

**The Hon. L.H. DAVIS:** I seek leave to make a brief explanation before asking the Treasurer a question about the promises made in the Federal election campaign as they relate to South Australia.

Leave granted.

**The Hon. L.H. DAVIS:** Two contrasting offers have been made to the States by the Prime Minister, John Howard, and the Leader of the Opposition, Kim Beazley. On the one hand, John Howard has made a very firm commitment to break the impasse that has existed for many years in relation to Federal and State finances, which has resulted in an annual and unseemly dog fight in Canberra as Premiers gather to haggle over their allocation of Commonwealth moneys each year. Prime Minister John Howard has made the States an offer that they will receive in future the taxation raised by way of the proposed goods and services tax.

On the other hand, the Leader of the Opposition, Mr Kim Beazley, has made what seems to be an undefined promise to look into the matter. From the silence opposite, it seems that the members of the Labor Opposition do not know much more about the proposal. My question to the Treasurer—and it is an important one—is: what are the financial implications for South Australia resulting from the two policies released by the Federal Government and the Labor Opposition?

**The Hon. R.I. LUCAS:** So far, I have been extraordinarily disappointed with the contributions from the Labor Party by Kim Beazley and Gareth Evans. The only commitment that they have made thus far regarding Federal-State financial relations has been a vague and imprecise indication that, if elected, they would be prepared to consider a form of revenue sharing with the States and Territories. That is entirely unsatisfactory from the point of view of this State Government, and I am sure that if even Labor Governments in Queensland and New South Wales were prepared to speak frankly they would also share that concern.

At the very least, State and Territory Governments are looking for some degree of certainty regarding future growth and access to a future growth tax, whether that be income tax or a goods and services tax, because State Governments—in particular, smaller Governments such as South Australia—through High Court and other decisions have experienced a steady decline in the range of taxes from which they can choose to help balance their budget and spend money on the important new programs that all members want governments to undertake.

Over the next five weeks, I hope there will be a greater level of public discussion and that pressure will be put on the

Federal Labor Party to indicate in greater detail what its specific policy is in relation to Federal-State financial relations. We believe that the taxpayers of South Australia deserve greater certainty from and a greater willingness by the Federal Labor Party to indicate what its policy in terms of funding will be for States such as South Australia and whether or not because of its silence at the moment it is hiding further potential significant cut-backs under the guise of trying to fund the rest of its policy program.

### ELECTRICITY, PRIVATISATION

**The Hon. R.R. ROBERTS:** I seek leave to make an explanation before asking the Treasurer a question about ETSA consultancies.

Leave granted.

**The Hon. R.R. ROBERTS:** The article in today's *Advertiser* by Professor Blandy supports Mr Xenophon's position of no sale without a referendum. Professor Blandy states:

The idea that \$5 million to hold a referendum is a high cost, in the context of a gross sale price... of \$5 billion, is patently absurd. How much are the various selling consultants scheduled to receive?

Professor Blandy also states that Professor Cliff Walsh is a paid adviser to the Premier, and that:

This circumstance of Cliff's is not mentioned in his columns in the *Advertiser*. But it must surely be considered in assessing what he has to say about matters that are pivotal to the Olsen Government, like the sale of ETSA.

Will the Treasurer tell the Council the total cost to taxpayers of all consultancies for the sale of ETSA and Optima? How much is Professor Cliff Walsh paid to be a personal adviser to the Premier?

**The Hon. R.I. LUCAS:** I might just comment in relation to what the *Advertiser* puts on the bottom of its columns, because that is really a decision for it to take. I did note that at the bottom of John Spoehr's column it indicates that he was a paid consultant to the United Trades and Labor Council, the Public Service Association and anybody else who wants to employ him to attack the Liberal Government. So, if you want to play that game you can certainly make the same criticism of the other by-lines that have not been put on the bottom of other articles. At the end of each financial year the Government will reveal the total cost of consultancies. At the end of the 1997-98 year as part of our openness we put on the public record how much our consultants were paid.

Of course, we will do so again consistent with our public undertakings at the end of each financial year for which we employ those public consultants. We will give breakdowns of the individual consultancies as we did at the end of 1997 and 1998. The honourable member will need to wait until the end of the financial year when we will obviously report consistent with our undertakings. In relation to Professor Walsh, I do not know what he is paid. I am happy to refer that part of the honourable member's question to the Premier and see whether there is anything useful I can bring back as a result of any discussion I have with the Premier.

### TAILEM BEND-PINNAROO RAILWAY LINE

**The Hon. J.S.L. DAWKINS:** Will the Minister for Transport and Urban Planning indicate whether the standardisation of the Tailem Bend-Pinnaroo rail line funded by the Commonwealth Government has commenced? Will the

Minister also advise the Council whether this work will be completed before the start of this year's grain harvest?

**The Hon. DIANA LAIDLAW:** I can indicate that it has commenced and that it is a very timely question following the Hon. Ian Gilfillan's concern that money is not invested in rural areas in South Australia, because this is a major project—\$5.6 million of Federal funds at this stage—for which, upon completion, the State will pay back to the Commonwealth somewhere up to \$2 million. The project started on 3 July and as of yesterday's date they were half way through the project. They had spent \$4 million of the total project costs of \$5.6 million, and the standardisation completion date is scheduled for early October 1998.

I also highlight that this project is highly relevant not only to make sure that by the standardisation of this line we have efficient transport links by rail for grain and therefore a more competitive product for farmers to sell because of reduced transport costs but that at this time the project also employs 200 people. So, many of those people are local. I do not have that exact number, but I can certainly get it for the honourable member because it has been an important source of local employment generation.

**The Hon. T.G. Roberts:** Are the sleepers made locally?

**The Hon. DIANA LAIDLAW:** Yes. I will get that further information for the honourable member.

### BUS U-TURNS

In reply to **Hon. SANDRA KANCK** (6 August).

**The Hon. DIANA LAIDLAW:**

1. The Passenger Transport Board (PTB) and TransAdelaide jointly have been monitoring the incidence of accidents involving buses and private vehicles.
2. To date, two reported accidents have been reported to the PTB since January 1998—
  - 11 March 1998
  - 4 April 1998
3. The necessity for additional signage at this intersection is currently being evaluated by the Adelaide City Council in conjunction with the PTB.

### SMITHFIELD LANDFILL SITE

In reply to **Hon. P. HOLLOWAY** (19 August).

**The Hon. DIANA LAIDLAW:**

1. I reiterate that I did not meet with the manager of NAWMA on 12 August 1998.

On 12 August the manager of NAWMA met the executive director, Planning SA.

The meeting was to seek clarification on matters pertaining to buffers and the balefill facility. The proposal is for a balefill site.

There is definitely no decision yet about whether the landfill proposal will proceed or not. The letter to Ms Annette Hurley is correct in that the EIS assessment is not yet completed.

The EP Authority has provided information which is being analysed and incorporated in to the Amendment to the Assessment Report, along with other information collected over the last 12-18 months.

The proposal must first complete assessment and then will be considered by Cabinet and the Governor who will make the decision.

2. Evaluation of the proposal is currently being undertaken by Planning SA.

### BROWNHILL DEVELOPMENT

In reply to **Hon. M.J. ELLIOTT** (6 August).

**The Hon. DIANA LAIDLAW:**

1. A time frame is not stipulated under the Development Act 1993, during which I am required to form an opinion as to whether a development or project warrants Major Development Status. I made a statement on 18 August to the effect that the Springwood Park Wine, Food and Tourism proposal would not be declared a 'Major Development'.

2. As I responded previously, under the Development Act 1993, my decision as to whether or not a proposal should be granted Major Development status is purely discretionary. I am required to determine whether it is appropriate or necessary for the proper assessment of the development, or project, and whether it is of major environmental, social or economic importance.

The specific factors that I could take into account are as follows:

- Consideration as to whether current policy or planning instruments or other legislative frameworks are adequate for its assessment, for example, the relevant Development Plans and the Planning Strategy for Metropolitan Adelaide;
- The strategic question of how best to assess development in the Hills Face Zone and precedents for development in the rest of the Hills Face Zone;
- Environmental factors including the extent of change, irreversibility of impacts;
- Social factors;
- Economic factors; and
- Other relevant issues, including those raised by various groups and individuals.

3. Each development/proposal is given consideration on a 'case by case' basis. Many factors influenced my decision about whether to declare 'Major Development' status.

In reply to **Hon. T. CROTHERS** (6 August).

**The Hon. DIANA LAIDLAW:** As I have stated previously, under the Development Act 1993 I am not required to assess the economic viability of any of the projects that are put to me in regard to their possible status as Major Developments. I am only required to determine whether there are factors of economic, social or environmental importance which, in broad terms, would benefit from assessment through the Major Developments process.

#### MOTOR ACCIDENT COMMISSION

In reply to **Hon. NICK XENOPHON** (30 June).

**The Hon. R.I. LUCAS:** The report of Trowbridge Consulting dated June 1998 is in fact a letter of advice clarifying the issues associated with an increase in pain and suffering payments reported in the half-yearly actuarial review to 31 December 1997.

That letter was written on the basis that the full 12.9 per cent increase in premiums recommended by Trowbridge and approved by the independent Third Party Premiums Committee had in fact been implemented.

Trowbridge have now compiled preliminary 30 June 1998 data and have clarified their letter dated 11 June 1998 in further correspondence dated 31 July 1998.

The letters referred to in this answer have been provided to the honourable member.

#### ELECTRICITY, PRIVATISATION

In reply to **Hon. P. HOLLOWAY** (18 February).

**The Hon. R.I. LUCAS:** The honourable member has asked how selling ETSA would remove the risk with respect to a potential need to establish special arrangements to shield some customers from sudden increases in electricity prices (Auditor-General's report 30/6/97 A.3-27).

The honourable member implies in his question that the specific risks identified in the Auditor-General's Report will occur independently of ownership. This analysis is correct. The need for special arrangements to shield some customers from sudden increases in prices arises from South Australia's participation in the National Electricity Market (NEM), not from whether ETSA remains in Government ownership or is privatised.

Nonetheless, in developing arrangements to privatise ETSA, the Government will ensure that customers (South Australian householders) are shielded from large price increases. The Government has consistently promised that power prices for small customers would be kept below CPI until the end of year 2002. This promise applies to both city and country households. After that date every home in the State will be able to choose their own power supplier in the competitive market, and seek out the lowest price deal that suits them.

The industry structure developed for the privatisation of ETSA is one that will deliver:

- a comprehensive market in the electricity generation sector;
- independent network price regulation;
- competition from new entrants in the retail electricity sector.

These components provide the most efficient mechanism for limiting sudden price increases in the NEM. However, these components transfer the risk of sudden cost increases from the consumer to the industry. By selling ETSA, the cost of this transfer from consumers to the Government as owner, is avoided.

In reply to **Hon. P. HOLLOWAY** (21 July).

**The Hon. R.I. LUCAS:** The Government has had the following contact with the Australian Consumer and Competition Commission (ACCC) and the National Competition Council (NCC) in relation to the proposed restructuring of ETSA and Optima:

ACCC

- representatives of the Electricity Reform and Sales Unit (ERSU) of the Department of Treasury and Finance and advisers met with representatives of the ACCC, including the Chairman, Professor Fels and the deputy chairman, Mr Asher on 7 May 1998;
- a request for background information was received from the ACCC on 14 May 1998;
- information concerning the electricity industry in South Australia was provided by ERSU to the ACCC on 2 June 1998;
- ERSU representatives met with representatives of the ACCC, including Mr Asher, on 9 June 1998, to present proposals for the restructuring of ETSA and Optima;
- a comprehensive submission to the restructuring was lodged with the ACCC on 9 June 1998;
- supplementary information was provided to the ACCC on 18 June 1998, relating particularly to Riverlink;
- a preliminary response to the proposals was received from the ACCC on 19 June 1998;
- further information was provided by ERSU to the ACCC on 24 June 1998;
- the ACCC provided a further preliminary response to the proposals on 24 June 1998, which concerned the structure and sale of the ETSA distribution and retail businesses; and
- throughout the period from early May to 30 June 1998, a number of telephone conversations took place between ERSU, its advisers and the ACCC concerning these matters.

NCC

- representatives of ERSU and its advisers met with members of the NCC on 19 May 1998, including the chairman, Mr Graham Samuel and the executive director, Mr Ed Willett;
- copies of all information provided to the ACCC were also provided to the NCC on 18 June 1998;
- representatives of ERSU met with executives of the NCC on 19 June 1998;
- a position paper addressing the issues to be reviewed pursuant to clause 4 of the Competition Principles Agreement was lodged with the NCC on 22 June 1998;
- on 23 June 1998, representatives of ERSU addressed a meeting of the NCC, at which all members for the council were present in person or by telephone;
- on 24 June 1998, the chairman of the NCC wrote to the Premier giving preliminary approval to the proposed restructuring; and
- on 30 June 1998, ERSU delivered to the NCC a confidential interim report of the review being conducted for the purposes of clause 4 of the Competition Principles Agreement. A final report of the Clause 4 review will be lodged with the NCC and published once the review has been completed.

All information provided to the ACCC and NCC to date has been preliminary and the information provided by the ACCC and NCC has been on a strictly confidential basis. However, the final decisions by the ACCC and NCC in relation to the proposed restructuring of ETSA and Optima and the final clause 4 document will be published.

The restructuring proposals address all of the matters raised by the NCC in relation to competition payments, concerning the structure of the South Australian electricity industry. Those matters included the structural separation of ETSA transmission, the separation of system control and planning functions presently conducted within ETSA Transmission and the ring fencing of the distribution and retail functions of ETSA Power. The NCC was also concerned to ensure the proper consideration of various alternative structures for the electricity distribution and retail functions, in the context of a review pursuant to clause 4 of the Competition Principles agreement.

In reply to **Hon. NICK XENOPHON** (9 July).

**The Hon. R.I. LUCAS:**

1. Yes. The introduction of contestability in South Australia is dependent on the State's rate of entry into the National Electricity Market, irrespective of the ownership of ETSA.

2. No. The aggregation of geographically separate sites in common ownership to achieve early contestability is not being contemplated in South Australia. The proposed timetable will therefore not confer an advantage on a small franchise business relative to an independent small business in this respect, as separate sites will become contestable individually.

3. Small businesses that do not belong to a chain or franchise will not suffer a disadvantage under the transitional arrangements proposed.

In reply to **Hon. P. HOLLOWAY** (4 August).

**The Hon. R.I. LUCAS:** Morgan Stanley did recently settle a damages claim with Orange County, California. The action however was not brought against Morgan Stanley as investment adviser, as the role of principal adviser was held by Merrill Lynch, and had been for a number of years.

Orange County sought investment advice for its significant investment holdings. These investment activities were highly leveraged with the County relying on the low interest rates of the time. Merrill Lynch was the only bank aware of this reliance and the highly leveraged nature of the investment portfolio.

Given this position, Merrill Lynch sought to reduce Orange County's trading activities by offering less competitive rates on transactions. As a result, Morgan Stanley and other banks commenced transactions with Orange County.

When Orange County became aware of the major losses it was exposed to, in the environment of the higher interest rates of 1994, it liquidated its position, losing about \$US2.5 billion in total. As such, it sought to annul the transactions which it had entered into with Morgan Stanley and other banks by claiming they were not in accordance with California law and hence were void.

Merrill Lynch was sued as the principal adviser. The remaining banks that had entered into transactions with Orange County were also sued on the basis of these transactions.

Both CSFB and Merrill Lynch settled out of court for \$US50 million and \$US400 million respectively. Given these settlements, Morgan Stanley felt that it would be unlikely that the case would be dismissed and was not willing to incur the costs of a lengthy litigation.

Notwithstanding these decisions, Morgan Stanley maintains that it acted in accordance with the law and was conducting normal trading business with Orange County. Furthermore Morgan Stanley had not been engaged by Orange County as an adviser.

This case serves to illustrate the possible outcome of a Government entity entering into risky commercial activity in the marketplace and despite the initial positive outcome, incurring substantial losses given a change in the commercial environment.

#### RAAF EDINBURGH

In reply to **Hon. J.F. STEFANI** (4 August).

**The Hon. R.I. LUCAS:** The Premier has provided the following information.

It has been known for approximately 12 months that a review of RAAF Base Edinburgh was being undertaken as part of a major Defence rationalisation of its estate assets following the Defence Efficiency Review.

In response to the request from the Hon Julian Stefani, the Premier contacted the Hon. Ian McLachlan, Minister for Defence, on August 7, 1998, and asked whether there was any plan to relocate the RAAF Maritime Patrol Group to Pearce in Western Australia and close Edinburgh. Minister McLachlan assured the Premier that while options in relation to the future of Edinburgh were being developed, there was no cause for concern regarding the impact on the Base. At the recent launch of the planned redevelopment of surplus land at DSTO Salisbury the Minister denied any suggestion that RAAF Edinburgh would close, and further stated that it was planned to spend over \$100 million on the base over the next three years.

#### STATE CREDIT RATING

**The Hon. CARMEL ZOLLO:** I seek leave to make a brief explanation before asking the Treasurer a question about South Australia's credit rating.

Leave granted.

**The Hon. CARMEL ZOLLO:** A significant part of Prof. Blandy's contribution to the *Advertiser* was omitted from

today's article, and it concerns the alleged benefits in new investment and the State's finances of a credit rating upgrade.

*Members interjecting:*

**The Hon. CARMEL ZOLLO:** It wasn't in the *Advertiser*. In the segment cut from today's *Advertiser*, Prof. Blandy criticised Cliff Walsh for his commentary on the ETSA sale, as follows:

Cliff fails to acknowledge that ETSA produces an income flow for the Government that has to be offset against the reduction in interest payments that the sale of ETSA could permit.

He continues:

Cliff [Walsh] says that the 'worth to the State in new investment (in moving the State from a AA rating to a AAA rating) is inestimable, but it has to be considerable'.

Prof. Blandy then comments:

I know of no technical study whatsoever that justifies this statement.

*Members interjecting:*

**The PRESIDENT:** Order!

**The Hon. CARMEL ZOLLO:** Given the Treasurer's claims, like those of Cliff Walsh, that a possible credit rating upgrade from the sale of ETSA would produce major gains for the State, my questions are:

1. Does the Treasurer himself know of any technical and reputable studies that justify the claim of new investment and of major benefits to the State from a credit rating upgrade to AAA?

2. Will the Treasurer table all such studies and reports for the consideration of the Parliament?

3. Will the Treasurer tell the Parliament how much the State would save in interest annually over a 10 year period from such an upgrade and, if not, why not?

**The Hon. R.I. LUCAS:** Given the short time available to me, I am happy to take the honourable member's questions on notice and bring back a reply. Certainly, the Government has placed on the record information on potential interest savings, and I am happy to retrieve it and to provide it to the honourable member.

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## MATTERS OF INTEREST

### TAXATION POLICY

**The Hon. CARMEL ZOLLO:** Since speaking on the GST in a previous Matters of Interest speech, the Labor Party has released its taxation package, and the name of our package says it all: a fairer tax system—with no GST.

**The Hon. L.H. Davis:** Is this going to last five minutes?

**The Hon. CARMEL ZOLLO:** You'll have to keep quiet, Legh, won't you? It is fairer because it is aimed at people who really need tax relief—low income families, the very same families who were conned during the 1996 election campaign and who have been hurt by the policies of the Howard Government. Labor's clear priorities are to provide genuine tax breaks for low to middle income earners, incentives for employment growth and to tackle some problems to ensure that the wealthy pay a fairer share of tax. The Coalition is at it again, trying to con the Australian people with its package, which it is misleadingly claiming is



not a new tax but a new tax system. It has blatantly misused millions of dollars of public funds for saturation advertising which should have been paid for by the Coalition Parties.

It justifies the misuse of public funds by claiming that it was explaining complicated policy changes and that no election had been called. However, it was wrong on both counts: the GST may be Coalition policy but it is not policy approved by Parliament and probably never will be, and the Prime Minister knew exactly when he was going to call the election when the package was released. It does not matter how you try to dress up and camouflage the GST: it is a tax on the basics of living which will hurt those Australians who will not benefit from the Coalition's nasty, unnecessary tax package. Of course, these Australians are some of the same people the Liberal Government in South Australia is seeking to disfranchise with its push on voluntary voting.

It is time that a few myths were put to rest. Our current taxation system is not about to collapse. Granted, income tax tables may need adjusting and there are some anomalies in indirect taxes. The GST is not a new taxation system designed for the new millennium. It is not a panacea for Australia's, let alone the world's, economic problems. The GST is a regressive tax introduced in Europe in the 1950s and 1960s and it has not reduced the black economies but in most cases has increased them, not to mention the role the Internet will play in increasing black transactions. The rate of GST has invariably risen over time and nowhere has it gone down. In Austria, the initial rate was 16 per cent and the current rate is now 20 per cent; in Belgium it was 18 per cent and is now 21 per cent; in Denmark an initial 10 per cent rate massively increased to 25 per cent; in the United Kingdom it was 10 per cent and is now 17.5 per cent; and in Italy it was 12 per cent and is now 19 per cent.

Now is not the time to introduce such major changes. We have the Asian economic crisis and now the world economic crisis. The last thing we want is to create uncertainty and introduce a new tax which has been found wanting, and certainly the rate has been increased dramatically. The Coalition will not be able to deliver on income tax changes if Asian and world economies and growth do not improve and produce the required surpluses, but this is probably a non-core promise. The Howard Government acts as if it is totally responsible for low interest rates and low inflation and is the only Government ever to produce a budget surplus. Labor left the overall economy in good shape, with inflation under control and interest rates falling. The projected deficit for 1996-97 and the supposed black hole would have been corrected if the ALP had won the 1996 election, but we would have done it over several financial years and in a more compassionate manner.

Small businesses, especially those that are mainly cash transaction based businesses, will bear a heavy load, acting as thousands of branch offices of the Australian Taxation Office. Consumers and, in particular, low income earners will suffer. Every time they spend, particularly in the area of services, which is our largest sector of employment growth, they will be taxed. This will cause a rate of inflation far beyond the estimates that Costello and Howard have provided.

Labor is the Party with a real plan for the future of Australia. Rather than increasing revenue by hitting the already struggling Australian working family and the unemployed, Labor has a plan to create incentives for work and incentives for industry to create jobs for those who want them. A Federal Labor Government will spend \$100 million

in its first term on a fund to attract high tech projects. Labor goes to the ballot box on 3 October with a clear simple message: a vote for Labor will be one for a fairer and credible tax system with no GST and more jobs.

## FEDERAL ELECTION

**The Hon. A.J. REDFORD:** We now know that we are having a Federal election on 3 October 1998. As part of that, I have recently come to experience the great contrast between the politicking of the ALP candidate for the seat of Adelaide, Karen Hannon, and the election of an outstanding candidate for the Liberal Party in the seat of Barker, Patrick Secker. The common theme, of course, is that the current member for Adelaide, Trish Worth, and Ian McLachlan in Barker have provided outstanding service to the Australian Parliament. Of course, Ian McLachlan has announced his retirement and Trish Worth will continue to represent the electors of Adelaide well into the future. She has been hard working and diligent, and has taken up many difficult causes on behalf of her constituents.

Karen Hannon is the ALP candidate in Adelaide. I have not met Karen but she says she cares a lot, according to the material I have had shoved into my letter box. She gives the impression she is informed. Indeed, she has even carried out a survey on health policies. I must say I thought she might have been genuine, although misguided. I even considered giving her the benefit of the doubt and perhaps even giving her my second preference behind the hard-working Trish Worth. But that is all changed. In a brochure criticising the Howard Government, a particularly negative brochure at that, she claims there has been only one pension increase in two years. Normally, I do not check these things, but I thought I would check this out. I thought, 'That is a bit rough. John Howard has been a bit mean if there has been only one pension increase in the past two years.' So I checked, and I found increases in the pension on 20 March 1996, CPI; on 20 September 1996, CPI—and this must have been the point at which Karen Hannon was getting a bit tired; on 20 March 1997, CPI; in March 1998; and another in September 1998. Indeed, legislation was passed last year which ensured for the first time that pensions were benchmarked at 25 per cent of all male total average weekly earnings.

I know that being a Labor candidate might give a person a reputation in the context of another Labor lie, and I hoped that Karen Hannon, being a member of the legal profession, would take the trouble to check her facts, but she did not. It is particularly disappointing, having seen the goodwill and the handshake between the Prime Minister and Mr Beazley yesterday, and one might have thought that there would be some degree of honesty. Anyone in the seat of Adelaide who gets any information from Karen Hannon should check it. I recall not so long ago getting a brochure in which she alleged there would be a GST on every good and service that a person chose to buy and she also stated that it would be applied to doctors' and dentists' bills—wrong again, Ms Hannon.

I contrast that sort of performance, which does nothing but bring lawyers and potential politicians into disrepute, with the strength and the ability that the Liberal Electoral College chose in Patrick Secker last weekend. Mr Secker is an outstanding candidate for the Federal seat of Barker. As a Federal election was called on the same day, he has a difficult task ahead of him to secure the support of the electorate, and he is certainly not taking it for granted. Indeed, at 42 years of

age, he is keen to ensure that the knowledge that he has gained over the years can be put to good use in a rural electorate such as Barker.

*The Hon. R.R. Roberts interjecting:*

**The Hon. A.J. REDFORD:** He has a Bachelor of Economics, which puts him miles ahead of the Hon. Ron Roberts, and he has a double major in politics, which again puts him a mile ahead of the Hon. Ron Roberts. He has a strong community service background. Like me, he served in Apex, and he served with Lions, Rotary, the community fire service, the Strathalbyn Hospital Board, the Macclesfield Hall committee and the Macclesfield Community Association.

*The Hon. R.R. Roberts interjecting:*

**The Hon. A.J. REDFORD:** He is a member of the Institute of International Affairs—the Hon. Ron Roberts would have trouble spelling ‘international’—and he has been a strong member of the South Australian Farmers Federation. He will set up an office in Murray Bridge and he will have an office in Mount Gambier, and I know that he will be a strong member for the seat of Barker well into the future.

**The ACTING PRESIDENT (Hon. T. Crothers):** Order! The honourable member’s time has expired.

#### PARLIAMENT, FIXED TERMS

**The Hon. M.J. ELLIOTT:** The looming Federal election raises in my mind again the question of fixed terms of Parliament. I note that this Federal election is occurring a little after 2½ years from the last Federal election, and in many ways that is rather longer than usual.

*The Hon. R.R. Roberts interjecting:*

**The Hon. M.J. ELLIOTT:** Oh, shut up!

*The Hon. R.R. Roberts interjecting:*

**The Hon. M.J. ELLIOTT:** I am not even being political about this: just behave yourself. We in this State have moved to a minimum three, maximum four year term, which has achieved some benefits. However, even under such a system we face the possibility of two years of Government and two years of electioneering or, to put it another way, only one non-election budget before we move into election mode. The Democrats have always had the view at State level that we should go to fixed terms, and I believe that in this State we should go to a fixed term of four years.

In fact, I would argue further that it would be very healthy if both Federal and State Parliaments were fixed four year terms. It would mean that Governments would spend more time governing and less time thinking about the next election. They would know when the next election was to happen, there would be no point starting electioneering too early, there would be a point at which the Government would click into election mode but, outside that period, the Government would concentrate on the job of government itself.

Not only do you have Governments trying to think when they will hold an election that will give them the best result—and, frankly, I think that Governments should know that they are working to a fixed date and be judged on their performance at that time—but also you have a problem with States and Federal Governments trying to second guess each other as to when they will call their election, trying to get election campaigns over with or out of each other’s way, as well as being unsure whether or not State and Federal issues will cross over, and so on. My view is that we should be looking to fixed four year terms in relation to both State and Federal Governments.

I go even further to suggest that we might look to try to alternate State and Federal elections so that they are two years apart. I can see enormous value in knowing that this year is a State election year and that the Federal election is two years away. We should separate State and Federal issues and keep the elections apart from each other. I suppose it might even be possible to consider working into that sequence local government elections, although, unfortunately, at this stage, local government elections work on a three year cycle. I rather think—and many people—

*The Hon. A.J. Redford interjecting:*

**The Hon. M.J. ELLIOTT:** I was going to say that. Many people in local government believe that three years is a heck of a commitment, particularly for people doing work on a voluntary basis. I suggest that if local government elections returned to a two year cycle they could also intervene in the odd years. We are having an argument about compulsory versus voluntary voting. However, I cannot help but think it would be of benefit if we knew that the first week in October, or whatever, was election week every year. We would know that local government elections were to be held this year, State Government elections the following year, local government elections the year after, followed by Federal Government elections the year after that. That would actually—

**The Hon. T.G. Roberts:** You could synchronise them with school holidays.

**The Hon. M.J. ELLIOTT:** It might actually work in with all sorts of things. It would be easier to work out when to have your football finals, or vice versa. It could be possible to synchronise all those considerations. I believe that democracy would be the beneficiary of that system in a whole range of ways. Governments would spend more time governing and less time thinking about when to hold an election; State and Federal issues would not be as complicated; and State and Federal Governments would not be trying to get elections out of each other’s way. All those matters, as well as elevating local government’s status, would be part of the cycle. For what it is worth, I float that suggestion and welcome responses.

#### TOILET TISSUE

**The Hon. T.G. ROBERTS:** I raised the issue of the use of local products in this place several weeks ago. On 8 August I issued a press statement which indicated that the South Australian Parliament should be a presentation place for local product and, in doing so, I raised the issue of the Joint Parliamentary Service Committee using local Kleenex tissue in this place as opposed to a Queensland product from Cosco Holdings which was, although cheaper, an inferior product and not locally produced. I received a letter from Cosco Holdings—

*The Hon. M.J. Elliott interjecting:*

**The Hon. T.G. ROBERTS:** I am not sure whether or not it is on recycled paper. The letter states:

Dear Mr Roberts,

I read this week a report in the Adelaide *Advertiser* regarding your statements about our toilet tissue. The *Advertiser* reported that you wanted our product removed from Parliament House and replaced with a product manufactured in South Australia by Kimberly-Clark. I have learned to not believe everything that I read in the newspaper so before I respond publicly I am writing to ask about your comments. In particular, I am concerned that your statements left readers with the impression that Cosco product is of a poor standard. You were reported to have described it as ‘basically a shiny product’. Of course, that is demonstrably not true. I trust you

explained to the journalist that Cosco's tissue is manufactured from 100 per cent recycled waste paper, while the Kimberly-Clark product used virgin pulp and that this produces a softer texture. You should also have pointed out that the Kleenex product you praised is significantly more expensive than ours.

Mr Roberts, the *Advertiser* reports that you are a former union organiser at the Kimberly-Clark plant. So, you will be familiar with the manufacturing practises of Kimberley Clark and, in particular, that it uses virgin pulp in its manufacturing. You will also know that at this time Kimberley Clark is embroiled in controversy over its logging of old growth forest in the Otway Ranges of Victoria.

The *Advertiser* reported that you argued for the South Australian product to be preferred over 'foreign product' from Queensland. If this an accurate report of your comments, I would ask you to reconsider your words. If other States were to adopt the same discriminatory and anti-competitive practice in retaliation, Kimberly-Clark's South Australian plant would soon close. It is ridiculous to be talking of interstate product as 'imports'.

As a former shadow Minister for the Environment and a member of the Australian Labor Party, I would have expected you to fully support the use of Cosco product.

It is manufactured from 100 per cent wastepaper and it is manufactured by a 100 per cent Australian owned company. Instead, you are advocating a product made from virgin pulp and produced by an American owned multinational. You are also advocating that the South Australian taxpayer foot the bill for more expensive toilet tissue. I would be grateful for your response.

I have a response from the Joint Parliamentary Service Committee which states that it is reconsidering its decision to use other product. I would like to explain to Cosco Holdings—and anyone else who is interested—that I was promoting a product more than I was denigrating another. I was doing what most people in a position of influence have been doing over a long period of time: trying to promote a locally manufactured product—Australian made in the first instance against imported products of similar nature, cost and quality—and, similarly, promoting South Australian products over other States' products.

I am sure that Sando Coco, who is the Managing Director of Cosco Holdings and whose signature appears on the letter, would be familiar with Queensland, in particular, being in a self promotion role over the past two decades in relation to its own products over what they call 'wet-back products' or 'wet-back people' from below the Queensland border. I am sure that he is familiar with States' interests being promoted by State leaders, and in the case of the toilet tissue I was certainly only doing that: I was not trying to put Cosco's products into a position of being seen to be inferior. Rather, I was trying to promote our local product over the product of Cosco and, certainly, I am aware of the pulp issue that Cosco Holdings mentioned.

I have signed a petition in Victoria against the logging of hardwood forests in the Otway Ranges, and I have also moved a motion in Labor Party forums condemning the importing of hardwood pulp from the hardwood forests around the world at the expense of local softwood pulp. So, I hope that satisfies Cosco's condemnation of my position.

**The ACTING PRESIDENT:** Order! The honourable member's time has expired.

### POLISH COMMUNITY

**The Hon. J.F. STEFANI:** This weekend I will have the pleasure of receiving debutantes and their partners at the annual Polish Debutante Ball to be held at the Dom Polski Centre. This event is arranged by the Polish Association of South Australia and the Tatry Polish Folklore Ensemble.

South Australia is a State which has very early links with Poland. These links date back to the early settlement times

and to the Polish Hill River. Our early history is also witness to the influence of the famous Polish explorers who have traversed the isolated outback of Australia. Today their names are remembered through the Strzelecki Track and Mount Kosciuszko.

Poland is a nation which has always captured the imagination of the world through the spirit of its people. The sweeping and radical changes which have occurred in Poland are making this nation a stronger and more viable country which has embraced a more democratic political and economic reform. Poland is working to develop stronger bilateral trading relations with Australia, and several Australians companies are making good progress in this area. Companies such as Telstra and the Unilab Group have established major operations in Poland.

Over the years, South Australia has become home for many migrant groups, including numerous Polish settlers who have made and continue to make valuable contributions for the benefit of all South Australians. It is estimated that one-third of South Australia's population has some link with other than British or Irish ancestry. One in five South Australians was either born overseas in a non-English speaking country or has had at least one parent born in such a country. Many others are descendants of early non-English settlers. Today we recognise that Australia is a multicultural nation, and in South Australia our population is representative of our great diversity.

'Multiculturalism' is a term that describes the cultural and ethnic diversity of contemporary Australia, which is and will remain a multicultural society. The success of multiculturalism in this State is a reflection of the State Government's vision and commitment to the social and economic wellbeing of our people. Our vision is the belief that all people are equally entitled to participate in and benefit from our development, and also embraces the right for all South Australians to share their cultural and linguistic heritage.

Finally, I take this opportunity to pay tribute to the valuable contributions that members of the Polish community continue to make for the development of our State. I express my sincere congratulations to the organisers of the annual Polish debutante ball and, in particular, the President of the Polish Association of South Australia, Mr Joseph Glapa, and to Mr Duszynski, the Administrator of the Tatry Polish Ensemble, and wish all members of the South Australian Polish community continued success for the future.

### GREYHOUND RACING

**The Hon. R.R. ROBERTS:** I rise again to talk about the greyhound racing industry. Members would be aware that I have made a number of contributions in respect of this industry over the past few weeks. I have been extremely disappointed in the way in which the Government has handled this issue, especially at Port Pirie. I warned that we were heading for a crisis in this industry. Unfortunately, my fears appear to have been well founded. From day 1 I have invited the greyhound racing industry to go through the local member (Hon. Rob Kerin) to try to get the Minister for racing in South Australia to sit down with RIDA and with the industry to try to work out some action plan for the greyhound racing industry in South Australia. I stress that it has been my belief that the best way to handle this is through the proper forums of the Minister's office, the local member's office, and through RIDA.

I have deliberately tried to keep out of the direct negotiations and at all times tried to encourage the participants to sit down and address this issue. Unfortunately, last week the Secretary of the Greyhound Racing Club in Port Pirie had the melancholy duty of reporting to the industry that the Port Pirie club was about to fold. Immediately, a meeting was held between representatives of the greyhound racing industry and members of RIDA, and they have come up with what I understand is a rescue plan. I was interested today in the Hon. Mr Gilfillan's contribution, when he talked about events being taken out of country areas and put into metropolitan Adelaide. This theory is no more stark than in the greyhound racing industry, the trotting industry and, indeed, the racing industry, where these activities are being contracted back to the metropolitan area.

I am now advised that the Port Pirie club will no longer be a TAB club. That is the plan as I understand it, but next week there will be a meeting with the new racing Minister, and it is hoped that he can address this issue in a far more expeditious and professional way than has been done in the past. I am told that the Greyhound Racing Club in Port Pirie will not be a TAB meeting if the current thinking continues. We can contrast this with what happened at Gawler, where the club actually went broke. The greyhound industry has taken over its running, and TAB and Sky Channel have all been put into the Gawler racing industry, which happens to have the same catchment area as Angle Park. All I ask on behalf of racing in country South Australia is even-handed treatment. If they can put Sky Channel in at Gawler and can have TAB meetings at Gawler, they can do the same thing by assisting the industry in Port Pirie.

At the same time, we see the scoping of our TAB. What is happening in country South Australia is that all the TAB meetings are being contracted back to the metropolitan area and there is no coverage and no wealth generation coming from country areas. Now this Government is scoping the TAB—a TAB which those members who have been round more than five minutes would know was established in South Australia only because it would be under Government control.

Now people on the other side of this Chamber and in the other place, who were violently opposed to this on the basis of gambling and would only allow it if it was Government controlled, are seeking to privatise it. I can tell you what will happen, Mr President: if the TAB is sold nationally, instead of all those meetings of which we used to have coverage in South Australia we will see the TAB working on principal meetings and on those meetings taking place in the Eastern States, based on the economic principle that they can make more money out of those meetings because there is greater catchment area in the Eastern States. That will mean there will be no promotion of South Australian racing in the three codes, and what will happen to South Australia is what they are doing to country racing in South Australia today. This situation is becoming critical, and I am only hopeful that the new Minister, Mr Evans, will meet with the Port Pirie Greyhound Racing Club next week and with other community officials from Port Pirie so that we can get an even handed result for country greyhound racing in South Australia.

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

## FEDERAL ELECTION

**The Hon. L.H. DAVIS:** We are in the midst of a Federal election campaign, and not many State Parliaments in Australia are sitting at the moment. This is a day sitting for special circumstances. I have been disappointed if not dismayed at the Labor Party's approach to campaigning at election time. At the last State election I saw the foulest things done when members' legitimate travel was used as the basis of a smear campaign in several marginal seats. More recently, we have seen an extraordinary campaign by the member for Spence, Mr Michael Atkinson, in terms of misleading the community in his electorate by sending out a letter which is addressed to the Attorney-General, Mr Trevor Griffin, but in fact, the correspondence is directed back to the member, Mr Michael Atkinson. A close link obviously exists between those people in the western suburbs, Mr Tom Koutsantonis, the member for Peake, whose speeches we understand are written by Mr Michael Atkinson, and Steve Georganas, who is the Federal Labor candidate for Hindmarsh. He has come up with the very same stunt.

*Members interjecting:*

**The Hon. L.H. DAVIS:** Why, can't he read? Is that what you are saying? Labor members opposite are suggesting that he cannot read, so it would be a waste of time for Mr Atkinson to write a speech for him. It is significant that in the very heart of 'Atkinsonland' we have the same stunt. Mr Steve Georganas, who is a very active member of the socialist left, a group which is increasingly dominating and taking control—

**The Hon. Carolyn Pickles:** They don't exist in South Australia; only in Victoria.

**The Hon. L.H. DAVIS:** Carolyn Pickles has put on the record that the socialist left does not exist in South Australia; only in Victoria. Well, Steve Georganas, who is a former member of the Centre Left following the dispute and the fracas in the Labor Party, has joined the socialist Left. He is now the Federal candidate for Hindmarsh. What is appalling is that electors in the seat of Hindmarsh are receiving information from Steve Georganas, as the Labor candidate for Hindmarsh, who is inviting people to write a letter to the Prime Minister, John Howard, as follows:

Nursing home care is essential health care for the frail aged. I object to your Government's unfair new nursing home fees policy which forces the elderly to sell their homes.

He invites people to sign that with their name and addresses, and tells them to 'Cut along fold and post back to me today.' Then he puts on the back of that tear-off slip that the information is to be sent to Steve Georganas, Labor for Hindmarsh, PO Box 18, Marleston 5033. That is the same sleazy trick that the Attorney-General, the Hon. Trevor Griffin, made mention of in this Council only a week or two ago. It is extraordinary abuse and misrepresentation of the electoral process. I put on record that I am disgusted at that sort of election literature.

*The Hon. J.F. Stefani interjecting:*

**The Hon. L.H. DAVIS:** As my colleague the Hon. Julian Stefani says, it could well be in breach of the Electoral Act. I suggest that the Hon. Carolyn Pickles, who I understand is of the Left (if the Socialist Left does not exist, certainly the Left does and is alive and kicking—they could have their own television show), speak to Mr Georganas and his mentor, Mr Atkinson, and suggest that they desist from such unseemly electoral behaviour.

**The PRESIDENT:** Order! The time for this debate has concluded. Call on the Orders of the Day.

## ELECTRICITY, PRIVATISATION

**The Hon. T.G. CAMERON:** I move:

I. That a select committee of the Legislative Council be appointed to inquire into and report on—

- (a) the establishment of a special committee comprising members of the Parliament to consider and approve the procedures to apply to any sale of ETSA and/or Optima Energy and to monitor and review such procedures in the event of any such sale, having regard to, but not limited to the following—
- (i) the assets and liabilities of ETSA and Optima Energy;
  - (ii) any risks associated with either the sale or the retention in public ownership of ETSA and/or Optima Energy;
  - (iii) the principal terms and conditions to apply in respect of any contract of sale;
  - (iv) the likely impact on the finances of the State of South Australia as a consequence of any such sale and, in particular, the extent of any liabilities, including any residual liabilities, which may be retained by the State of South Australia after any such sale;
  - (v) a process to be approved by this Parliament to ensure that an adequate reserve price is set for any sale of ETSA and/or Optima Energy;
  - (vi) a process to be approved by this Parliament to ensure that at least 90 per cent of the proceeds from any sale of ETSA and/or Optima Energy are used to retire debt and other liabilities of the State of South Australia; and
- (b) the desirability and feasibility of holding a referendum to ascertain from the electors of South Australia their view on the sale of ETSA and Optima Energy.

II. That the select committee consist of eight members and that the quorum of members necessary to be present at all meetings of the select committee be fixed at four members and that Standing Order No. 389 be so far suspended as to enable the chairperson of the committee to have a deliberative vote only.

III. That this Council permits the select committee to authorise the disclosure or publication, as it thinks fit, of any evidence or documents presented to the select committee prior to such evidence being reported to this Council.

IV. That Standing Order No. 396 be suspended to enable strangers to be admitted when the select committee is examining witnesses unless the select committee otherwise resolves, but they shall be excluded when the committee is deliberating.

The purpose of this motion is to establish a select committee to, first, inquire into and report on establishing a special committee to consider and approve the procedures to apply to any sale and to monitor and review such procedures, having regard to paragraphs i and v in my motion. Secondly, the select committee can examine the desirability and feasibility of holding a referendum to ascertain the electors' view on the sale of ETSA and Optima Energy.

The select committee will comprise three members of the Government, two from the Labor Party, one from the Australian Democrats, the Hon. Nick Xenophon and myself; and the Chairperson will have a deliberative vote only. I have stated publicly that, in order for a sale to proceed, whether it be by a resolution of this Parliament or following a referendum, certain conditions need to be achieved, such as an adequate reserve price, and that at least 90 per cent of the proceeds from any sale are used to retire debt and/or other liabilities of the State. In the event of any such sale, a special committee would consider and approve the procedures to

apply to the sale. It appears to me that, whilst the Government is still a vote short, there is merit in proceeding to deal with outstanding issues, irrespective of whether we have legislation before or after a referendum. I seek leave to conclude my remarks.

Leave granted; debate adjourned.

## TECHNICAL AND FURTHER EDUCATION ACT REGULATIONS

Adjourned debate on motion of Hon. M.J. Elliott:

That the principal regulations under the Technical and Further Education Act 1975, made on 28 August 1997 and laid on the table of this Council on 2 December 1997, be disallowed.

(Continued from 25 March. Page 633.)

**The Hon. R.I. LUCAS (Treasurer):** It was agreed last Friday morning, when last we sat, that we would deal with this disallowance motion today. So, I rise to speak on behalf of the Minister and the Government. I have been advised in the following terms by the Minister of what the Government believes would be the dire consequences should these regulations be disallowed. I am told that disallowance of these regulations will have significant implications for the fundamental operation of the TAFE system including leaving no provision for lecturers to appeal to the Teachers Appeal Board against administrative acts or decisions. Disallowance of the regulations will remove the framework for student disciplinary measures and the power to make rules governing student conduct.

If the regulations are disallowed they will leave institute councils with no defined role, membership structure or means of seeking the appointment of members. I am also told that in July this year all Parties supported an amendment to the TAFE Act, which was made necessary by an unexpected majority decision of the Full Bench of the Industrial Relations Court of South Australia. This amendment preserves the *status quo* by clarifying the simultaneous operation of the TAFE Act and the Industrial and Employee Relations Act 1994. This principle of simultaneous operation of the two pieces of legislation is of relevance when considering the majority of the issues raised in relation to the disallowance motion.

Regarding the specific regulations mentioned, I am advised as follows. Regulation 66, which dealt with the power of search, was revoked on 16 July 1998 following a query raised by the Legislative Review Committee. I understand from previous contributions that this was an issue of concern to the Leader of the Democrats and that the Legislative Review Committee had expressed some concerns about that aspect of it. As a result, the Minister revoked that regulation.

Regarding regulation 8, I am advised that previous TAFE regulation 11, which dealt with reclassification, did not specify the classification committee's role or how classification criteria were developed. Regulation 8 provides the same major essentials of reclassification in a similar manner to the previous regulation.

Regulation 12—previous TAFE regulation 14 provided for the Minister to determine and specify recreation leave by Administrative Instruction at the same time as the DETAFE (Educational Staff) Interim Award contained reference to recreation leave entitlements. Regulation 14—non-attendance days did not appear in the previous regulations, but as they

are of significant benefit they have now been embodied in regulation 14 in the same way as recreation leave.

Regulation 69 provides the mechanism for Administrative Instructions to be issued by clarifying that the Minister is the original authority and that the instructions relate to matters where Administrative Instructions may be contemplated by the regulations or as necessary or expedient in relation to exercising ministerial powers and functions emanating from the TAFE Act or regulations. Examples of this are: clarification of the qualification requirements contained in the award for the classification of Educational Manager 1 (as agreed with the Australian Education Union); advice of processes to be followed in the event of competitive neutrality complaints being received at institute level; and advice of processes to be followed in dealing with student and staff discrimination complaints.

This regulation clarifies the longstanding previous regulation 37, which directed staff to comply with the regulations and Administrative Instructions. The recent amendment to the TAFE Act by the insertion of section 39AA preserves the *status quo* between the Act and the Industrial and Employee Relations Act. These regulations do not detract from that principle.

In conclusion, the Government opposes the disallowance motion for a number of reasons but principally because if these regulations are disallowed there will be no provision for lecturers to appeal to the Teachers Appeal Board against administrative acts or decisions. If that were the case, I would have thought that lecturers, in particular, and workers within TAFE institutes would be most concerned to have this regulation repealed, and that the Government would be left without any protection or appeal mechanism for these lecturers.

I am also told, as I said, that the framework for student disciplinary measures and the power to make rules governing student conduct would also disappear if these regulations are disallowed. There are a number of other examples, the Minister advises me, where there is significant concern that, should the majority in this Chamber disallow these regulations, there will be significant implications for the efficient and fair conduct of TAFE operations in South Australia.

**The Hon. M.J. ELLIOTT:** When I moved this motion of disallowance back on 25 March I indicated that there was a possibility I might not proceed, but at that stage I was flagging a concern about a number of issues. I can indicate that a number of issues have been resolved and, in fact, the Hon. Robert Lucas has referred to some of those; but, unfortunately, there are still a couple of outstanding issues at this point. What is doubly unfortunate is that it was not until yesterday that there was a meeting between ministerial officers and myself. I indicated to them that I was sorry that the meeting had happened so late, and they gave the same indication. I think both sides accept some responsibility that perhaps the discussion itself did not happen earlier. To some extent, we were distracted by some other more weighty matters in the Parliament at the time.

Nevertheless, there were still matters which were of concern. I note that the Hon. Robert Lucas said that the Government would not want to lose many of these regulations; I understand that. That really has been an issue which we have debated in relation to other legislation in this place in terms of whether or not regulations could be in part disallowed. This is an example of where that would be useful.

Nevertheless, without that ability to disallow parts of regulations there is no choice but to disallow the lot.

In the discussions yesterday with the ministerial advisers it was noted that it is possible that the regulations could be repromulgated but leaving out regulations 8, 12 and 14, which are the areas of concern; or, in fact, it is not the whole of those regulations but part of those regulations which are of concern. The Government could even do those in an amended form and repromulgate them quite quickly. The final option available is that there could be a repromulgation of the total regulations but with an understanding that there will be further discussion. That discussion should have happened a couple of months ago. As I said, I accept part of that blame, and I think the ministerial officers (at least when they met with me) accepted part of that blame as well.

**The Hon. A.J. Redford:** If you did that you wouldn't criticise us for subverting the Parliament.

**The Hon. M.J. ELLIOTT:** Surely, I have just put it on the record. I said to them yesterday and I am saying again in this place that, whilst as a matter of course I have opposed that path, I recognise and would not protest about it so long as there were a genuine attempt to look at those issues; or else we would be down the path of disallowance again, which is very untidy stuff. It is not the way we should do things. Partial disallowance would have been a wonderful way to attack this sort of thing, but that option is not available. Frankly, I would argue that the Minister's regulations would work quite well with 8, 12 and 14 missing. In many parts all they do is repeat what is in the awards, but where the twist occurs is that there are ministerial discretions which, in effect, override the awards, and that is where the concern arises.

I note in relation to recreation leave that that has been true for some time, whereas in relation to classification where we are talking about advanced skills lecturers (regulation 8) and also in relation to regulation 14 in terms of non-attendance days there are ministerial discretions which would, in effect, override the awards which are new. However, to be consistent, I oppose the discretion to override the award. This Parliament has passed other legislation in relation to enterprise agreements which would give the capacity to address these sorts of issues if the Minister felt that there were special cases or some occasions under which a discretion would be useful. I would argue that those issues could be treated either under the award or under an enterprise agreement. As I said, the number of issues about which there is dispute has been reduced. In a nutshell the issue is ministerial discretion overriding the award. I oppose that and, as such, I am still moving to disallow the regulation.

I would hope that there would be an attempt to go into dialogue with the AEU. That happened earlier this year on another matter involving legislation and, whilst I felt it was a bit slow, we could learn from that experience and try to repeat the procedure, because the issues are capable of being worked out so that nobody is disadvantaged from the process. At this stage, I continue to seek disallowance of the regulations, particularly regulations 8, 12 and 14.

The Council divided on the motion:

AYES (10)

Cameron, T. G.	Elliott, M. J. (teller)
Gilfillan, I.	Holloway, P.
Kanck, S. M.	Pickles, C. A.
Roberts, T. G.	Weatherill, G.
Xenophon, N.	Zollo, C.

NOES (7)

Davis, L. H.	Dawkins, J. S. L.
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## NOES (cont.)

Laidlaw, D. V. Lucas, R. I. (teller)  
 Redford, A. J. Schaefer, C. V.  
 Stefani, J. F.

## PAIR(S)

Crothers, T. Griffin, K. T.  
 Roberts, R. R. Lawson, R. D.

Majority of 3 for the Ayes.

Motion thus carried.

**WATER RESOURCES ACT REGULATIONS**

Order of the Day, Private Business, No. 10: Hon. A.J. Redford to move:

That the principal regulations under the Water Resources Act 1997, made on 26 June 1997 and laid on the table of this Council on 1 July 1997, be disallowed.

**The Hon. A.J. REDFORD:** I will be brief. We have tabled the report and anyone who is interested in this topic ought to read that report. At present there is a review of certain issues relating to the operation of the water resources legislation, in particular, allocation policies in the South-East conducted by independent experts from the private and public sector, Dr Wally Cox and Mr Paul Baxter. A draft report has been issued for public consultation. I have been involved in some meetings: that process is ongoing and I do not think it will advance that process if I make any comment about that issue at this time. As to the other issues raised, I commend some of the comments to the Economic and Finance Committee, which is dealing with levy proposals. Also, I hope that we can review these regulations with a view to simplifying them over the next 12 months, having experienced that regulatory regime. I move:

That this Order of the Day be discharged.

Order of the Day discharged.

**WATERWORKS ACT REGULATIONS**

Orders of the Day, Private Business, No. 11: Hon. A.J. Redford to move:

That the regulations under the Waterworks Act 1932, concerning revocation of schedule 2, made on 26 June 1997 and laid on the table of this Council on 1 July 1997, be disallowed.

**The Hon. A.J. REDFORD:** I move:

That this Order of the Day be discharged.

Order of the Day discharged.

**ELECTRICITY, PRIVATISATION**

Adjourned debate on motion of Hon. T.G. Cameron (resumed on motion).

(Continued from page 1715.)

**The Hon. T.G. CAMERON:** I have already stated on the record my reasons for supporting the sale of ETSA, notwithstanding what has transpired since I made my speech in the Council—and a lot has taken place since then. Now is not the time or the place to go into that. I have moved this motion for the Council's consideration.

*Members interjecting:*

**The Hon. T.G. CAMERON:** No. I believe that this motion sets up a process which keeps the question of the sale of ETSA and Optima alive and, in the interests of the State of South Australia, I support this motion.

**The Hon. R.I. LUCAS (Treasurer):** It is in the interests of all members that we do not have to come back here this evening, so I will not make a lengthy contribution. I will just list as quickly as I can the major points of the Government's position. It is fair to say, as the Hon. Mr Cameron knows, that this is not the Government's preferred course of action, but we acknowledge and understand the reasons why this select committee is being established. For the reasons that I will outline and on the understanding that I have outlined, the Government is prepared to support the motion.

The Government does not support the Upper House replicating what is already occurring in the Lower House, that is, a fully fledged select committee process which is already four or five months into hearings and to which everybody's favourite witness can be invited. I am not sure when the process will conclude. I am sure that the select committee in the House of Assembly is doing fine work, but I do not believe it would be productive for the Legislative Council to replicate a process which has already commenced in the House of Assembly.

However, we understand why the Hon. Mr Cameron has moved this motion in the first instance and why in discussions with the Hon. Mr Xenophon and latterly with the Democrats there have been a number of changes to this proposal. We are prepared to support it on the condition that it does not extend. We believe that it should report back to Parliament on 27 October when we return. As one of the Government members on the committee, I will be prepared to meet whenever and wherever to ensure that the work that this Chamber gives to the committee will be completed by 27 October. It is only fair that the work of the committee should be reported back to this Chamber before we are in a position of having to conclude our debate on the electricity repeal legislation, which has been adjourned until October.

A number of issues are raised in the Hon. Mr Cameron's motion, particularly the vexed question of an adequate reserve price, which a number of members raised in their contribution. The Government has indicated its willingness to explore the issues. We have also indicated our willingness to see a special committee or sales procedures committee, as we would have referred to it, established under certain guidelines. It is the Government's view that if, eventually, Parliament supports a sale, if there is to be a continuing role for the Parliament in some way, that would most productively be achieved through a sales procedures committee or a special committee operating up-front so that everybody knows how the process is to operate.

The Government has a very strong view that we do not want to be in a position where eventually we have a sales process for each of our six assets (if we go down the path of sale) and then after bidders have spent millions of dollars on bids new conditions or new requirements are imposed in some way that would prevent an ultimate sale. Frankly, the Government would prefer to have those decisions taken early. If we cannot resolve a sensible and satisfactory sales process, we would prefer to call it off at that stage rather than go through the facade of a sales process and then, at the end of the process, have a hurdle erected that would prevent the sale going ahead.

It is better, and more sensible, to have the debate up front to see whether we can agree on an appropriate role for a committee such as the special one to which the Hon. Mr Cameron has referred, operating, we would hope, confidentially in relation to some aspects, anyway. However, that will be a matter for discussion by the committee: it is not a matter

that needs resolution in this debate. That committee might establish up front the procedures so that buyers and sellers would know the guidelines and requirements and then, under those conditions, if everyone agrees that it is sensible to commence the sale process we can go through it with everyone knowing where they stand.

As I said, I think that is sensible and that is one reason why we have acknowledged what the Hon. Mr Cameron is endeavouring to achieve in the establishment of, first, the select committee and, ultimately, the special committee. I understand from discussions with some other members that the Hon. Mr Cameron, in a willingness to compromise, has incorporated some additional elements into the work of the special committee. Again, that would not be the Government's preferred position, but we understand the reasons why and we believe that certainly the Government, within the constraints and understandings that I have outlined this evening, is prepared to support the resolution.

A number of amendments have been tabled. I indicate that the Government will not support the early amendments to be moved by the Hon. Mr Elliott but will support the last amendment in relation to subparagraph (b). Given that we can speak only once in this debate, I broadly outline the Government's position. As I have indicated privately to the Hon. Mr Elliott in discussions, I am prepared to place on the public record my personal willingness and that of the Government to enter into sensible and reasonable discussion with the Hon. Mr Elliott in respect of issues which he believes have not been resolved to his satisfaction in relation to information that he requires.

I know that in his amendment he is looking for information on assets and liabilities of ETSA and Optima. He is also moving an amendment in relation to the range of likely scenarios of future economic conditions, sale price, future profitability and the likely impact on the State's finances. I say publicly that, on behalf of the Government, I am prepared to enter into sensible and reasonable discussions with the honourable member in relation to this. As evidence of the Government's bona fides on this matter, we have engaged in similar discussion with the Hon. Mr Xenophon and the Hon. Mr Cameron along the broad lines that information was requested, and that is a judgment to which the Hon. Mr Cameron and the Hon. Mr Xenophon can respond.

By and large the Government has satisfactorily responded, at least to the degree whereby those members could eventually make a decision about the economic benefits of the possible sale. Clearly, I understand that it is always possible that, with people acting reasonably on both sides of the discussion, there might ultimately be a difference of opinion. That is always possible, but I indicate a general willingness to enter into discussions about the sorts of issues which the Hon. Mr Elliott is seeking in his amendment and which the Government, at this stage, will not be supporting.

Nevertheless, as I said, rather than not supporting it in this motion, we will seek to meet those requests through discussions with the Hon. Mr Elliott, his colleagues and, indeed, anyone else who might want to be involved—subject to the willingness of the Democrats—if they so choose. The reason for this is that the Government believes that if we accept the Hon. Mr Elliott's amendment we open up the committee to a range of other issues which are currently being considered by the House of Assembly and which, I believe, will make it much harder not to have a series of witnesses who want to appear in person to present evidence and to argue their various cases one way or another.

Frankly, we have seen enough of that through the House of Assembly. Each of us in the last debate we had in this Chamber on the main Bill all brought to the table our own bit of evidence, whether it be from John Spoehr, John Quiggin, Cliff Walsh or, today, Dick Blandy, to support the particular position that the various parties had adopted on the ETSA sale debate. If the committee was, in effect, to go down that path where we had Spoehr, Quiggin, Walsh and Blandy, and Uncle Tom Cobbleigh and everyone else, coming along to present evidence, particularly if it was in open session, we would soon enter into a non-productive use of our time and people's positions would be confirmed as to where they are.

As I said, we are prepared to work cooperatively with the committee in terms of what it has to do, and we are also prepared to provide information to all members who want to continue to have discussions with the Government, acknowledging that ultimately some of that information through some mechanism might need to be placed on the public record. I acknowledge that, and some of that information might ultimately, if important, need to be placed on the public record. Again, the Government would be prepared to work with members as to the appropriate mechanism for doing that. It may be that it is a further reference to this committee or another committee; it may involve tabling some information in the Parliament; or it may be the public release of information by the Government or, indeed, other members. Without locking the Government into any particular method or process, we indicate a willingness genuinely, if there is genuine discussion from all members who are involved, to enter into those discussions and to see what an appropriate process might be.

The Hon. Mr Holloway intends to move an amendment and I indicate that the Government is not disposed to support it. We believe that the motion moved by the Hon. Mr Cameron is clear and precise in subparagraph (a), and we intend to support the Hon. Mr Cameron's drafting.

**The Hon. P. HOLLOWAY:** I oppose the motion. When we arrived at Parliament House this morning, we thought we were going to debate the motion that the Hon. Terry Cameron had placed on the Notice Paper last Wednesday. Our morning newspaper described this motion then as a 'master stroke'. Well, the master stroke appears to have been struck down.

In opposing this motion I must say that, in its original form, it was one of the most farcical propositions that has been put before either House of Parliament in my time. It proposed to create a committee to inquire into forming another committee to set up a process to sell an asset that the House is yet to consent to selling, while looking at a referendum on that sale and, for something completely different, voluntary voting as well.

Well, voluntary voting has been removed, but we still have a committee to set up a committee. What a bold stroke. But, of course, this is not designed to be a bold stroke. This is a plan to fashion a soap box, a stage, while the Government and its multimillion dollar salesmen desperately try to work on the Hon. Nick Xenophon—and anyone else, no doubt, they can find. It certainly is not a master stroke aimed at achieving the swift sale of ETSA, and it certainly is not aimed at having a referendum to sell ETSA. Debate on the Bill to sell ETSA has been adjourned by the Government. If the Government was keen to sell ETSA, we could have debated and voted on the ETSA sale process a week ago. We could have voted on the Hon. Nick Xenophon's amendment



to have a referendum on the ETSA sale two weeks ago. We could be on the way to the ballot box to let the people decide.

The Government has the numbers in both Houses for a referendum on the sale of ETSA. If it wishes, why does it not go ahead and do it? The Government does not need a committee. The Hon. Nick Xenophon has given the Government a path by which it can sell ETSA, namely, a referendum. Treasurer, why will you not take it? Is it because you know you will lose it? Is it because the Government knows that the people who actually own ETSA and Optima—the South Australian taxpayers and voters—will tell it, ‘No, it is not yours to sell.’?

Is it because the Government knows that it would need to explain its ETSA backflip to the voters: that it would need to explain why it promised not to sell ETSA before and during the October 1997 State election but now has changed its mind? Instead, the Government appears here today to support a resolution that it hoped would dissuade the Hon. Nick Xenophon from his principal stance by linking it with a referendum on a totally unrelated matter, namely, voluntary voting. That, at least, has now changed in the past few hours, but we still have a proposal to establish a committee to consider whether we should set up another committee, this time a special committee, which presupposes that this Parliament has agreed to the sale of ETSA. Well, it has not.

The Government is seeking to buy time to work on the Hon. Mr Xenophon. I do not know why, because when this motion was revealed last week he reiterated his position clearly and precisely: no referendum on the sale of ETSA and Optima—no sale.

I wish to make one last comment on voluntary voting. I was amused to see voluntary voting tossed into this motion in the original form. A month or so ago we were told that a motion to abolish the Upper House would be linked to the sale of ETSA by the Hon. Terry Cameron, when we had the debate on it. Instead, we found voluntary voting in the original motion. Now that Mr Cameron has decided that we do not need to consider a referendum on voluntary voting, he will support it anyway through the amendment in the Council.

I can only guess that the change from the abolition of this Council to voluntary voting was made at the behest of the Liberals, since it is Liberal Party policy. Certainly, other parts of this motion exist exclusively for the benefit of the Liberal Government, and any unbiased observer would see that.

Throughout the whole process, we have been told that the sale of ETSA and Optima Energy is necessary because of the State’s debt. The Government has told us that, and the Hon. Terry Cameron has told us that. Yet, this resolution in its original and amended form provides that only 90 per cent of the proceeds of an ETSA and Optima sale is to be used to eliminate debt.

**The Hon. T.G. Cameron:** Minimum.

**The Hon. P. HOLLOWAY:** Well, it is the minimum. But the Hon. Terry Cameron says that the Government could get up to \$5.5 billion for the sale. By that calculation, the Hon. Terry Cameron believes that the Government should have anything up to \$550 million in an election war chest—a super pork barrel—from any ETSA sale. If the Hon. Terry Cameron or anyone else supporting this motion really believes that debt is the key issue, would this motion not provide for 100 per cent of the sale to be used to eliminate debt?

I wish to turn now to the membership of this committee. The motion proposes an eight member committee to inquire into the committee. This would, I assume, include Messrs Xenophon, Cameron, three Government members, two

Opposition members and one Democrat: five in favour of the ETSA sale and three against. But I stress again that, unless the Hon. Mr Xenophon changes his position, it will not provide for the sale of ETSA unless the Government opts for the referendum. And the Government does not need this committee to bring on a referendum.

What is Labor’s position? Realising the simple and obvious reality that Labor does not have the numbers in this Chamber and that we are in opposition, we realise that some form of inquiry will be forced on us. Let me make it crystal clear, if it needs repeating: Labor is opposed to the sale of ETSA and Optima. We have explicitly opposed it since October 1996. We are not opposed to all privatisations, but we determined a clear position to oppose the privatisation of our electricity assets in October 1996 and have maintained that position ever since. That is the position we took to the last election, and we still hold it. But we realise the reality of the numbers in this Chamber, so I therefore move the amendment standing in my name in the interests of making any inquiry a legitimate one. I move:

Paragraph 1, subparagraph (a)—After the words ‘any sale of ETSA and/or Optima Energy’ first occurring, leave out the words ‘and to monitor and review such procedures’ and insert the words ‘, to review all information and documentation and to monitor and review procedures’.

I repeat that we will oppose the proposition of the Hon. Terry Cameron regardless of whether or not my amendment is passed. I have moved the amendment to make the point that any select committee that looks at the future of ETSA will not be credible unless all the relevant information is provided.

An inquiry must have as a major goal uncovering the 1 200 or more suppressed documents relating to the ETSA and Optima sale that the Government has kept hidden. We must see an inquiry with the Schrodgers report and the other reports that the Premier says compelled him to perform his ETSA backflip. These reports were so persuasive that they made the Liberals break their solemn promise to the people not to sell ETSA and Optima, yet they have not been made public. Why? If they were so persuasive, surely if released publicly they would get the Government off the political hook. Of course, any select committee carrying the powers of a royal commission would call for those documents. It would also call a range of witnesses. One of the first should be Professor Richard Blandy, whose contribution in today’s media was fascinating. This is the man who was and remains a key Liberal economic adviser. He has pointed out very succinctly indeed the flaws in the Government’s sale argument that the Government would get a premium price for sale now but a lousy return if it kept the asset. Private enterprise would pay a premium price only for something that would deliver a premium return. If its return in the national electricity market really is uncertain, it will not attract a premium price.

Recognising that the numbers could exist in this Council for a referendum on ETSA and Optima, we countenance that. We are very relaxed about fighting a referendum on this issue; we are very confident that we would win. Of course, the question would have to be fair, and equal public moneys would have to be provided for both sides of the case, but it would be a fascinating battle. In conclusion, we oppose the establishment of this select committee as being totally unnecessary and mischievous in intent. Nevertheless, given the way the numbers fall, the Opposition will serve on the committee and test the *bona fides* of the Government on its

preparedness to supply the public and the Parliament with the 1 200 suppressed documents. I oppose the motion.

**The Hon. L.H. DAVIS:** Some understandably passionate speeches have been made in the course of the debate on the ETSA privatisation legislation, and today is not the time to revisit all the facts and figures relating to that debate. But the starting point for any discussion on this motion must surely be that, in a short time—some time within the next year or two—South Australia will still be paying 16¢ on every dollar earned from taxation revenue in interest payments on debt, whereas Victoria will be debt free, Queensland is already debt free and New South Wales will also be debt free, given that whoever wins the State election in New South Wales scheduled for March 1999 will privatise the power assets. That is the reality, and Parliament is here to deal with that reality.

I pay tribute to the Hon. Terry Cameron for this initiative, which keeps the debate on this motion alive. It accommodates the wishes of the Hon. Nick Xenophon to examine the referendum option. It also gives the Labor Party an opportunity to reflect post Federal election on its position on the privatisation of ETSA which, it must be said and must never be forgotten (as the Hon. Paul Holloway has just again affirmed), was arrived at in October 1996 without discussion or debate at the State Convention of the ALP. None of the detail, the data, the facts involved in what is obviously a watershed decision were discussed in any shape or form on the ALP convention floor. That deal was arrived at in the back rooms through the socialist Left, and the Leader of the Opposition was given something as a *fait accompli*. That is the reality and, in the two years since that time, the Labor Party has not revisited that position. It is hard to accept that there has been no discussion on something on which so much new information has been available over the past two years.

The Hon. Paul Holloway talked about the need to have more information on the table; in fact all of his amendments are directed towards developing a show trial on the privatisation of ETSA. It is significant to remember that, when it came to the sale of Sagasco and the privatisation of the State Bank there was no information on the table, no mandate and no referendum of the people, either as a pure referendum or at an election. Indeed, the spokesperson for Premier Arnold at the time said that it may well be that a foreign bank will be the buyer of the State Bank of South Australia. Now the foreign bogey is drummed up by the Hon. Mike Rann as an indication of how bad the ETSA privatisation will be because some part of the assets may fall into foreign hands. There is no consistency.

So, the Hon. Paul Holloway spoke with neither his head nor his heart. He ignored the fact that the Commonwealth Bank, Qantas, Australian Airlines and the Commonwealth Serum Laboratory privatisations all occurred without a mandate or a committee scrutinising the process, as has been suggested by the Hon. Terry Cameron. Indeed, the Hon. Paul Holloway should acknowledge that this is the first time anywhere in Australia so much scrutiny has been put in place for a privatisation.

This is a novel and bold initiative. It gives the Parliament a chance to set up a special committee to monitor the process. It is extraordinary that the Opposition is suddenly screaming about this because one of the very reasons for the outsourcing committee's being established through majority support by Labor and the Australian Democrats in Opposition was the complaint about the lack of proper scrutiny of the water

contract. The Hons Terry Cameron and Terry Roberts, who were on that committee, know full well that that was a show trial designed to expose the Government's so-called inadequacies in establishing the water contract and monitoring the process. Yet here we have an opportunity to set up the very mechanism that was, it was complained, absent with the water contract and certainly did not exist with any privatisations with which the previous Labor Governments or the Federal Labor Government were associated. Members opposite are complaining because we are going further than we have ever gone before. What an extraordinary situation!

This motion also gives the Australian Democrats an opportunity to review their position. I think they would welcome that because they jumped too early, sadly, in making their decision to oppose it when there was still a lot of information coming in on this matter. Some of the vital information they have requested has been held up because of requirements of the ACCC. I was encouraged by the moderate and reasonable response that the Hon. Ian Gilfillan put down in his second reading contribution on this subject.

So, this motion is a test of the goodwill and common sense of the parliamentary system. We all know as members that some of the very best and most satisfying work we do in Parliament as members is in the parliamentary committee system, whether select or standing committees. The Hon. Trevor Crothers—

*The Hon. Carolyn Pickles interjecting:*

**The Hon. L.H. DAVIS:** I will come to that. The Hons Trevor Crothers and Carmel Zollo are members of the Statutory Authorities Review Committee which, in their time on it, has come down with findings that have been critical of the Government, but the encouraging thing is that in 17 reports to the Parliament in over four years all of the recommendations have been bipartisan, and that is often the case in select committees.

So, in this situation, the detail that has been put forward by the Hon. Terry Cameron—modified in amended form to pick up some of the suggestions of the Australian Democrats—gives very wide parameters for a committee to be set up to consider and approve the procedures to apply to any sale of ETSA and Optima. The Hon. Paul Holloway was yet again wrong when he said that this motion suggests that the sale of ETSA is a *fait accompli*. It does not say that. At least he could read it, because it states: 'to monitor and review such procedures in the event of any such sale'. Then we had a grump from the Hon. Paul Holloway that voluntary voting was included in the original motion, that it has been withdrawn and that this is unfair pool. I would have thought that he would be relieved about the fact that it was withdrawn, because he is in favour of compulsory voting.

Never mind the fact that the Government has a mandate for voluntary voting—we ignore that argument three times in a row. He is against that. So, he has a grimace that voluntary voting, which he is against, has been withdrawn from the motion and then, to cap it off, he gets upset that abolition of the Legislative Council, which had apparently previously been suggested as an option in this motion, also has been withdrawn. Why would he be upset about that? That is Labor Party policy. I would have thought that he would be saying, 'I'd want to go for that.' I would have thought that I would see an amendment from the Hon. Paul Holloway saying, 'It was going to be there; I'm putting it back on the table in an amendment.' So, where is the logic of that? It is quite extraordinary.

That was a sadly defensive speech, and I hope that the Hon. Paul Holloway and other Labor members have an opportunity to approach this committee in a spirit of goodwill to examine the propositions that have been put forward by the Hon. Nick Xenophon and the Hon. Terry Cameron.

**The Hon. T. CROTHERS:** I oppose the proposition before us with verve and with every screaming sinew in my body.

**The Hon. R.R. Roberts:** And that's a lot!

**The Hon. T. CROTHERS:** No, you beat me in the mouth department. The proposition that confronts me reminds me of the grouping together into tribal groups of my ethnic forefathers, the Celts, when from time to time, because of different needs, they formed together into very loose, petulant, warring confederations in respect of matters of the moment. That is about the best thing that I can say about the Cameron proposition currently before us.

People who know me will know that I have opposed my own Party tooth and nail in respect of privatisation of any Government-owned asset. It seems to me that, when one looks at the parlous economic state that we are marching towards with some celerity in respect to global economics, it might be sooner rather than later that we rue the day when we dispose of Government assets that contribute—as does ETSA—\$300 million a year to the Treasury exchequer in this State, having that sort of capacity to add to the State's revenue income. If China devalues—and the Hon. Mr Davis will understand this—we may well be on the slippery slope to perdition in respect of a depression, because of the global entwinement of our economies now, that will make the Depression in the 1890s and the 1930s look like a Sunday school picnic.

The question that I raise, in addition to that which I have put on record before—is this: when the capacity for Governments—State and Federal—falls in respect of the ability to raise revenue for the Treasury coffers, what will we use then to replace the incomes that we have previously enjoyed in other depressions that we have experienced in our nation? What will we use, then, to supplement the incomes we derive from tax and State services in respect of a declining position from where Governments raise revenue to meet the even more demanding needs of citizens? How will we do that if, as I suspect, we are heading for one horrendous depression, which I would basically describe as the Armageddon of all economic downturns (and I am sure that we will see that sooner than we think)?

The Chinese and Hong Kong Governments, for instance, began life as a combined entity—no doubt my colleague the Hon. Terry Cameron will tell me if I am wrong—with about \$180 000 billion in reserves. China, thus far, because of the three months of floods and pestilence that it has sustained, has already run up repairs to infrastructure which will require the expenditure up to this point—and the floods are ongoing—of \$80 billion.

The Hong Kong Treasury chase determined that it would expend \$16 billion of its overseas exchange in an attempt to shore up the Hong Kong dollar. So, every second that passes in respect of that Goliath—that is, China and Hong Kong—which is currently doing so much to stop the current recession going into a depression sees us drawing ever closer to the abyss of a depression that I believe is coming—

**The PRESIDENT:** Order! I ask the honourable member to confine his remarks to the setting up of a select committee.

**The Hon. T. CROTHERS:** I am doing my best, Mr President. I am talking about the sale of ETSA, and the point I am making is that the income of \$300 million per annum that we derive whilst the Government still owns ETSA will take on a new mantle of magnitude as the depression hits us: of that I am certain. That is the inter-connective point that I make: not only am I opposed to the sale of a public asset because of some Thatcherite philosophical ideology but I am mindful that members of her own Party, such as the two previous Prime Ministers, were opposed to the selling off of public assets.

I tell members that, within my time—and I have only three years left to run in this Council—if the sale of ETSA goes through, we will rue the day when we deny ourselves that considerable sum of several hundred million dollars per annum that we derive from the public ownership of ETSA. In any case, prior to the last election, the State Government told the people that it would not sell ETSA. Less than three months later, the Government changed its mind. It must be borne in mind that the current Premier, some months before that statement was made, had been the Minister in charge of ETSA. Either he told a lie for electoral purposes or he was incompetent in the discharge of his ministerial duties. You can have either one of the two or both of the two, but you cannot have anything else.

It is my view that this proposition is, as I said, like those loose, frightened internecine confederations of Celtic tribes, set up as a 'John Amendall', a catch-all, to bring together the disparate groups that are needed and required to support such a deal as this and to get it through the Council. A Council formed on flimsy foundations such as that will not stand the test. It certainly puts the Hon. Mr Xenophon to the test regarding his declared belief, with which I concur, that if you lay down a policy prior to an election you must go to a referendum to reverse it.

It is not as though, prior to the election, the current Government said nothing. The Hon. Mr Davis does not compare apples with apples when he talks about the State Bank and other sell-offs engineered by the Bannan Government, which I also opposed. Nothing was said by that Labor Government about what it intended to do. But, *au contraire*, this present Government did say, 'Elect us, we will not sell off ETSA.'

**The Hon. R.I. LUCAS (Treasurer):** I move:

That Standing Orders be so far suspended as to enable the sitting of the Council to be extended beyond 6.30 p.m. to enable the Business of the Day to be concluded.

Motion carried.

**The PRESIDENT:** Before the Hon. Mr Crothers continues, I ask that members speak only to the motion, which involves the setting up of a select committee.

**The Hon. T. CROTHERS:** I believe that the aim of the select committee is to act as a web to entrap all the disparate parts of a coalition of members of this Council that would be necessary to put such a Bill through. I have no doubts about that in my mind. The Machiavellian nature of this Bill would even make the Prince blanch. I have no hesitation in saying that. This measure is solely designed and aimed at trying to buy time and to try to persuade the Hon. Nick Xenophon that he is not really right when he so properly, in my view, insists that anything put before the people by way of policy dicta by the present Government can be reversed only by a vote of the same electoral college that determined to put the Government

in the office partially, in effect, on the promise of not selling ETSA.

The issue is clear and not subject to any whimsy or fancy of this Council. It is a clear position where the matter must go back to the people for decision and where measures of this nature must not be used to buy time to convince a member of a disparate section of the community, who currently is in a rocking chair under which the people who designed this measure are trying to put solid runners, in respect to helping him in his process of decision making. Not only do I oppose the Bill but I go a bit further: I call on the Hon. Nicholas Xenophon to keep to his principled stand in respect of the pronouncement he made previously relative to the debate on the sale of ETSA.

**The Hon. M.J. ELLIOTT:** I rise on behalf of the Democrats to indicate opposition to the motion. By the time the Democrats knew the motion existed, the numbers had already been stitched up. Mr Cameron had already persuaded Mr Xenophon—and with great difficulty I am sure the Government—of the merits of this motion. I indicate, first, an opposition to it, because I do think that a great deal of illogic is contained within the motion. I am also opposed to the way it is structured, and I will address that in a moment. I indicate, recognising that the numbers were already there, that it is the intention of the Democrats to move amendments in relation to the motion. In moving amendments we do not indicate support for the motion but simply seek to get something useful from it. I note that in discussions that I had with both Mr Cameron and Mr Xenophon, and later the Government, some of the Democrats' suggestions have been picked up, but they have been placed in the motion in such a way that they are not anywhere nearly as useful.

It is the view of the Democrats that, first, the case needs to be made. The Government might feel that it has been made to its satisfaction—and it appears, at least, that Mr Cameron feels that it has been made to his satisfaction—but the Democrats have clearly indicated that the case has not been made to our satisfaction. What we would want to do and what the first of my amendments is seeking to do is to get on the public record the sorts of information that we have been unable to extract over a very protracted period of negotiation, particularly between the Hon. Sandra Kanck and the Treasurer. Accordingly, I move:

In paragraph I—Before subparagraph (a) insert:

- (aa) i. the assets and liabilities of ETSA and Optima Energy;  
 ii. the range of likely scenarios in relation to future economic conditions, sale price for ETSA and/or Optima Energy and future profitability, and the likely impact on the State's finances in both the short and long term.

Leave out subparagraph (i).

Leave out subparagraph (iv).

In subparagraph (b) leave out the words 'and feasibility of' and insert 'feasibility of and most suitable process for'.

We have a motion to form a committee to form a committee. The first committee will not do anything other than talk about what the next committee might do, and then it will come back to the Parliament and ask the Parliament to decide. So we are deciding to ask a committee to tell us what another committee might like so we can decide.

Frankly, if we are to establish a committee, the committee should be given a real and useful job. In my view, that real and useful job, first, should be to establish the facts in certain areas and, secondly—and most importantly—to put those facts on the public record. Despite the fact that people will be

coming from a number of Parties and Independents, assets, liabilities and goodwill should be matters on which ultimately some consensus would be reached, perhaps not about the likelihood of each scenario but at least about the internal consistency of the scenarios and the clear statement of what the assumptions are within them. As such, a parallel public debate is occurring.

That parallel public debate will then be happening on better information, just as the debate within this place would be happening on better information than the Government has provided so far. Instead, so far as any matters are to be raised, they ultimately will be raised within this special committee, whatever that means, which is to be formed after the select committee has met and reported back to the Legislative Council. The select committee has been formed but it has been given very little to do over the next couple of months.

To some extent, Mr Cameron has already tried to define some of the terms of reference he thinks this special committee might have, and I note that he has picked up some matters that I raised, and I will be moving amendments on matters that the select committee itself should directly address. However, at the end of the day, I do not think that a great deal of clear thinking has gone into what this other committee will be all about.

For instance, there is what is known as the Emery option. Former Under Treasurer Peter Emery has circulated a suggestion that a committee be formed which is effectively a committee of oversight of the sale process itself. That committee would not have become functional until after legislation had passed this place giving approval in principle subject to a committee's being satisfied about price and other matters. It would not mean that that committee had to negotiate the contract but would be there in parallel, and being satisfied and reporting back to the Parliament that it was satisfied that, indeed, a good deal had been done for this State. In fact, Mr Emery had argued that to do so should not frighten investors away.

His argument was that there really was something of a parallel to what happened when Western Mining was looking to be involved at Olympic Dam. It did not know whether the legislation was going to pass while it was spending some moneys in doing some proving up of the deposit. That depended upon legislation and, finally, parliamentary approval. So, if investors such as Western Mining were prepared to wait on the parliamentary process, then Mr Emery, a person who has been in a position close enough to know about these things, argued that investors could be treated pretty equally in making some expenditure up front whilst waiting for final approval to come through.

It would certainly be useful in those circumstances if in principle approval had been given by the Parliament and then it was just subject to the conditions of the contract. As I said, the companies going in then would not be taking a great deal of risk, but that still assumes at the end of the day that there has been in principle agreement, and that certainly is not going to come from the Democrats on the basis of the information supplied. We still believe on the basis of the information we have seen so far that the State is better off retaining the assets and the income stream from them and avoiding the risks of sale than it is in looking to write down some debt and taking some risks with retention of the assets. The Government simply overstates its case in talking about the risks of non sale and refusing to address the issue of the risks of sale itself. There are risks both ways.

Nevertheless, I repeat: in the first instance the Parliament itself needs to be persuaded of the merits of a sale, and I cannot see that the establishment of this so-called special committee will proceed things very far along this track. I also argue that the public itself deserves to have better information before it than it has currently been getting. This is not a minor matter for this Parliament or the State. The term 'magic bullet' was used in the *Advertiser* today by Professor Dick Blandy. It is a term that I also used when I spoke in this debate previously. This is not a magic bullet to fix the problems of this State. Yes, we will perhaps be having less cents of the tax dollar going to pay off debt, but that is offset by the cents we are receiving back into that dollar in terms of the income stream. The Government has to prove where the balance lies and that other costs will not fall on the community. If we end up saving a few cents in tax but paying a few more cents for our electricity, we have not made any gain at all. There has been a constant refusal to factor in all those conditions. They cannot be avoided.

The motion as it currently stands talks about the desirability and feasibility of holding a referendum. I also note that the Hon. Mr Xenophon is on record in this place as saying that he cannot possibly countenance a sale unless there has been a referendum, on the basis that it would be such a clear breach of promise, not just by the Government but by the Parliament insofar as all major Parties in this Parliament campaigned on this and stated clearly that there would not be a sale. It would be not only a clear breach but it would be based on such specious grounds as presented so far, and it cannot happen without the public being convinced of it. As I said before, it is noticeable that the Government is not keen to see good information get through to the public. I am moving an amendment in relation to the referendum. It should state that there will be a referendum rather than talking about desirability and feasibility.

As the Hon. Mr Crothers said, the Hon. Mr Cameron might hope that the Hon. Mr Xenophon will change his mind, but I certainly do not believe that that will be the case. We need to talk more about whether we will have a referendum and the sorts of conditions that will apply to a referendum. Will there be a 'Yes' and a 'No' case? How will they be funded? Will they be funded equally? For that reason I will move an amendment to paragraph (b) to ensure that the processes of the referendum also will be discussed by the committee for recommendation back to the Parliament.

Where that leaves us at the end of the day is another question. Presumably at the end of October we will have a report from the select committee that will make recommendations about a committee. I predict that there will be three or four recommendations for different committees, if there are recommendations for any committees at all. There is also significant danger as to division about whether or not there should be a referendum and, if there is, how it should be held.

Select committees work very well in this Parliament most of the time but, unfortunately, when members go into select committees with fixed positions it becomes extraordinarily difficult for those committees to work. The Hon. Mr Lucas and the Hon. Mr Davis would remember the timber select committee in which Government members were in a state of denial during the whole of that select committee process. At the end of the day it was because numbers were used—and I admit that I was one of those numbers because I combined with the Liberal members—that a report was produced, which the Labor members fought very hard not to be produced.

**The Hon. L.H. Davis:** I thought Terry Roberts was pretty fair as the Chair of that committee. I thought that he accepted the reality of it.

**The Hon. M.J. ELLIOTT:** It would be fair to say that he accepted the reality not just of the facts but also of the numbers. The numbers were also important, and that has been my experience from a couple of other committees that I have been on. The point that I am making is that, at the end of the day, if it is a highly political issue when it goes in it often stays that way as distinct from a select committee that is set up before there is much political heat in an issue and where members will move more freely across whatever Party lines are there.

This will be a remarkably difficult select committee, and the chances of its producing a single report would be pretty close to zero. That is not a matter of wish on my part: it is a matter of observation from when we have these sorts of committees. The vast minority of select committees of this type are highly political—probably only 4 per cent or 5 per cent of the total committees, but this will be one of them. In summary, the Democrats oppose the motion because, frankly, it will not take the Parliament anywhere at the end of the day. So far as there is any possibility to retrieve something from the process, I have moved some amendments.

**The Hon. NICK XENOPHON:** I indicate my support for the amended motion of the Hon. Terry Cameron. I see the matters raised in the motion as setting a framework if a sale process is the path that will ultimately be followed and can explore certain fundamental safeguards, including an adequate reserve price. In case the Government has forgotten, I reiterate my position: unless there is a referendum carried in the affirmative, the sale of ETSA and Optima should not and cannot proceed. No amount of lobbying will get me to change my mind, and anyone who even begins to think otherwise will be sadly disappointed.

In relation to the amendments of the Hon. Mike Elliott, I indicate that I support only the final amendment to subparagraph (b), which clarifies in more detail the referendum process and mechanisms, and I thank him for that sensible amendment. I am acutely aware of the concerns of the Democrats to obtain further information on the assets and liabilities of ETSA and Optima and other matters which clearly would be relevant to key issues such as reserve price.

I note the Treasurer's apparent willingness during this debate to engage constructively with the Democrats to provide this information, and on this occasion I am prepared to give the Government the benefit of any doubt and to accept what the Treasurer has said. However, I put the Government on notice that I reserve the right to revisit this aspect if it seems reasonable that the concerns and questions of the Democrats are not met and answered. Similarly, I indicate why I do not support the amendment of the Hon. Paul Holloway: because I believe that the matters raised are inherent in subparagraphs (a)(i) and (a)(ii) of the motion. However, I indicate to the Government that if relevant documents, that is, relevant to the key issues of the assets and liabilities of ETSA and risk factors, are not provided, I reserve the right to revisit that, as well.

**The Hon. CAROLYN PICKLES (Leader of the Opposition):** I oppose the motion. I believe that it is nothing more than a distraction from the basic facts, which are these: the ALP and the Democrats are opposed to the sale of ETSA, and the Hon. Mr Xenophon has again put on the public record

that he will support the sale of ETSA and Optima Energy only if it is put to a referendum and the people agree to it. The Labor Party has had a long and principled position on this matter which it took to the people at the last election.

*The Hon. L.H. Davis interjecting:*

**The Hon. CAROLYN PICKLES:** It is a far more principled position than you had because you denied it over and over again.

*The Hon. L.H. Davis interjecting:*

**The PRESIDENT:** Order!

**The Hon. CAROLYN PICKLES:** We outlined in the debate on the Bill that was before this place several weeks ago our position on the sale of ETSA and Optima Energy and I do not propose to go over that again. However, I would like to look at the components of the Hon. Mr Cameron's motion. It proposes a select committee to look into the establishment of another committee. That is a rather unproductive way to operate.

Perhaps the Hon. Mr Cameron in his summing up might inform the Council of the kind of committee he proposes. His motion states that the committee is to comprise members of the Parliament. Does the honourable member intend the committee to comprise members of both Houses of the Parliament; how many members of the committee will there be; and what exactly will be the—

*The Hon. L.H. Davis interjecting:*

**The Hon. CAROLYN PICKLES:** He must have something in mind, so it would be interesting—

*The Hon. L.H. Davis interjecting:*

**The Hon. CAROLYN PICKLES:** I do not think there will be a consensus, because the committee is already weighted one way. The select committee will be charged with inquiring into and reporting on the establishment of a committee comprising members of Parliament to approve procedures to apply to the sale of ETSA and Optima. It is quite clear that the composition of this committee is to be weighted in favour of those people who support the sale of ETSA and Optima Energy, so I cannot quite see how it will have any kind of productive outcome. However, as my colleague the Hon. Mr Holloway has indicated, the Opposition will serve on the committee if only to keep the bastards honest, to coin a phrase from the Australian Democrats. Paragraph (b) of the motion states:

The desirability and feasibility of holding a referendum to ascertain from the electors of South Australia their views on the following—

- i. the sale of ETSA and Optima Energy;

The original motion also had the curious addition of the issue of voluntary voting. I find that curious because, over many years now, the Hon. Mr Cameron was a fervent defender of compulsory voting and for very good reason. His current position is somewhat bemusing and begs the question about who really drafted the original components of this motion. I note that the Hon. Mr Cameron has tabled in the Parliament today his intention to amend the Act along the lines of a Bill that was introduced by the Hon. Mr Griffin some time ago.

The Hon. Mr Xenophon, despite his support for the sale of ETSA, cannot bring himself to support the legislation, because he knows that the Government has misled the people. It would have been interesting, had we been allowed to debate the Bill, to discuss clause 2, because we could have then resolved the issue once and for all. Clause 2 of the Bill actually would have put the issue to a referendum. But, no, the Government went away and did little deals to set up some curious proposal—

*Members interjecting:*

**The PRESIDENT:** Order!

**The Hon. CAROLYN PICKLES:** The Hon. Mr Xenophon is aware that the Government went to the election saying one thing and turned around and spat on the public and did the exact opposite. The Hon. Mr Xenophon knows that the Government has no mandate and is prepared to block the sale until the Government does the right thing by the people who put him there. He has reiterated that position over and over again. I am not quite sure of the purpose of this committee—to put the screws on the Australian Democrats, I suppose. They have reiterated their position this afternoon, and certainly the Labor Party will not shift in its views.

I do believe that, if the select committee is to work, it must include a thorough review—and I recognise the numbers in this place, so we will obviously have a select committee of some description—of all the documentation and information necessary, and this must include the 1 200 suppressed documents that should have been available to the Opposition and the Parliament as representatives of the people. Why does the Government fervently protect these documents from seeing the light of day and what is it afraid of?

Finally, I reiterate the Opposition's policy of keeping ETSA and Optima in public hands. South Australians are smart enough to know what is good for them and they know that the sale of ETSA is not in the public interest. I oppose the motion.

**The Hon. SANDRA KANCK:** I oppose the motion, but I will be supporting the proposed amendments. I am still unclear, even given the newly introduced form that Terry Cameron proposed today, what this motion does in terms of its having any impact. Presumably, the Government support is there so it can buy time to convince a Labor backbencher to change position but, after listening to the speech made by the Hon. Trevor Crothers, I certainly would not be very hopeful if I were the Government; there were no openings in his speech.

One has to ask who will benefit by keeping the whole thing alive for another two months. My only answer is the highly paid advisers to the Government, and I am willing to bet that they advised the Government to accept this motion, because they have a vested interest. The distressing thing about this is the time we are wasting both today and when the select committee is set up. It will be something that we do not need; it will be able to make its decisions within one or two meetings at the most; and it will not need witnesses to make those decisions. I think it makes a farce of the Parliament. It is setting up a committee to recommend whether or not another committee should be set up, and it will report back—

*The Hon. Carolyn Pickles interjecting:*

**The Hon. SANDRA KANCK:** If they can find some who are on side, but I do not know many members of the public who are. The select committee has to report back to Parliament and, in turn, we will argue it out. I do not understand the process of taking this away from the Parliament and then bringing it back to us in November, other than as a time wasting mechanism.

Similarly, with the referendum, the select committee will make recommendations and bring them back to us, but we will be debating the issue in much greater length when we look at the restored electricity restructure and disposal Bill in November, and the Hon. Nick Xenophon's amendment will be debated then. The motion might have had some sense if it had reference to a referendum—and we will try to

include that—so that we are looking further than merely the desirability and feasibility of holding a referendum. If the select committee was to make recommendations back to us about what actual questions should be asked of the population of South Australia and who would be preparing the case for and against—those sorts of questions—the select committee might have some value. But, as it is, I think the select committee is a waste of time; the motion is a farce; and John Olsen should do what he threatened to do last year, that is, support a no-confidence motion in his own Government and let us go to an election on this issue.

**The Hon. R.R. ROBERTS:** I oppose this motion. I congratulate our lead speaker, Paul Holloway, who covered many of the areas that needed to be covered. The main reason why one would have to oppose this particular motion is that it is superfluous. It is not necessary. We already have a Bill before the House which covers not only the question of the referendum but also what the Government thought was a proper way to dispose of these assets.

This is a lifeline for a Government that is desperate. I think those at the *Advertiser* who called the original document a 'master stroke' are easily fooled. One glance at it and one can see that there are three components to this motion. There is Geoff Anderson—or Pol Pot, as he is known within the Labor Party. That ex-adviser to John Bannon who advised us on the State Bank is now advising this lot. Are they in strife! There is a bit of Pol Pot and the old Machiavellian Terry Cameron in there. He throws in a little line about voluntary voting. That is to catch the Government—to get it on side. Then there is a little bit of the Hon. Nick Xenophon in there, because there is an attempt by that honourable member, in his innocence, to try to put his mark on it. There are the three components, and they have all been sucked in.

The Hon. Nick Xenophon has come in here to do a job in the Parliament and to act in an honourable way. He is acting in an honourable way this time, but he has been conned. Indeed, he has been conned by a professional: by someone who would make Christopher Skase look like a sissy! But he has done it with honour. He actually thought that, by moving the motion, we would talk about the desirability and feasibility of holding a referendum. Those are a lawyer's words. I am certain that they would have been the words of the Hon. Nick Xenophon. But the honourable member Nick Xenophon has not had the benefit of a trade union education.

The Hon. Terry Cameron has had this experience and he knows only too well that the best way to take someone out of the argument, if you have a recalcitrant member, is to put him on the executive. Then, when you pass the motion, the poor fellow is done over.

Government members are buying time to do over the Hon. Nick Xenophon and the people of South Australia. Why would these people not support this motion? They know that the Bill before this Council contains all the criteria contained in this document. If they were dinkum they would have brought on the motion. It is very easy: all you have to do is move the suspension of the Standing Orders. The Hon. Nick Xenophon has made very clear that, if we do not get the first proposition up (that is, the referendum), he will vote the other Bill down. So, they had to come up with an alternative plan. They had to stall and grab a lifeline.

They ran around to old Pol Pot and said 'How are we going to do it?' The answer was a trade sale. I bet he put that to the Hon. Nick Xenophon. He certainly put it to the Hon. Terry Cameron. So, because Government members have to

buy time, they come up with a ridiculous motion for a committee to set up a committee. As the Hon. Carolyn Pickles pointed out, it does not say how many will be on the committee, and it does not say whether it is a joint House committee. They want to talk about the feasibility and desirability of holding a referendum; that is what is actually supposed to happen.

We could solve this problem. We do not need to go through all this. We could have a Committee of the Whole House. All they have to do is move the suspension of Standing Orders and deal with the first motion. The Hon. Nick Xenophon can move that we have a referendum and we can vote on it; and then we can come back on the 26th and do the rest. But if we were to move that motion we would not get 12 members; we would need to suspend the Standing Orders, and we would not get 12 members to do it. So, it is a con. It is a farce. It has no substance. It is just a lifeline for a desperate Government that has gone to the people, perpetrated a lie and then had to come back and try to justify it.

The sad part of this is that they are doing it at the expense of the Hon. Nick Xenophon. I have no doubt that Mr Xenophon has gone into this with absolute integrity, and I accept his statement that he will stick. But what this mob is trying to do is get a committee decision, a majority decision—

*Members interjecting:*

**The Hon. R.R. ROBERTS:** I won't accuse you of that. They are trying to get a majority decision so that they can go to the public with all the publicity and use all the public resources, with a majority decision that we ought to sell it. The motion has the presumption of sale. If this committee were to do anything—if there was a job for any committee to do—it would be to set up a proper, balanced question for a referendum. That is the only job for a committee to do if we are to stick to the proposition put by the Hon. Nick Xenophon that he will vote to establish a referendum and that if he does not get it he will vote against the rest of the Bill.

This is the record of this Government: it extended this session of Parliament because it had to get the Electricity (Assets and Disposal) Bill through. At one time, the Government was going to keep us here until Christmas if the legislation was not put through and, if we did not pass it, the Government was going to put up motor registration fees and a whole lot of other things. It has done that, anyhow. But what happened when push came to shove? The Government went to water and put it off. Then, in a fit of petulance because he could not get his own way, the Hon. Terry Cameron decided to break his pledge—not his word, his pledge—to the Labor Party—and cross the floor.

**The Hon. L.H. Davis:** Like Norm Foster.

**The Hon. R.R. ROBERTS:** Norm Foster had the decency to resign before he ratted. The Hon. Terry Cameron broke his word and came up with this proposal to buy time for the Government. That is what this is about. It is not about trying to do anything: it is about trying to buy time. It is a ridiculous motion, which puts in place a structure and then makes an example of everybody in Chamber.

The Hon. Legh Davis had the temerity to talk about the good work of the Legislative Council and the committee system. If he was dinkum about his integrity towards the Legislative Council, he would look at this and say, 'We will have eight members on a select committee: three representing the Government, two representing the Opposition, one for the Democrats and two Independents representing two Independ-

ents.' They are setting an awful precedent here, because this will happen in future.

Normally there are five members on a select committee and the Chair has a deliberative vote only. But, no, these people are desperate. They will clutch at any straw and set any stupid precedent to buy time so that they can perpetrate the lies which they put to the people at the last election.

In his contribution to the debate on the ETSA sale today when we talked about the loss of jobs, the Hon. Mr Lucas said that 3 500 jobs had been lost, and he asked me what I was doing about it. I will tell you what I was doing about it, Mr President: I was opposing it. I was opposing it every inch of the way and, just to remind the Hon. Mr Lucas of what I have done, I inform him that when the Optima and ETSA Bill came before this Chamber two years ago it was I who insisted that the clause went in the Bill to provide that this matter had to come before both Houses of Parliament. So, you can blame me for your embarrassment; it was I. I would not vote for the Bill because I did not trust you—and I was correct. I said that you would lie to the people of South Australia.

When John Olsen went to Kevin Foley about getting this Bill through, I said, 'Don't trust them.' We already had the leaked document which laid out how you were going to do it. I said, 'We shouldn't put it through.' John Olsen gave me some other commitments, and I will not embarrass him by pointing them out here. But Kevin Foley went back and said, 'Ron Roberts doesn't want to put that Bill through; he doesn't trust you. He's dead right.' John Olsen said, 'We will put it in the Bill that it cannot be sold unless it passes both Houses of Parliament.' You have asked me what I have done: that is what I have done, and that is why you are in the mire that you are in now.

That is why you are taking these desperate moves, getting into bed with scabs—getting into bed with anybody. At the end of the day you will rue your decision. This proposition is ridiculous. It makes you ridiculous and it demeans the Parliament. We have come back for an extra day of the Parliament with all the expense—

**The Hon. Carolyn Pickles:** An extra month!

**The Hon. R.R. ROBERTS:** But we were definitely finished last week and, because we came up with this proposition we have had to reconvene at taxpayers' expense, undertaking this very expensive exercise to pass this measure, when members opposite know that it is ridiculous. They know that they are conning the Hon. Mr Xenophon and they know that it is costing a fortune, yet they persist because they are desperate. They have put it all on the line and they are desperate. I only wish they had the guts of their own convictions. They have the Bill there. Everything this committee is supposed to do is in that Bill. Unfortunately, you have conned the Hon. Nick Xenophon, but hopefully at the end of the day he will stick. I have no doubt, because he said today—and he is a honourable man in every sense of the word—

*Members interjecting:*

**The Hon. R.R. ROBERTS:** I am confident he will stick. He is an honourable man—

*Members interjecting:*

**The Hon. R.R. ROBERTS:** You lot have conned a lot of honourable people. You have conned the slight majority of the people of South Australia with an outright lie, but you are not game to go back. Sandra Kanck just put it on you. John Olsen said he would move a motion of no-confidence in his own Government and go back to the people. Let him keep just one promise he made. Let him take that one and go back

to the people because you will not be there long: you will be over here for a long, long time. This is where you ought to be.

**The Hon. T.G. ROBERTS:** I rise to indicate that I will oppose the motion and support the amendment put forward. The Hon. Ron Roberts put a very good case in his usual way. He spelt out some of the back room politics that have gone on to get to where we are. The motion put forward defies political gravity. The mover of the motion and those supporting it already know what the numbers are in this House and it is buying time to make sure that a lifeline is out there before it is put and sunk.

The political gravity it defies is that we have all placed on record our positions. We have a complicated set of criteria setting up a committee that defies any sort of logic to set up a process to bring about a conclusion that would have some honourable intentions. When you set up committees, with the exception of the one mentioned earlier—the timber select committee—most members know the information base we are working from. It is a matter of calling those witnesses together to ensure you have enough information on the public record so the community can look at the evidence required for people to make up their minds to determine whether the recommendations of that committee have some output that at least has a linkage to reality.

With this process in place we have a motion that sets up a committee to look at a whole range of issues that should have had answers to them before the debate had been completed in this House. The information being set out here is the information that the public craved in the lead up to the debate. I refer to the Schroeder report. Why did people change their mind? Why did people on the Government side move their position 180 degrees in such a short time? If the contents of the Schroeder report were so important, as other members have said, why was it not shown in a broader context? Why was the Opposition not able to view these documents?

We have also had some difficulty in securing information from the Government. The Government is desperate at the moment. It has made promises it did not make before in other privatisation debates. We looked at the consolidating of the Select Committee on Outsourcing of State Government Services. We gave the Government an option of supplying information for all those questions put on notice and being asked of the Government in relation to the privatisation and outsourcing of Government services in its first term of Government.

The committee has not met, and it does not have a research officer. That is how seriously the Government is taking its responsibilities in relation to the dissemination of information about important issues such as the privatisation and outsourcing of other Government services. How can we trust the Government to supply us with any information that would be able to change our collective position? We have a position on record, the Democrats have a position on record and the Hon. Nick Xenophon has a position on record. Why are we dealing with a time wasting motion such as this? I believe that the Hon. Ron Roberts, in his explanation of why we are dealing with it, probably got most of it right. But it does not do this Council any service to play another charade on the public, and I do not believe that it does the Government any service, either. If someone is going to move their position from opposition to sale to a sale position or supporting a referendum on this issue, I certainly have not been given any indication of that. The Democrats are holding, all



members of the Labor Party are holding and Nick Xenophon is insisting on his referendum. The Government has to decide what it has to do, and if it goes through the process of this charade it is just buying time—perhaps the *Advertiser* might sell a few more copies in relation to some of the conflict that is occurring within the parliamentary framework. But as far as—

*An honourable member interjecting:*

**The Hon. T.G. ROBERTS:** It is not the Labor Party that has the conflict. Educating the public as to the major issues associated with either the sale or retention of ETSA is the critical issue, and it is not being examined. If you wanted to set up a select committee, why not set up one with terms of reference that include sale versus retention? Why are we not able to see some figures on projections? Why are we not able to see the value of retaining the asset in public hands as opposed to private sale? Why are we not hearing more from prospective buyers? In relation to the point that the honourable member raised with regard to the current economic crisis, why are we not given some information and figures on the changing economic climate in which we find ourselves, and how will that impact on both retention and sale?

They are the questions in which the people of South Australia are interested. They are not interested in another round of games. They want some solid facts so that they can make their decision. They are, in principle, opposed to the sale. The Government is not game to go to the people to ask that question, because it knows what the answer is: it has already done its private polling. Certainly those people who are in charge of the sale and who are being paid large salaries to achieve the sale do not want it to go to a referendum. That is why we are examining the issue as we are.

This is a paint and paper job, and it did not fool too many on our side. The only problem that we had was how to deal with a motion that is many sided, many faceted and a dog's breakfast, and how to deal with it intelligently and convince the public that we are looking at a major issue with major implications in a serious way. The only reason why this motion is on the books is that people have vested interests in making sure that the issue is drawn out to a point where it becomes farcical, in case someone blinks and changes their mind.

I support the amendment put forward by the Hon. Paul Holloway only on the basis that the numbers are in the formation that they are. I oppose any change to our original position but, realistically, the committee will be set up. I can foresee that the committee will not achieve what the Government wants it to achieve, or what anyone else that had anything to do with the framing of it wanted it to achieve, and we will be back in the same position after the report or dissenting report comes through. The people of South Australia will see that it was a numbers game in the first place and that the intention was to get the numbers through so that it can be reported by the *Advertiser* that a select committee of the Parliament has come forward with whatever the—

*An honourable member interjecting:*

**The Hon. T.G. ROBERTS:** Yes, Labor rolled again. It will appear as though the Democrats and the Labor Party in opposition are being intransigent and defying the rules of Parliament.

*An honourable member interjecting:*

**The Hon. T.G. ROBERTS:** The honourable member says that I am prejudging. In every case where I have been a member of a select committee it has been an open-ended

question. The terms of reference for those select committees are framed in such a way that members on both sides of the House are aware that the information that they will draw will at least bring about a solution to a problem.

*An honourable member interjecting:*

**The Hon. T.G. ROBERTS:** The honourable member brings into play the committee—

*The Hon. R.I. Lucas interjecting:*

**The Hon. T.G. ROBERTS:** I will not answer that interjection because of the lateness of the hour. I will support the amendment, but only on that basis. We will take part in the farce that is being presented to us and listen to the arguments put forward by the other side. I hope this acts as an educative mechanism for the Hon. Nick Xenophon as we go through this farcical set-up. I am sure that at the start of the new parliamentary term we will be back here explaining to the people of South Australia exactly where we are at this time.

*An honourable member interjecting:*

**The Hon. CARMEL ZOLLO:** I doubt it. The motion before us is strange. It is basically in two parts: first, to consider and approve procedures for the sale of ETSA, including a contract and conditions, a reserve price and the retiring of debt; and, secondly, to consider the desirability and feasibility of holding a referendum on the sale of ETSA and the earlier motion on voluntary voting at future State elections. The remainder of the motion is fairly procedural, although it is interesting that an eight member committee has been proposed. Just a couple more, and we could have half of this Chamber participating in this charade.

Surely the Government would not support this part of the motion if it is to be consistent, having rejected a proposal at the start of this session from the Hon. Nick Xenophon to increase the number of members on the Social Development Committee from six to eight. Like other members, I want to know whether the proposed committee will have access to all the documents which were available to the Government and which assisted it in arriving at its decision to sell ETSA: in other words, all the reports that compelled the Liberal Government to change its mind and break its promise and to conclude that it had to sell ETSA and Optima.

I wish that I could believe the *Advertiser* report which stated that this motion was a political master stroke by the new Independent who has seen the light—please excuse the poor pun. The original motion had all the hallmarks of our usually smiling Treasurer and another new found ally who once advised the Labor Government in another life. To paraphrase the Hon. Sandra Kanck: beware of smiling Treasurers bearing gifts in the shape of a Trojan horse. Some might say that this motion puts the cart before the horse—a cart horse this time, not a Trojan one. First, we will work out the sale procedures and then determine whether we should have a referendum to ask the people for their view on the sale and, at the same time, another unrelated issue.

Surely paragraphs (a) and (b) should be reversed: we should determine a view on the referenda questions and, if it is agreed that the questions should be put, then we should determine the procedures for the sale if the referendum is approved. The original motion reminds me of a young child writing to Father Christmas at the Magic Cave:

Please, Father Christmas, I really, really have to have and I want a mountain bike for Christmas, but whilst I'm putting pen to paper I realise that I need a helmet to ride my bike and, whilst I'm at it, how about a new pair of Nike shoes as well.

**The Hon. L.H. Davis:** And a crash helmet for Ron.

**The Hon. CARMEL ZOLLO:** I will not comment on that. If this original motion ever reached the referendum stage, it could be promoted as a bribe to the electorate: 'Please support both referenda and you will never have to vote again.' I believe there will be no need to have a referendum on the sale of any other major Government assets because by the time this Government has finished there will not be anything left to sell. With respect to the Hon. Nick Xenophon, surely it would make sense to include a referendum question on eliminating poker machines.

After all, this is the policy upon which the Hon. Nick Xenophon was elected, although I understand he supports citizen initiated referenda. We could therefore also include both these questions on the referendum but take out the one on the sale of ETSA. Mr Xenophon could support the ETSA sale and keep faith with his 'No pokies' constituency, because we already know the answer to the question on the sale of ETSA: the electorate is opposed to the sale—the electorate told us so at the last State election. If we needed any proof of that it was vividly demonstrated by last Saturday's Tasmanian election, won by the ALP on a platform which opposed privatisation of Tasmania's hydro-electricity system. I am pleased that at least the Hon. Terry Cameron has moved his motion in an amended form.

**The Hon. T.G. Cameron:** Sandra talked me into it.

**The Hon. CARMEL ZOLLO:** Did she? I wondered why other measures were not included in the original motion as well: reforming or eliminating speed cameras and legalising prostitution. However, there is probably no need to include the latter as the Attorney-General has already accommodated the issue with, no doubt, coincidentally, the recently announced Cabinet review of prostitution legislation. We no longer have voluntary voting in this motion, but last night on the radio I understand my former colleague on my left came up with the idea of the amendment put on file before us today which amends the Electoral Act by deleting the penalty for not voting. Unfortunately for him, the Government already tried that trick during the last Parliament; obviously the Hon. Mr Cameron missed it. Removing the penalty for not voting is like saying that murder is still a crime but we will not have a penalty for it.

At this stage I have several pages of notes on the sale of ETSA, but, given the time, I will not go ahead with that. Matthew Abraham, writing in the *Australian*, described this motion as 'a complex rescue plan designed to kill off mounting support for a privatisation referendum and a tortuous parliamentary committee process'. I believe this motion is all about getting the vote—

*The Hon. T.G. Cameron interjecting:*

**The Hon. CARMEL ZOLLO:** The Hon. Mr Cameron has interjected by saying that Stephen Halliday wrote this for me.

**The Hon. T.G. Cameron:** I didn't say that: I said that Stephen Halliday wrote that for Matthew Abraham.

**The Hon. CARMEL ZOLLO:** Did he? I misunderstood you.

**The PRESIDENT:** Order!

**The Hon. A.J. Redford:** You shouldn't misrepresent him.

**The Hon. CARMEL ZOLLO:** Oh, that would be a shame!

**The PRESIDENT:** The Hon. Carmel Zollo will return to her remarks on the motion.

**The Hon. CARMEL ZOLLO:** This motion is all about getting the vote of the two newly aligned Independents to sell

ETSA. All the other issues are purely designed for a little bit of horse trading—there is that 'horse' word again. I oppose this motion.

**The Hon. T.G. CAMERON:** I will be brief. We have wasted enough of this Chamber's time tonight with some of the hot air that has been blown around. I will briefly respond to a couple of questions put to me. First, I believe that the composition of the special committee would be determined by the select committee as it is set out in the measure before the Council. I would also expect the parties to the special committee to be similarly composed as a select committee. Quite a few comments have been made about my removing the referendum for voluntary voting from the original motion I tabled before the Council. To explain why I did that, I was prevailed upon by the Hon. Sandra Kanck, who advised me that she believed that including a referendum on voluntary voting would take people's attention away from what was the real issue, namely, ETSA.

However, I then decided to look at the Bill put before the Council by the Hon. Trevor Griffin and quickly realised that a simple amendment to remove the Government's power to fine people for not attending the polling booth on election day would resolve that matter. However, when I went back to see the Hon. Sandra Kanck to explain that she had been successful in prevailing upon me to remove the voluntary referendum option, I found out that they had an amendment which included a referendum on voluntary euthanasia. Let me make it quite clear that the Democrats wanted to put forward an amendment so that we would have a referendum on voluntary euthanasia. I think my comment to the Hon. Sandra Kanck at the time was, 'What on earth are you trying to do to the right wing of the Labor Party? They'll have a fit when they see that.'

Anyway, I am pleased to be able to advise the Council that the Hon. Sandra Kanck came to the same conclusion I did, that is, if we must have a referendum on ETSA, we should not complicate it with other issues. I am not sure whether she arrived at that conclusion before or after she saw the simple amendment that I wanted to move to the Electoral Act.

I want to respond briefly to a couple of other points. I do not intend to support the amendment moved by the Hon. P. Holloway. However, I will support the last amendment moved by the Hon. Michael Elliott. I am sure members would like to go home but, if you want to get me wound up, I could spend an hour talking about various factional deals that have been done within the Labor Party on this issue. Time does not permit me to reveal who did the deal on ETSA for the platform convention, and time does not allow me to go into the details of what price the Socialist Left extracted from the Right to buy their silence on this issue. In conclusion—

*An honourable member interjecting:*

**The Hon. T.G. CAMERON:** You're not part of the negotiating team; why would they tell you? In conclusion, if we do finally get to a referendum—and I hope that we do not—the only good news I can give the Government is that at this stage you can count on only 14 'Yes' votes from the Labor Caucus.

The Hon. M.J. Elliott's amendment to insert subparagraph (aa) negated.

The Council divided on the Hon. P. Holloway's amendment:

AYES (7)

Elliott, M. J.	Gilfillan, I.
Holloway, P. (teller)	Kanck, S. M.

AYES (cont.)

Pickles, C. A.                      Roberts, R. R.  
Weatherill, G.

NOES (8)

Cameron, T. G. (teller)      Davis, L. H.  
Dawkins, J. S. L.              Lawson, R. D.  
Lucas, R. I.                      Redford, A. J.  
Stefani, J. F.                    Xenophon, N.

PAIR(S)

Crothers, T.                      Griffin, K. T.  
Roberts, T. G.                  Laidlaw, D. V.  
Zollo, C.                          Schaefer, C. V.

Majority of 1 for the Noes.

The Hon. P. Holloway's amendment thus negatived.

The Hon. M.J. Elliott's amendments to subparagraphs (i) and (iv) negatived.

The Hon. M.J. Elliott's amendment to subparagraph (b) carried.

The Council divided on the motion as amended:

AYES (8)

Cameron, T. G. (teller)      Davis, L. H.  
Dawkins, J. S. L.              Lawson, R. D.  
Lucas, R. I.                      Redford, A. J.  
Stefani, J. F.                    Xenophon, N.

NOES (7)

Crothers, T.                      Elliott, M. J.  
Gilfillan, I.                      Holloway, P. (teller)  
Kanck, S. M.                      Pickles, C. A.  
Roberts, R. R.

PAIR(S)

Griffin, K. T.                      Roberts, T. G.  
Laidlaw, D. V.                  Weatherill, G.  
Schaefer, C. V.                  Zollo, C.

Majority of 1 for the Ayes.

Motion as amended thus carried.

The Council appointed a select committee consisting of the Hons T.G. Cameron, L.H. Davis, P. Holloway, Sandra Kanck, R.D. Lawson, R.I. Lucas, T.G. Roberts and Nick Xenophon; the committee to have power to send for persons, papers and records, and to adjourn from place to place; the committee to have leave to sit during the recess; and the committee to report on the first day of the next session.

**ADJOURNMENT**

**The Hon. R.I. LUCAS (Treasurer):** I move:

That the Council at its rising adjourn until Tuesday 22 September.

On behalf of all members I thank the table staff and all staff of Parliament House. I am sure that everyone would prefer that we adjourn quickly, so I am sure that staff will appreciate the fact that I have not gone into a lengthy adjournment debate. I am sure that I speak on behalf of all members when I thank all staff for their continued assistance in the smooth functioning of the Council.

**The Hon. CAROLYN PICKLES (Leader of the Opposition):** I support the comments of the Leader of the Government. We certainly appreciate the work that has been done by the table staff, *Hansard* and all persons in this place, including you, Sir.

**The PRESIDENT:** On behalf of the staff, I thank the Treasurer and the Leader of the Opposition for their comments. We all know the amount of work the staff do for us. I thank the Whips and all members for their cooperation during the session. I look forward to the next session and a rest in between.

Motion carried.

At 7.46 p.m. the Council adjourned until Tuesday 22 September at 2.15 p.m.