LEGISLATIVE COUNCIL

Wednesday 4 November 1998

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

PAPER TABLED

The following paper was laid on the table:

By the Attorney-General (Hon. K.T. Griffin)—

Listening Devices Act 1972—Report, 1997-98.

LEGISLATIVE REVIEW COMMITTEE

The Hon. A.J. REDFORD: I lay on the table the second report 1998-99 of the committee.

WATER MANAGEMENT

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): I seek leave to table a ministerial statement from the Minister for Environment and Heritage, in the other place, on water management in the Northern Adelaide Plains.

Leave granted.

QUESTION TIME

ELECTRICITY, PRIVATISATION

The Hon. P. HOLLOWAY: My question is directed to the Treasurer. First, given today's report in the *Advertiser* concerning ETSA, does the Treasurer agree with the following statement attributed to the Hon. Mr Xenophon:

> Twenty-five years is a reasonable period of time for a leasing company, and I don't think the Government is uncomfortable with that time.

Secondly, what advice has the Government sought from the Federal Government regarding—

Members interjecting:

The PRESIDENT: Order!

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order! There is only one member on his feet.

The Hon. P. HOLLOWAY: —the tax implications of leasing options for ETSA, and will he release such advice? Thirdly, given that the Treasurer has apparently selectively released the estimates prepared by consultants Morgan and Stanley regarding the impact of the various lease options on the sale prices, will he also provide these estimates to other members of Parliament?

Finally, should the Government accept a lease option for ETSA and Optima, does the Government still stand by the assurances given by the Premier in his statement of 17 February and subsequently, namely: that all proceeds from lease be used to reduce debt; that families who need help at present with concessions will continue to receive them; that country power users will continue to receive subsidised power; and that any job losses will be through either natural attrition or voluntary redundancy and there will be no forced redundancies?

The Hon. R.I. LUCAS: To answer the honourable member's first question, I am rarely uncomfortable with most issues. So, if the Hon. Mr Xenophon has made that public statement, it is probably pretty close to the mark. In the end, whether that means that the Government's position—or, indeed, my position—is as described or will be slightly different, time will tell.

In the discussions I have had responding to media questions in the last 24 hours, I have made it quite clear that from my point of view I am engaged in some discussions on behalf of the Government with a number of members of Parliament. This particular meeting happened to be with the Hon. Mr Xenophon and the Hon. Mr Cameron. I do not intend to reveal the detail of the discussions until we get to the stage where we continue that debate or some agreement is reached between a number of members of Parliament.

The assumption that the honourable member made in, I think, his third question that the Treasurer had selectively leaked Morgan Stanley information about discounts on lease value is wrong. There is no evidence of that at all. I challenge the honourable member to indicate where I have selectively leaked Morgan Stanley advice regarding lease discounts to certain journalists.

An honourable member interjecting:

The Hon. R.I. LUCAS: Well, the Hon. Mr Holloway needs to be very careful about the way he jumps from one step to the next step. Obviously, there are a number of ways that one can get from one step to the next step, and he has adopted one particular course, but I am telling him that that is wrong: I have certainly not selectively leaked to journalists Morgan Stanley information. Indeed, my consistent response has been that I am not prepared to release to journalists or others the confidential advice that the Government has received from its advisers.

It is true that I have been having discussions with a number of members of Parliament. The most recent discussions which have attracted some publicity have been with the Hon. Mr Xenophon and the Hon. Mr Cameron, and I have indicated publicly that I think some progress has been made but that there is a fair bit of detail that still needs to be resolved. I have said to a number of people that until I am actually sitting on this side of the Chamber holding hands with the Hon. Mr Cameron on one side and the Hon. Mr Xenophon on the other and there are actually 11 members on this side and 10 on the other, the Government and I will certainly not claim any success in terms of the Government's aim to sell or long-term lease our electricity assets.

Therefore, in relation to a number of the other questions that the Hon. Mr Holloway has asked, I do not intend at this stage to place on the record the nature of the private discussions I am having with members. When they are of a form and a nature where they are able to be placed on the public record, I will do so, and perhaps the other members will do so as well. Therefore, in relation to the other questions that the honourable member has asked about country pricing and related issues such as that, if there is to be a deal that is concluded, on behalf of the Government I will indicate its position in relation to that. The Government has a commitment—

The Hon. R.R. Roberts: What does the select committee that you set up think about this?

The Hon. R.I. LUCAS: It is doing an excellent job.

The Hon. L.H. Davis: You've got your Deputy Leader on that.

The Hon. R.I. LUCAS: Your Deputy Leader has been a real terror on the committee, fearlessly representing the views of Mike Rann and Kevin Foley on this particular issue.

Members interjecting:

The Hon. R.I. LUCAS: The Hon. Mr Roberts can rest assured that his interests are being protected.

The Hon. R.R. Roberts: That's not what I asked: I asked, 'What do they think about this proposal?'

The Hon. R.I. LUCAS: It is against Standing Orders for me to reveal what the select committee is considering or what it might think about this issue or, indeed, a range of other issues. Having been in this Chamber for a considerable period of time, the Hon. Mr Roberts should know that. In relation to those remaining questions, as I said, if and when progress is to be reported to the Parliament all those issues will be able to be explored at that stage.

The Hon. P. HOLLOWAY: I have a supplementary question: are the figures provided in this morning's newspaper in relation to the Morgan and Stanley figures for discount prices correct?

The Hon. R.I. LUCAS: In relation to potential discounts, the position that the Government has put is that at this stage we are not indicating for the public record the advice that we have received from our commercial advisers. What I have indicated in response to some media questions is that there is a range of advice floating around. If one reads the *Financial Review* today, one sees that some anonymous merchant bankers have proffered further advice that they believe the discount might be some 5 per cent to 10 per cent. I have indicated that there is continuum of advice on this issue. Under the most favourable tax and financing structure and arrangements—

The Hon. L.H. Davis: I suppose you will get up and attack us if we get less from a lease than a sale, Paul.

The Hon. R.I. LUCAS: I am sure the Hon. Mr Holloway will attack us whatever we do; he is very flexible, as is his Leader, the Hon. Mr Rann. The most favourable tax and financing advice might mean that from a long-term lease you receive very close to what you might get from a trade sale. That is the sort of advice that obviously—

Members interjecting:

The Hon. R.I. LUCAS: They are not our figures. The advice is that, potentially, the most favourable structure might give you close to what you get from a trade sale. However, if you get the least favourable financing and tax structure available for a leasing option—and if it happens to be at the shorter end rather than the longer end of the continuum and a variety of other assumptions such as that—your discount might be of the order of 20 per cent to 25 per cent. It just depends on the length of your term and on the tax structure that is able to be approved and your financing arrangements. So, at this stage it is impossible to say that the discount will be 17.75 per cent, 18.25 per cent, 5.75 per cent, or whatever. It depends on a number of those variables and, until there is an agreement that might be reached, we are not in a position, obviously, to indicate the sort of broad ballpark of what a discount might be if one was to exist. The honourable member can ask me as many times as he wants to—

An honourable member interjecting:

The Hon. R.I. LUCAS: Exactly—but I do not intend to place on the public record the confidential commercial advice that we have received from our advisers in relation to potential discount.

BOVINE VIRUSES

The Hon. T.G. ROBERTS: I seek leave to make a brief explanation before asking the Attorney-General a question about bovine viruses in the North of this State.

Leave granted.

An honourable member interjecting:

The Hon. T.G. ROBERTS: As one honourable member interjects, it is probably Trevor's favourite subject, so he will probably be able to answer it without referral to the Minister!

I heard a disturbing report this morning on regional radio, 5CK, in relation to an unidentified bovine virus which had obviously been in the particular district for at least two, if not three, years. A very informative interview was done by an ABC journalist sitting on the front porch of one of the affected farmers' properties. He indicated how the disease had impacted on his stock and how all his calves, in particular, had dropped over and died within three days; blood and mucous was coming from their mouths; and they refused to eat.

One disturbing aspect was that the farmer was indicating to the journalist that it was a virus which had not been identified by the veterinarians who were assisting him with his problem. Also, it had already crossed from the young calves to the fully grown cows and the farmer was at a loss as to what to do. It was quite clear that his business was about to go down the gurgler if the virus was not identified.

The pilchard virus is also running wild in our fish stocks, and in Queensland a virus which was affecting the horse industry crossed over into humans, ultimately leading to the death of Vic Rail, a racehorse trainer in Queensland.

One of the things that identifies South Australia's ability to sell into international markets is that we have a good clean, green image in relation to our primary products. I would hope that we were able to maintain that image. My questions are:

1. How long does the Minister believe is a fair time frame for the cattle industry to have to wait for the origins of this unidentified virus in cattle in the northern regions to be traced?

2. What resources have been allocated by the Minister to identify and deal with this problem?

The Hon. K.T. GRIFFIN: I would be delighted to endeavour to answer the question without reference to my colleague, but it is one of those subjects on which I do think we need a specialist response. I will therefore refer it to my colleague in another place and bring back a reply.

CROWN SOLICITOR'S OFFICE

The Hon. R.R. ROBERTS: I seek leave to make a brief explanation before asking the Attorney-General a question about the subject of communication breakdown in the Crown Solicitor's office.

Leave granted.

The Hon. R.R. ROBERTS: On 30 September this year the Auditor-General gave evidence before the Economic and Finance Committee which identified and exposed a serious and extraordinary breakdown in communications within the Crown Solicitor's office of—

The Hon. A.J. Redford interjecting:

The Hon. R.R. ROBERTS: Well, there is plenty of opinion on this and I think it is all the Auditor-General's: I think you ought to go quiet. This breakdown was of a nature which gave indications of grave implications for the Government. The Auditor was before the committee to give

evidence about his understanding of what had taken place in terms of the legal commitments of the Government to Motorola with respect to its software development centre at Technology Park. The committee was inquiring into whether or not the estimated $60 million contract to supply equipment for the Government radio network was part of the Motorola incentive package as negotiated by the then Industry Minister John Olsen.

The Hon. K.T. GRIFFIN: I rise on a point of order, Mr President. The honourable member is relaying information which has been given to the Economic and Finance Committee, which has not yet reported to its House. The propriety of what the honourable member is referring to must be under some question. If my presumption is correct, seeking to quote from this material must surely be out of order.

The PRESIDENT: Is the honourable member quoting from material before the committee?

The Hon. R.R. ROBERTS: This evidence is public information; it is not confidential information which is privileged.

An honourable member interjecting:

The Hon. R.R. ROBERTS: It's on the public record.

Members interjecting:

The PRESIDENT: Order! The Hon. Attorney-General has taken a point of order, which I uphold. The rules in this Council are in the Standing Orders and this matter cannot be debated until the report is before the Council. If the Hon. Mr Roberts wishes to resume his question without that sort of background material he can; if he seeks more time to think about it I will call another question.

The Hon. R.R. ROBERTS: I will take the option of rephrasing the question, within the time allotted.

RETIREMENT VILLAGES

The Hon. IAN GILFILLAN: I seek leave to make a brief explanation before asking the Minister for the Ageing a question about retirement villages—on the presumption that the information in the media release that I am looking at is correct, namely, that on the 21st of this month he will be assuming responsibility for this matter.

Leave granted.

The Hon. IAN GILFILLAN: On 24 September I spoke with a group of some 22 residents of 14 or 15 different retirement villages. This group was selected because they had problems with their current situation, so they may not be, and I believe they are not, representative of all retirement village residents, many of whom are happy in their current accommodation. However, these 22 had remarkably similar stories to tell about their difficulties in dealing with their retirement village administering authorities or managers. The most common complaints related to maintenance funds and accountability for them, inappropriate spending, refusing to spend and occasional fraudulent conversion of maintenance funds to managers' use.

In replies to my questions without notice in recent months, the Consumer Affairs Minister—the Attorney—has placed great store on the availability of voluntary methods of dispute settling, such as residents' committees and through the Office of Consumer and Business Affairs. However, any informal mechanism is likely to be of little value to a resident when a proprietor is not interested in settling disputes.

During the 22 September seminar, residents told me that some retirement village managers in dispute with residents are saying, in effect, 'Take me to the tribunal if you dare,' and threatening to charge all legal fees and tribunal costs back to the residents. Residents then came under pressure from their neighbours not to proceed and were unwilling to proceed with their cases on this basis. It seems that the Act allows this to occur, because it is silent as to apportionment of tribunal costs.

A related issue is the structure of the industry itself. In the commercial sector, profits are made each time a resident vacates and a unit can be relicensed. Depending upon the terms of the contract entered into, a resident can lose and an operator may gain tens of thousands of dollars whenever premises are vacated and relicensed. Therefore, there is a financial incentive to proprietors to relicense as often as possible, rather than seeking to settle disputes with dissatisfied residents. Proprietors in fact have much to gain by being uncooperative and encouraging residents to get out if they are unhappy. Thankfully, most operators choose not to take this attitude but, regrettably, I am told that this sort of thing does occur and the structure of the industry would seem to encourage it.

The Government announced on 23 October that from 21 November queries in relation to aged care services and retirement villages would no longer be handled by the Office of Consumer and Business Affairs but would be dealt with by the Human Services Department, under the auspices of the Minister for the Ageing. Hence my uncertainty as to which Minister to address the question. Unless he passes the question back to the Attorney, I invite him to answer the following questions.

1. I ask the Minister who will soon be in charge of retirement villages: when will he attempt to remedy the situation I have outlined?

2. Under the new departmental arrangements, what will happen to consumer complaints in regard to retirement villages? Will the Office of Consumer and Business Affairs and the Residential Tenancies Tribunal still handle these disputes? If so, does that mean responsibility for retirement villages will now be split between the two separate Government agencies?

3. The Consumer Affairs Minister told Parliament on 17 February this year that the Office of Consumer and Business Affairs was in the 'final stages of producing an education kit on retirement village living', which was to be issued later that same month—that is, February this year. On 2 July this year the Minister told Parliament the kit 'has been compiled'. My staff have several times phoned the Office of Consumer and Business Affairs, most recently this morning, to be told no such kit was available. What has happened to this education kit and is this an indication of the low priority which this Government gives retirement village residents?

Members interjecting:

The Hon. IAN GILFILLAN: Where is the kit?

The Hon. R.D. LAWSON: If I can answer the honourable member's last assertion first, where he attributes to this Government a low priority for matters relating to retirement villages, let me dispute that at the outset. This Government places a high priority on the concerns of residents in retirement villages and also seeks to encourage appropriate relations between residents and proprietors. As to the education kit to which the honourable member refers, I have not seen the progress on that matter.

The Hon. K.T. Griffin: It's waiting for the transfer.

Members interjecting:

The Hon. R.D. LAWSON: I am indebted to the interjection from the Minister for Consumer Affairs and I can reassure the questioner that the education kit to which he refers will be shortly released under the auspices of the Department of Human Services. In his introductory explanation the honourable member referred to what I call a number of outrageous claims about affairs within retirement villages.

Members interjecting:

The Hon. R.D. LAWSON: It is easy to speak in a glib way about occasional fraudulent conversions and misuse of maintenance funds and the like but, without evidence of such occurrences, there is little point in making assertions of that kind. If the honourable member has any evidence of fraudulent conversion by proprietors of retirement villages, I urge him to give that evidence to the police and appropriate action will no doubt be taken. I heard the honourable member on radio shortly after he had his meetings with a number of people from retirement villages who had concerns about the operation of the present complaints mechanisms. I do not believe that the group to whom he spoke was representative of the wider community and, in particular, it is not representative of most residents in retirement villages.

Of course, there are some people who are not satisfied with some of the operations of their particular proprietor but to suggest, as the honourable member does, that this is a widespread concern about the operation of the Retirement Villages Act is, I think, a gross overstatement. So, where he begins his first question by asking when will the situation he describes be remedied, I can say that the situation he describes does not exist. If there are matters of complaint, they have been investigated to date by the Office of Consumer Affairs. When the statutory responsibility for complaints comes to the Department of Human Services, those complaints will again be appropriately responded to by that department.

The honourable member's claim that proprietors have a financial incentive to refuse to deal with complaints appropriately because proprietors are interested in re-letting units and getting rid of troublemakers once again is an assertion for which absolutely no evidence has been produced. If the honourable member has evidence of that type of practice I invite him to let me have the particulars of it and I will ensure that there is an investigation undertaken.

The honourable member's second question was about what will happen in relation to the work previously undertaken by the Office of Consumer Affairs and the role of the Residential Tenancies Tribunal. The work currently undertaken by the Office of Consumer Affairs will be taken over by the Department of Human Services. There will be no change in relation to the arrangements for the—

The Hon. Ian Gilfillan: Will they deal with complaints?

The Hon. R.D. LAWSON: The Residential Tenancies Tribunal will continue to exercise the role it has to date.

CRIME, HANDBAG THEFTS

The Hon. CARMEL ZOLLO: I seek leave to make a brief explanation before asking the Attorney-General a question about handbag thefts.

Leave granted.

The Hon. CARMEL ZOLLO: Handbag thefts are an unfortunate and traumatic crime which particularly targets women. According to media reports the problem is reaching intolerable levels in Adelaide. In one of the most recent articles in the *Advertiser* three incidents were reported in only 2½ hours. Following another reported violent bag snatch yesterday on an elderly woman the *Advertiser* today reported that there have now been 23 reported bag snatches in the metropolitan area since 22 August.

The cowards that prey on their female victims not only act alone but sometimes act in organised pairs or groups. These incidents are causing great distress to many Adelaide women regardless of their age. In parts of Europe where similar problems exist and where it particularly plagues tourists, a variety of methods are used to combat the thefts. A combination of education campaigns, policing and warning signs in high incident areas are applied in an attempt to contain the growth of this type of crime.

What steps have been taken to ensure that this serious threat to South Australian women is not allowed to escalate further? Will the Attorney-General undertake a commitment to implement a safety awareness campaign to reduce the risks to women?

The Hon. K.T. GRIFFIN: It seems as though the Opposition is intent on continuing to beat this up. I am staggered that the Hon. Carmel Zollo would join with her Lower House colleague to misrepresent the position.

The Hon. Sandra Kanck interjecting:

The Hon. K.T. GRIFFIN: Both in the same faction? That is the answer: they are both in the same faction.

Members interjecting:

The PRESIDENT: Order!

The Hon. K.T. GRIFFIN: Crime is a serious matter. I have no difficulty with people raising issues about that serious question as long as they do it in a context which does not go over the top. All we have heard from the Opposition is some hyperbole which distorts it and only adds to the fear of crime, and an unrealistic fear which does not match the reality.

In terms of housebreak and enters, Mr Atkinson, in another place, has been fairly intent on raising some issues about that, and the Leader of the Opposition has been raising issues about knives. As I said at a press conference today, neither of them has to be responsible, they do not have to be constructive and they do not have to have workable outcomes. I said that it seemed that the Opposition Leader, and probably Mr Atkinson also, get their political kicks out of throwing the pebble in the pond and watching the ripples—they do not even put their foot in the water to determine what is an appropriate workable outcome—and then turn their back on it, whereas Governments have to ensure that the law is practical and workable and that it does not operate unfairly. The Opposition does not seem to acknowledge—and it certainly will not do so readily, although it may do grudgingly on occasions—that a lot of work is being undertaken right across the community directed towards trying to reduce the level of fear of crime and also to reduce the incidence of the criminal behaviour which occurs.

If we can just digress from the handbags issue for the moment, 30 per cent of all motor vehicle thefts are thefts of vehicles which are unlocked or—

The Hon. T. Crothers: With handbags—

The Hon. K.T. GRIFFIN: And sometimes with handbags on the back seat, but unlocked or with the keys in the ignition. And a number of offences—

An honourable member interjecting:

The Hon. K.T. GRIFFIN: No, it does not make it okay. That example is not to be used to condone the offence, but it should be a message to people that they do have to take some elementary precautions to make it more difficult for those

who want to be offenders to commit that sort of offence. And with breaking and entering—

The Hon. T.G. Cameron: What advice have you got when they just smash your windscreen?

The Hon. K.T. GRIFFIN: I think when they smash your windscreen—

Members interjecting:

The PRESIDENT: Order!

The Hon. K.T. GRIFFIN: It's a crime. You ought to try to get to the police. Maybe they have been smart and worn gloves so that they have not left any fingerprints. But, quite obviously, it is a crime that should not be tolerated.

In relation to breaking and entering offences, one of the difficulties is that there is not much independent information available about all the circumstances in which that occurs. The Commonwealth National Campaign Against Crime and Violence, in association with the National Anti-Crime Strategy, has two pilot projects going. One is in Queensland, in a suburb of Brisbane, and the other is in Norwood-Kensington and Tea Tree Gully. That is directed towards working with police and community volunteers to ensure that not only is there a police officer at the scene of every reported breaking and entering, but that within 48 hours there is a volunteer on the doorstep assisting the occupant, who has been the victim, in dealing with the trauma of the break-in, giving advice about security, and collecting a whole range of other information. In 12 months there will be an assessment of that project to determine whether or not there are some lessons that can be learnt and strategies developed on a broader basis to prevent breaking and entering from occurring and to ensure that revictimisation does not occur.

There are a number of other positive programs. There is security advice, there is advice to older people from police, Neighbourhood Watch and other groups and a whole range of things which are happening. All are directed towards trying to make people both feel safer and live in a safer environment. There are certainly a range of programs that we need to keep in front of us, rather than dealing only with the negatives.

In terms of the honourable member's suggestions that there might be some safety campaign in place, the real dilemma is whether that in itself would create an unnecessarily high level of fear, or whether there ought to be some other program directed towards older people, although we recognise that handbag thefts are not occurring only with older people. If you look at crimes of violence, for example, 22 out of every 10 000 persons in South Australia who are over the age of 60 are victims. That is not much comfort to the 22, but we have to get it into a perspective—as with the sort of vicious breaking and entering and assaults which have occurred and which have been the subject of reporting.

If the honourable member has some constructive suggestions to make in relation to dealing with handbag thefts in a way which does not go over the top or create unnecessary fear, I would certainly welcome her contribution.

CAREGIVERS

The Hon. CAROLINE SCHAEFER: I seek leave to make a brief statement before asking the Minister for Disability Services a question about carers.

Leave granted.

The Hon. CAROLINE SCHAEFER: Last week was National Carers Week, and the newspapers highlighted the vitally important work that the 100 000 or so carers in this State do for the community. During the Federal election campaign, the Howard Government promised extra funding for carers and for support for carers. Can the Minister describe what assistance is given by the State Government to carers in this State?

The Hon. R.D. LAWSON: I thank the honourable member for her question. I know of her interest in support for carers across the State, and particularly in regional and rural South Australia. This Government has been dedicated to improving support for carers across the State. In 1997, we made a commitment to increase funding by the provision of additional respite, or rest services for carers. A very large number of carer programs are sponsored in various locations, and there is also what is now becoming a bewildering complexity of services provided by the Commonwealth.

In relation to carer support, through the Home and Community Care program we in this State are spending about $2 100 000 per annum. Grants through organisations such as the Carers Association of South Australia of $530 000 for the Country Carer Support Network is an indication of our dedication to ensure that those people who are in regional areas and are very often isolated from other services receive some carer support. Other programs, such as the Carer Support Network Incorporated in the southern metropolitan area, receive over $160 000, and there are other regional groups in the lower north, Barossa and districts and elsewhere. The Alzheimer's Association of South Australia conducts in the south-eastern region a carer support program, which is supported through the HACC program.

The Carers Association in this State has been very innovative in the way in which it has approached the problems of carers and also in its efforts to ensure that there is appropriate recognition in the community of the value and importance of the work by carers. The Carers Association is active in all parts of the State. In addition to that $2 100 000 for carer support, a further $4.5 million is provided for various carer respite services across the State.

Some of these are conducted through regional hospitals and others are conducted through the Medical Rehabilitation Services and some carer support networks. For example, Eastern Carer Support Incorporated in the eastern metropolitan region of Adelaide does considerable good work, as do Resthaven and the Guide Dogs Association. The Community Accommodation and Respite Agency (CARA) also provides respite services across many different regions.

In her question, the honourable member mentioned the Commonwealth Government's commitment to carer support. The Commonwealth has established four Commonwealth carer respite centres in this State, and they are geographically arranged. They provide various resources to carers in a program of which the total value is about $1.5 million. The Commonwealth has another program called Staying At Home for dementia respite services, to which $200 000 is devoted in this State. The Commonwealth also has respite services for carers right across each region of the State, and a further $1.4 million is devoted to those services. In addition, the Commonwealth's payments of domiciliary nursing care benefits in this State—

Members interjecting:

The PRESIDENT: Order!

The Hon. R.D. LAWSON: —amount to almost $5 million. In view of the diversity of programs across the State, I have commissioned a review of respite services to ensure that carers receive the most efficient use of resources in this important area. I will report in due course on the result

of that review. The honourable member may be assured that this Government is committed to increasing and enhancing support for carers.

MUNDULLA YELLOWS

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister representing the Minister for Environment and Heritage a question about Mundulla Yellows.

Leave granted.

The Hon. T.G. Cameron interjecting:

The Hon. M.J. ELLIOTT: Listen and you'll find out. Mundulla Yellows is a disease which attacks native trees. It has been identified in five States, including numerous parts of South Australia and Adelaide. There is no known cure for the disease which causes trees to go yellow and die. It takes 10 to 15 years to kill a tree. Common symptoms are patches of yellowing vegetation in the crown, die back, and prolific regrowth along the branches with yellowing of that regrowth.

The Hon. Diana Laidlaw: Is it only on native trees or could it be on some in my garden?

The Hon. M.J. ELLIOTT: I will come to that in a second. Are you saying that you are only worried about the plants—

The PRESIDENT: Order! The honourable member may proceed with his explanation.

The Hon. Diana Laidlaw interjecting:

The Hon. M.J. ELLIOTT: I am not quite sure whether the Minister is just worrying about the plants in her garden and not our native plants. I am sure that would not be the case! No vegetation identified with the disease has been known to recover. Twenty years ago, the disease was first noticed by Geoff Cotton around Keith and Mundulla, which, of course, is how the name came about. For years he has worked to alert scientists in the community.

The disease is now recognised as a serious threat to native vegetation. It is my understanding that the disease has emerged even amongst some revegetation work around Mundulla, and that is a cause for even more concern. There is a possibility, I am told, that it may even affect *pinus radiata*. If nothing else, that might attract the Government 's attention. Research into this disease has been limited due to lack of funds. There is an urgent need to gain funding for further research. My questions to the Minister are:

1. What action will the Government take to counter this scourge?

2. Will the Government dedicate funds to investigate this disease; and, if so, when and how much?

3. Has the Minister considered zinc for her own plants because they might have a zinc deficiency?

The Hon. DIANA LAIDLAW: I will take advice in relation to zinc, because my trees need help, and it is more than water that they need. I will forward the other questions to the Minister and bring back a reply.

ELECTRICITY, PRIVATISATION

The Hon. T. CROTHERS: I seek leave to make a precied statement prior to asking the Treasurer, as the Leader of the Government in this place, some questions about the proposed sale of ETSA.

Leave granted.

The Hon. T. CROTHERS: Many words have been spilled in both this Council and another place and in the media on the subject of the proposed sale of ETSA. Talking of the media, I recently read in the *Business News* an article by Sara Clafton on the subject of privatisation. The author states:

> Prices paid for State Government utilities such as electricity, gas and water are expected to fall by up to 20 per cent as a result of the Sydney water contamination crisis. Ian Smith, a Melbourne based privatisation strategist with Gavin Anderson and Kortlang, says State Governments will require companies that tender to commit more funds to maintenance and upgrading so that crises such as Victoria's gas shutdown, Auckland's power blackouts and Sydney's water difficulties will be avoided.

She states further:

> The Federal and State Governments have been keen to sell public assets to the private sector to boost flagging revenue and avoid budget deficits. Many sales so far have been in the finance, insurance and telecommunications sectors and in toll roads.

She goes on to quote Mr John Walter, the Executive Vice-President of BT Investment Bank in Melbourne, as saying:

> The capacity of Governments to prescribe continuing maintenance commitments for bidders has always been difficult because of the long-term nature of the contracts awarded.

Walter states further:

> It is often very difficult to specify certain conditions from the outset because standards change over the course of a 25 year contract due to technology—

I have got the Treasurer's attention now—

> and people discovering new things.

What Mr Walter says is very important. The sale of utilities such as electricity, gas and, in particular, water, is far more contentious because as the article states:

> . . . they are essential services and Governments are expected by the public to ensure the safe and constant provision of those services, regardless of ownership.

Already in South Australia last summer we witnessed the pong which emanated from our sewage treatment works and which took some considerable time to track down and fix. Much more important than that was the potentially life-threatening outbreak of giardia and cryptosporidium in Sydney's water supply. But of course the very same thing had been experienced in Milwaukee, USA, where the outbreak of these bugs was in a system which serviced some 800 000 people. A number of fatalities occurred. In fact, the outbreak was so bad that all the local hospitals could not cope with the number of patients who were affected by this form of cryptosporidium. The Milwaukee water supply system was subsequently fixed at a cost of $US100 million. My questions to the Minister are:

1. Does he believe that, should ETSA be sold, the price that the Government will receive will be some 20 per cent less than the figures given already by the Government for the proposed sale?

2. What guarantees can the Government give, should the sale go ahead, of the proper maintenance, and therefore of South Australia's generating capacities, thereby ensuring full and regular delivery of consumer electricity needs here in South Australia?

The Hon. R.I. LUCAS: I would like to read the articles to which the honourable member has referred and then respond. I would also like to clarify the honourable member's questions, because he refers therein to a sale, and I suspect that some might relate to a lease. So, without wanting to delay the Chamber too much at this stage, I will clarify those matters with the honourable member after Question Time and bring back a reply.

CROWN SOLICITOR'S OFFICE

The Hon. R.R. ROBERTS: I rise on a point of order, Mr President. Could you clarify whether I am entitled to mention something that the Auditor-General said to the Economic and Finance Committee, given that that is not a standing committee of this Council or a joint committee and given that it does not report to this Council?

The PRESIDENT: The honourable member is explaining to me now that he wanted to quote from evidence given to the Economic and Finance Committee, which is not a committee of this Council and which does not report to this Council. Reluctantly, I rule that the Standing Orders of the other House do not refer to this Council. I would like this Council to stick to the spirit of Standing Orders, whether it be those of this House or anyone else's; but I cannot enforce that.

The Hon. R.R. ROBERTS: Thank you, Mr President. It is not my intention to quote extensively from the Auditor-General's evidence, but I will selectively mention things that he mentioned by way of explanation. I thank the Attorney-General for raising the point for the consideration of the Council—even though he was wrong.

The Auditor-General told the committee that it was the Crown Solicitor's Office which drew up a 23 June 1994 agreement signed by the then industry Minister and Motorola which was subsequently approved by Parliament's Industries Development Committee. That agreement did not mention the Government radio network contract, which had earlier been offered to Motorola in a letter that was, I am advised, signed in April 1994 by the then industry Minister, John Olsen. The Auditor-General told the committee that the legal officer with the Crown Solicitor's Office, a Mr Phillip Jackson, gave legal advice in May 1995 that the industry Minister's April 1994 letter to Motorola had exposed the Government to two possible legal actions for damages for 'misrepresentation or deceptive conduct' if it reneged on an offer to give Motorola the Government radio network contract.

Further, the Auditor-General told the committee last month, however, that Mr Jackson's advice did not acknowledge the existence of the 23 June 1994 agreement because Mr Jackson was not made aware of that agreement. So, too, it appears that the Auditor-General was not made aware of the 23 June 1994 agreement when he put together his 1995 annual report. The Auditor-General singled out a letter written by the then industry Minister as a special case study in how not to run Government business, because it breached the State Supply Act, which in his words created 'a legal relationship that gives rise to obligations, liabilities and rights by either party'.

Interestingly, when the Auditor went to see the then industry Minister (John Olsen) and his officers about this issue in 1995, he was still not told about the 23 June agreement. Indeed, the Auditor-General informed the committee that he did not see the 23 June 1994 agreement until 29 September 1998—the day preceding his appearance before the Economic and Finance Committee. The 23 June agreement seems to have been kept hidden from the officers within the same office that drew it up and from the Auditor-General, who questioned the entire deal.

The Opposition has now received leaked advice from the Solicitor-General to the Premier via the Attorney-General, written also on 29 September this year, which shows that there were two lots of advice from the Crown Solicitor to the Government about its legal obligations to Motorola. However, the Solicitor-General was not given a copy and has still not sighted, as far as we know, Mr Jackson's Crown Law advice.

The second advice, given on 11 March 1996, also did not mention the 23 June agreement. The Solicitor-General advised that the officer was also not made aware of it. The same officer drafted a contract, signed in November 1996, which gave Motorola, the designated equipment supplier, the contract for the Government radio network. The Solicitor-General concludes that:

> Some of the confusion that apparently surrounds this matter may well be the result of different arms of Government not being aware of the transactions made by others. Usually it would be expected that the central agency such as the Crown Solicitor's Office could avoid potential embarrassment by being aware of the obligations of both agencies.

My questions to the Attorney-General are:

1. Is he concerned that the Crown Law advice about Government contracts and legal obligations surrounding these contracts drawn up within the same office within the Attorney-General's Department (this is your department, Attorney) were kept separately and hidden from one another?

2. When did he first become aware of the problems caused by this breakdown in communications, and what action has he taken to ensure that the flow of information is restored?

3. Why was the Solicitor-General in his 29 September 1998 advice to the Premier via the Attorney-General still not in possession of all the necessary information to put together comprehensive advice for the Premier, and is he concerned that the legal advice is being sought on selectively supplied information?

4. Does he or his officers intend counselling the Premier on how to act in a professional and responsible manner in these matters of State importance?

The Hon. K.T. GRIFFIN: The answer to the last question is 'No,' because the question presumes some difficulties which do not exist. In terms of the other matters, short of there being a constant merry-go-round of dockets within the Crown Solicitor's Office, I do not intend to implement any changes. In fact, if the honourable member looks carefully at the Public Sector Management Act, he will see that the Attorney-General and any Minister do not have any power to give directions or to change administrative practices within an agency of Government.

Obviously, the honourable member is trying to beat it up to try to give some credibility to a defective story, and I will not play ball with him in respect of that. Sometimes you wonder about members opposite and their colleagues in another place. They are always harping on negatives—negative, negative, negative—and never give any credit for anything positive that is happening in the State, never apparently wanting anything positive in this State. Perhaps they do not have children and grandchildren who need to get work, or maybe they do not care about whether or not their children and grandchildren and their relatives' children and grandchildren get jobs in this State.

The fact of the matter is that Motorola has brought a number of jobs to the State and will bring more. I am sure that the Premier has more than adequately dealt with these issues in another place today, because I suspect very much that this is the tenor of the questions in the other place.

MOVING ON PROGRAM

In reply to **Hon. CARMEL ZOLLO** (18 August).

The Hon. R.D. LAWSON: In addition to the answer given on 18 August 1998, the following information is provided:

1. In 1997, the first year of operation of the Moving On program, 166 school leavers were assisted to gain access to day activities and other developmental programs post school through the initial recurrent grant of $2.2 million made in the 1997-98 budget.

The average number of days per week provided were as follows:

Support needs	No of consumers	Av. days/week
Minimal	32	3.1
Low	30	3.5
Moderate	26	3.9
High	55	4.0
Very high	23	4.4

Those with minimal to moderate support needs may have combined their day activity programs with employment, education or training which is not recorded in the above table.

2. Contrary to the assertion in the honourable member's question, 59 (not 80) people who will leave school at the end of 1998 were assessed by the Intellectual Disabilities Services Council (IDSC) as having support needs and eligible to join the program in 1999.

In addition to the 59 school leavers mentioned above another 28 persons were identified as having urgent needs which could be met in the Moving On program. The $225 000 of new funds allocated to this program in the 1998-99 budget were supplemented with sufficient funds to ensure that those assessed as eligible would enter the program.

3. None.

4. To be eligible for the Moving On program in 1999 applicants had to meet all of the following criteria:

- The applicant must have an intellectual disability and be eligible for IDSC services.
- The applicant must be a student completing schooling during or at the end of 1998. (Exceptions were made for those students where part time school is part of a transition plan and for those on the IDSC urgent needs list).
- The applicant must require ongoing and intensive support in order to access a range of day options or must require further development to access a work option.
- Consideration was given to people whose pathway is unclear and/or may wish to have a combination of a part time day option and part time work in order to increase development goals.
- The applicant must have in place a support plan for a clear pathway from school to adult life.

5. Yes, the funding for the program has been increased for 1999 to ensure that those eligible receive services.

MATTERS OF INTEREST

SUMMERS, Mr T.

The Hon. L.H. DAVIS: My subject is Mr Tony Summers. It is 1993 since we last heard from Mr Tony Summers, who made his name as the Managing Director of Bennett & Fisher, the famous pastoral firm which had been in existence for some 80 years. But, under Mr Summers' management, some remarkable things occurred. In January 1989, Bennett & Fisher purchased 31 Gilbert Place for $4.5 million. That property had, in fact, been purchased by one Mrs Kitty Summers, wife of Tony Summers, in 1983 for just $183 000. The trouble with that transaction was that the board of Bennett & Fisher did not know that Mrs Kitty Summers was, in fact, the seller. It was done through a nominee company. The other problem was that they did not seek shareholder approval as required under Stock Exchange regulations.

In January 1988, Bennett & Fisher purchased the adjacent building, 33 Gilbert Place, from the Law Society for $2 million. These two buildings costing $6.5 million were acquired by Bennett & Fisher through its Managing Director Tony Summers who had the intention of developing a world trade centre, the tallest building in Adelaide. Typical of this man's Walter Mitty approach to life, he claimed that this would occur. Most people around Adelaide thought it was a joke, and it proved to be so.

It is interesting to note that within the past two years, the true value of these buildings has been recognised. In April 1996, the Law Society Building at 33 Gilbert Place was acquired from the company that owned it—Bennett & Fisher, now RM Williams—for just $280 000. In August 1998, 31 Gilbert Place, which had formerly been the Arthur Murray Dance Studios, purchased by Mrs Kitty Summers in what was described as the great soft shoe shuffle and flicked on to Bennett & Fisher for $4.5 million, was sold in August 1998 for just $337 000. In other words, two buildings acquired for $6.5 million by Bennett & Fisher have been sold within the past two years for just $617 000, which represents little more than 9 per cent of their purchase price.

Mr Summers has disappeared to other pursuits. A former pig farmer, who was influential in his efforts for the reconstruction of the spires of St Peter's Cathedral, billed Bennett & Fisher $1 000 for religious books while he was pursuing his seminary pursuits. He then went to London to follow up on his religious studies and was last heard of as a member of the Toronto Rumble. This, apparently, is a new religious sect inspired out of Canada where people celebrate their God by rolling around on the ground laughing.

But the shareholders of Bennett & Fisher are not laughing, because those deals which I have mentioned today would have been described as crook and many may say that the perpetrator of these extraordinary deals would be described in a similar fashion. The sadness was that Bennett & Fisher had enjoyed a fine reputation as a pastoral company until it was ruined by the actions of one Tony Summers. In the course of his management he took over RM Williams. That firm, fortunately, has survived the onslaught which saw the company go into receivership, and through the actions of people such as John Jackson, James Hayward and Phillip Reid, who rescued the company from the clutches of Tony Summers, and later Ken Cowley and Kerry Stokes, who continued the revival of RM Williams, that company is still alive and well today. But the question must be asked: what has happened to Tony Summers who must be one of the very luckiest men never to have served time in Her Majesty's prison?

AUSTCARE REFUGEE WEEK

The Hon. CARMEL ZOLLO: The second week of October each year is designated as Austcare Refugee Week. The week is held each year to bring the plight of refugees to the attention of the Australian public. In the week 11 October to 17 October, local individuals, Government and community agencies worked with and for refugees in hosting different programs. This year, Mr Greg Clark SM, Youth Court magistrate, was Chairman of the committee. Mr Clark is already known to many in our community for his longstanding commitment to Red Cross.

Different gatherings were scheduled at different times throughout the week ranging from an ecumenical service to a youth concert. Through events such as Refugee Week,

Austcare continues to focus in raising awareness and funds for the plight of all refugees. This year's Austcare's National Refugee Week focused on 'Clearing a Safe Path'. Austcare assists refugees not only when they seek help in settling in a new homeland but also, just as importantly, when they go back home.

One of the greatest risks that refugees now face, whether it be Bosnia, Angola or Mozambique, is that of anti-personnel landmines. When Mozambiquan refugees returned home, they did so to a country infested with landmines—literally millions of them. Landmines kill and cause horrific injuries, especially to inquisitive young children. Landmines are purposely scattered in highly populated areas. They cause not only much human suffering but enormous economic loss because it simply means that refugees cannot earning a living from their landmine infested land.

'Clearing a Safe Path' tries to encompass all the problems that refugees face by ensuring better health, clean water, food crops, counselling and education projects. Facts provided to me by Austcare tell a very distressing story. Each year around the world 26 000 people are killed or maimed by landmines, and 30 per cent to 40 per cent of landmine victims are women and children. Landmines are strewn across 60 to 70 countries. Between 80 million and 119 million landmines lie in wait to be detonated around the world.

Austcare has supported, and continues to support, projects that not only help in clearing the mines but also assist in landmine victim rehabilitation. Austcare has been bringing to the attention of the Australian public the plight of refugees and the hazards they face at their time of flight and possible resettlement in a new home or their own homeland for nearly 30 years. Austcare is Australia's only national specialist refugee agency, providing emergency relief and long-term development assistance. In a country such as Australia after a while it is often too easy to forget.

At the helm of Austcare in South Australia is the State Manager, Mrs Lina Caporaso. I have known Lina Caporaso for many years and she is a well-respected member of the community. Apart from being able to speak faster than even many of my parliamentary colleagues, she is a competent lady who works incredibly hard to assist in bettering the lives of so many people.

Austcare funded programs have been established to clear landmines in countries such as Cambodia, Afghanistan, Mozambique, Angola and Bosnia-Herzegovina. Landmines have probably been the main reason why people have become refugees from the countries that I have just mentioned above in the past few years. They render the livelihood of people in their homelands untenable until they can be cleared.

I was pleased to be able to attend the launch and breakfast this year and introduce Mr Chris Moon, the English ultra-marathon runner who had just completed 250 kilometres in the northern Flinders Ranges to raise money for Austcare's landmine action program. Mr Moon lost an arm and a leg whilst clearing landmines in Mozambique three years ago and the courage and commitment he has shown since that time in raising funds for the victims of landmines is humbling for all of us. He has indicated he wishes to return to continue his efforts in raising awareness and money for victims of landmines. I know that Australians would have responded generously to his appeal.

Since 1989 Austcare, with the support of the Australian public and the Australian Government aid agency AusAID, has funded over a dozen land mine related projects totalling just under $2 million Australian. I hope our community will continue to respond generously, because unfortunately I am told that, at the current rate of funding and technology of de-mining, it would take over 1 000 years and $33 billion to clear the world of its existing mines. Our community is indeed grateful for the work of Austcare, and I add my congratulations to 1998 Austcare Refugee Week Committee.

FRIENDS OF PARKS INCORPORATED

The Hon. J.S.L. DAWKINS: On 10 October I represented the Hon. Dorothy Kotz, Minister for Environment and Heritage, at the fourteenth annual forum of Friends of Parks Incorporated, at the Meningie Area School. More than 300 people attended the forum, which was hosted by the Friends of Coorong, representing many of the 90 Friends of Parks groups which are spread across the State. Through these groups, over 6 000 people assist the State's network of parks in a wide variety of voluntary work. In 1997, the State Government launched the Parks Agenda program. This is a commitment of an extra $30 million over six years to National Parks and Wildlife for a range of biodiversity and conservation programs and visitor services, including nine new staff positions within our parks system. In recognition of the importance of the work of members of Friends of Parks, a special allocation of $50 000 has been made available for botanical training and assistance to Friends of Parks, and the annual grants to Friends of Parks groups has been doubled from $30 000 to $60 000.

During the past year, training for Friends of Parks Incorporated members has been stepped up with courses being held to assist people to gain the necessary skills required to carry out the voluntary work that they wish to do, including the Campground Hosts Public Relations training day and a new course for office bearers to help them manage their group effectively and to avoid burn out. A number of rangers also attended a course on working with volunteers. I understand that these training experiences have been appreciated by all those involved. The three day forum included a range of speakers, award presentations and discussion periods. It also featured a choice of bus tours. These focused on Ngarrindjeri culture at Camp Coorong, a sand dune walk at Parnka Point, a lakes nature trail at Salt Creek Primary School and Pelican Point and the barrages. I enjoyed the latter tour, which included walking on the Tauwitchere Barrage. Intriguingly, two days later I had the opportunity to walk across Lock 6, some 620 kilometres upstream from the barrages and north-east of Renmark, while participating in an inquiry into fisheries in inland waters by the Standing Committee on Environment, Resources and Development.

At the forum, the award for the best display was won by the Friends of Little Dip National Park in the South-East, and honourable mentions were awarded to Para Wirra and Central Fleurieu. A great deal of work went into the displays exhibited by the various groups, and it was wonderful to see the activities and projects undertaken and illustrated in that manner. The choice of best display was based upon the feeling projected by that display. The Little Dip display clearly expressed the activities and projects of this group, and it was easy to gain a sense of commitment from all angles of the display. Other presentations were made to individuals and groups, and the group awards included those going to Friends of Scott Creek, Old Government House, Belair, Kimba Parks, Coffin Bay, Simpson Desert Parks and Deep Creek. The award for Volunteers of the Year went to the Sullivan family,

Friends of Cleland. The Most Supportive Staff Member was Mr Bill Heycox, Fort Glanville, Lofty/Barossa. The Friends Group of the Year was the Friends of Belair National Park, while the Friends Group of the Decade was awarded to Friends of the Simpson Desert Parks.

I acknowledge the important role played in the planning of this forum by members of the Friends of the Coorong, in particular, its President, Professor Harry Wallace; the Secretary, Joanne Flavel; the District Ranger, Phil Hollow; and the Coorong Parks staff and the community of Meningie all deserve a special mention.

ADTEC98 EXPO

The Hon. SANDRA KANCK: During Question Time on 27 August I raised in this Chamber the matter of the Australian Defence Technology Expo and Convention, or ADTEC98 for short. At that time I asked the Premier whether he was aware of ADTEC98 and whether he personally endorses Adelaide as a site for the promotion of sales of arms in our region. The Premier responded in writing to my question, stating that he 'welcomes the opportunity it presents to profile the State as a leader in high technology defence electronics, IT and surveillance systems'. He went on to suggest that it could result in further growth of the defence industry in this State. So, his support and acceptance of ADTEC is on the record. I am also aware that on his recent overseas trip the Premier was promoting South Australia as the ideal place for defence industries to locate. The Democrats hold the view that this is not the sort of job creation this State needs, and we are not supportive of ADTEC.

Soon after I asked my question about ADTEC, I was phoned by one of the organisers, who expressed to me a view that my asking such a question placed him and his family in jeopardy. I could not see how it did, particularly as I had not mentioned any person by name and certainly at that stage I did not know any names of the organisers, but nevertheless I apologised to him if that had been an effect. We had what I thought was a reasonably pleasant conversation, during which time he expressed a view to me that Australia's defence capabilities were not up to scratch. I felt we had possibly reached some common ground at this point, and I expressed to him my view that our defence capabilities should be nothing more than defensive. I even suggested to him that he might like to invite me to ADTEC98 so as to reassure me.

In recent days I have been contacted by the Stop ADTEC Campaign because of an e-mail it has received from Camtec Event Marketing, from an e-mail address '92 Wing Operations'. That e-mail makes a similar allegation as was made to me: that the contents of the Australian Anti-militarism web site have placed the sender of the e-mail and his family in danger, but it goes further than the conversation I had, in that he says he has been libelled by the contents of the web site. The e-mail, dated 23 October this year, states that they intend to sue the author—a very gentle man named Philip White—for personal damages of not less than $10 million, with an additional $20 000 for every day past 23 October that the web site continued to publish in that form. At this point, no notice has been served on Mr White.

Mr White, whom I know to be a peace-loving person, has e-mailed back and offered an apology to the writer and his family if they feel harmed. I checked out part of the web site and, unless it has changed as a result of the threat of legal action, there is nothing there that would lead to the organisers of ADTEC98 being harmed. It invites people to join them in actions on 8 November—and I will be doing that—and invites organisations to e-mail the Stop ADTEC Campaign to discuss what they can do. The web site states:

> ADTEC98 is a key part of the push by the Australian Government and military industry to increase our sales of military products, primarily to South-East Asian and Middle Eastern markets.

Camtec Event Marketing claims that this is untrue and that they do not promote the sale of weapons to countries outside Australia. As I read the web site, it does not claim that the promoters of ADTEC are pushing to increase the sales, but rather that the Australian Government is doing so. When one considers that Indonesian troops in East Timor have been using weaponry of Australian origin, I see no problem with that claim. Again, the representative of Camtec Event Marketing states that 'ADTEC is in no way part of any Government's push to sell arms to any overseas country' and that ADTEC 'is only about the needs of Australia's uniformed defence community and about insuring the continued security of Australia.' The anti-militarism web site states:

> The ethics of hosting an exhibition of equipment designed to maim and kill, particularly at a time when most of the world's conflicts are being waged against civilian communities struggling for self determination, are surely not those you would care to be associated with.

I concur with those views.

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

CARTER HOLT HARVEY

The Hon. A.J. REDFORD: In yesterday's *Border Watch* Carter Holt Harvey announced a $5.5 million upgrade of its Nangwarry plant, and the article states:

> Strong demand for laminated veneer lumber has meant that, despite running three production lines around the clock, the company could not make enough to supply the Australian export customer base.

In an unusual and positive article from the *Border Watch* it went on to explain how Carter Holt Harvey competes successfully in an international marketplace, so much so that this investment will increase production from 40 000 cubic metres to 55 000 cubic metres, a 37.5 per cent increase. In fact, it means 18 jobs for people in Nangwarry and, during the construction phase, 30 to 40 jobs for tradespeople. That has increased the total work force in that enterprise by 7 per cent. I well remember some of the claims made when the timber mill in Nangwarry was closed three months ago affecting 66 employees.

I understand that, of those 66 employees, 33 found jobs in other parts of Carter Holt Harvey and, with these 18 jobs, at this stage they are 25 jobs down on where they were a couple of months ago. That was what was predicted at the time. At the time a number of comments were made and the Minister, Hon. Michael Armitage, issued a couple of press releases concerning mischievous comments by the CFMEU State Secretary and the local member concerning the use and export of log through Portland harbour.

The Hon. T.G. Roberts interjecting:

The Hon. A.J. REDFORD: I will come to that in a tick. At the time Dr Armitage stated:

> However, this log does not meet the specifications of Carter Holt Harvey and other sawmills.

He goes on in the press release and states:

Forestry SA is supplying record quantities of log with 971 000 cubic metres made available in 1997-98, 184 000 more than in 1996-97.

I endorse his comment when he went on to say:

Raising false hopes, spreading untruths and creating an atmosphere of mistrust does nothing to help Nangwarry.

Indeed, earlier that month the Minister also repeated the increase in log resources being harvested and reminded people that Carter Holt Harvey itself had indicated that it was seeking less timber from South Australia, having sourced some timber from the Victorian Plantations Corporation. It is interesting to note that at the time there was a lot of criticism of Carter Holt Harvey and a lot of doom and gloom peddled about by the local member, Rory McEwen, but I note an interesting article in the *Border Watch* (15 October) when Carter Holt Harvey reported that it was in a position well placed to take full advantage of a boom that was likely to occur in laminated veneer lumber, which anticipated an increase of 60 per cent. Indeed, it predicted that by the year 2002 the industry would be worth around $35 million and that consumption within Australia was expected to be around 65 per cent in the next four years.

We are looking at some pretty positive figures and projections. Let me contrast that with some of the comments made by the local member at the time when he severely criticised Ian McLachlan and wanted all sorts of trade restrictions brought in, because he said:

McLachlan does not care how many people are left in rural communities and towns. All he cares about is feeding the pockets of shareholders in the rest of the world.

He goes on:

Logs currently being shipped through Portland could be processed at Nangwarry.

That is palpably untrue. I hope that the local member, Mr McEwen, can look back at what he said in the past and contrast it with the likely performance of this Government in terms of jobs. I suggest that he take a leaf out of his own book, look at the horizon and set the objective. The objective is 'Plantations Australia: 20:20 vision'. He can then talk about something constructive and positive in relation to jobs and the future of this significant industry in the South-East.

WOMEN'S AND CHILDREN'S HOSPITAL

The Hon. T.G. CAMERON: An article appeared in the media this week which has raised serious questions about the duty of care at the Women's and Children's Hospital. According to reports, pregnant women from some suburbs are being turned away because the hospital cannot cope with the demand for beds. This new postcode rule came into effect on Monday and we have already witnessed 25 women being asked to go somewhere else to have their babies since the implementation of this new rule. I understand other options were considered by the hospital management to address the shortage of beds. However, the postcode rule was agreed upon.

One suggestion I wish to draw attention to sought the provision of an extra 15 beds, but this was rejected. Obviously, that was a cost the hospital and the Government could not manage. Members may remember the crisis in July this year when pregnant women were transferred to other hospitals and the elective surgery unit shut down because there were no beds available. This situation is clearly unacceptable. Cuts to Government spending on public health must stop. I appreciate the Women's and Children's Hospital is feeling the problems of its own success and I commend the hospital on having the reputation as the most popular hospital, renowned for its high standard of care for expectant mothers in this State. Child birth and related treatments are an area of excellence we can generally take for granted. It would appear that is not the case any more. Now we have women being told they cannot have their baby at this hospital because they live in the wrong area: they live in the north and north-eastern suburbs.

Why is it that the women in the northern suburbs once again have to bear the burden of the Government's reduction in funding to our public health system, not to mention the education system? Why are the women of the north and the north-eastern suburbs not able to have their babies in the State's No. 1 maternity hospital? Why are these women and their families being discriminated against and are unable to seek the best gynaecological care available to them? Is it because they live in safe Labor seats? Is it because they do not live in the marginal seats of the southern suburbs? Is it because their votes do not count in the retention of the current Liberal Government? I say the answer is 'Yes' to all three questions. I also say that enough is enough. Every single South Australian deserves the best and fairest treatment, no matter where they live or their economic status.

This sad story only serves to exemplify the impending crisis in our public health system. Systematic erosion of funding by both State and Federal Liberal Governments over the past few years now has us in a position where we are means testing by residential postcodes to determine who is eligible for treatment and care and who is not. It was only a few years ago where one could take for granted a high standard of care in our public hospitals, regardless of what suburb you came from. We now find ourselves in this unacceptable situation. The standard of health care, along with the standard of education, determines the kind of society we are and will be in the future.

Do we really want South Australia to be a society where we can no longer take for granted good quality and available services for those in need of care at one of the most vulnerable times in their life? I put this Government on notice to urgently and adequately address the impending permanent decline in the quality and availability of public services. Families in the north and north-eastern suburbs deserve and demand better.

REGIONAL DEVELOPMENT

The Hon. R.R. ROBERTS: I wish to make a contribution on the subject of regional development, particularly in the Iron Triangle area of Port Pirie. Over the past few years Liberal Governments—State and Federal—have been involved in a number of attempts to try to match the proud record of the ALP in regional development. They have cut out the best regional development system we have ever had and tried to replace it with some hotchpotch of schemes which have all failed.

The Premier, in a vain attempt to try to prop up his premiership, has announced another round of community consultation on regional development. One can be sceptical about that but I like to be a positive person. Once again, the regions will cooperate with the Government. In fact, it will be my proud duty next Thursday to drag myself away from the deliberations of this august place and attend a meeting of the Regional Development Board so that we can rehash all the matters that we have gone over before in the desire and

hope that we can find a light at the end of the tunnel for my constituents who live in that northern part of South Australia.

One can imagine my shock a few weeks ago when it was brought to my attention that the Department of Marine and Harbors had decided to replace some navigational aids in Spencer Gulf off the facility at Port Bonython. These aids were two buoys, one green and one red, made of fibreglass and coated with a substance to stop the shock. In my Port Pirie office I was approached by some constituents who were concerned that these items of navigational equipment had arrived in Port Pirie, and I was told that they had cost $48 000 each.

Mr President, you can imagine my alarm when I made some inquiries of a local business engaged in the fibreglass industry and was told—a quote was given—that they could be produced for about $25 000 to $28 000. This had happened at a time when it had just been announced that the other major fibreglass manufacturer in Port Pirie had been sold interstate and that the tank making facilities at Port Pirie would be closing down.

I had the proprietor of Neptune Fibreglass come with me and view the two items in question. He looked at them and said, 'There are no unique manufacturing techniques involved. I can do it. However, I will need to find out the substance on the outside to stop the shock when the boats hit against it and crack the fibreglass steal casing.' He said that, depending on that information, he could make them for between $18 000 and $25 000.

This Government is saying to the world, 'Come to South Australia and build submarines,' yet it wants to tell me that we have to go to Scotland to get a couple of buoys. We can build a submarine but we cannot make a marker buoy! It is a joke. I want to know why this Government will spend hundreds of thousands of dollars to provide jobs for nautical industries in Aberdeen in Scotland when in South Australia, which won the contract from all the production units in Australia to build a submarine, we cannot build a canoe in the Iron Triangle.

The fibreglass industry in Port Pirie is expanding. In fact, Neptune Fibreglass is doing work at Roxby Downs on contract and has doubled its work force. That company could have made these things for half the price if it had had a sympathetic Government. When you think of it it is alarming that the local member is also the Minister for Regional Development and Natural Resources. I ask the Government that when it is spending these hundreds of thousands of dollars of taxpayers' money in future to consider local industry. I hope that it takes it on board at the Regional Development Conference next week and tries to do more for those people living in South Australia.

DOGS, WILD

The Hon. IAN GILFILLAN: I move:

That a select committee be established to inquire into and report upon wild dog issues in the State of South Australia specifically—

I. The method of raising funds for the maintenance of the dog fence with a view to making collection more equitable, ie—

(a) whether any change in collection method is justified and, if so, what changes would be necessary to make collection more equitable; and

(b) to recommend any consequential changes to the Dog Fence Act.

II. Issues associated with control of wild dogs inside the dog fence, ie—

(a) to what extent wild dogs are causing problems inside the dog fence, particularly in parks such as the Ngarkat Conservation Park;

(b) how those problems can or should be fairly addressed;

(c) how the presence of wild dogs inside the dog fence affects the equity of dog fence payment collection; and

(d) to recommend any consequential changes to the Dog Fence Act.

III. Describing and/or quantifying other significant benefits and costs associated with maintaining the dog fence, including but not limited to the effect of the dog fence upon other native species.

IV. That Standing Order No. 389 be suspended as to enable the Chairperson of the committee to have a deliberative vote only.

V. 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 committee prior to such evidence being reported to the Council.

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

Members interjecting:

The Hon. IAN GILFILLAN: I have been slightly thrown off balance by the interjections: dingoes do not howl. I appreciate the consideration of members in allowing me to move the motion at this stage. I do not intend to speak to it at any length because it has universal support.

This is a vexed issue which has not been able to be resolved by various generations of farmers and the Farmers Federation and successive Ministers for Agriculture and Primary Industries, and with the best will in the world it does not appear as if there is any entity currently established which has the respect and confidence of the majority of landholders who are currently paying for the maintenance of the dog fence.

Therefore, the Democrats offered to set up a select committee and this offer was grasped on with gratitude by Farmers Federation members at its AGM. I believe that it was relieved to know about this forum so that the various arguments could be put. I do not expect it to be a long-term procedure for the select committee to take evidence and report.

The Hon. T.G. Roberts: It will be a long inspection.

The Hon. IAN GILFILLAN: Yes. The inspection has had me somewhat daunted. I do not think it is a summer activity.

The Hon. L.H. Davis interjecting:

The Hon. IAN GILFILLAN: The Hon. Legh Davis has said that he will send me; I thought we could do it together—sort of dog trot together. I refuse to be diverted. Today I have received a letter from the Minister for Primary Industries, the Deputy Premier, the Hon. Rob Kerin, and in his first paragraph he states:

> The South Australian Farmers Federation has requested that you set up a parliamentary select committee to review wild dog issues. To assist you in your deliberations please find the attached.

And he provides quite a lot of material that is helpful and germane to the inquiry. However, he does get it mildly wrong: the Farmers Federation did not ask me to set up a select committee: I offered to move that this Council set up a select committee, and it is my expectation that it will. It looks as if the Government, somewhat reluctantly, will not oppose it and may graciously support it. The Opposition and the Independents have indicated support for it, for which I am grateful. I do not see any point in going further into the issue.

I urge members to support the motion and look forward to the fruitful results of a successful select committee.

The Hon. G. WEATHERILL secured the adjournment of the debate.

DRUGS

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

That the Legislative Council notes the drug policies of the Netherlands and Switzerland and their impacts, and therefore—

I. Supports the separation of the cannabis market from the market of other illegal drugs; and

II. Calls on the Federal Government to allow the proposed heroin prescription trial to proceed in Australia.

On Thursday 8 October this year—in fact, the day before I left to travel overseas—the State Police Commissioner, Mal Hyde, announced that 34 heroin users had died in South Australia so far this year. It seems reasonable to assume that, by the end of the year, the death rate will have reached somewhere approaching 50, which is around about the ballpark of what it has been for the past couple of years—I believe that it has been 50, 60 and slightly over. As I said, that was the day before I departed for two countries that I believe have made encouraging progress in the drugs area, namely, the Netherlands and Switzerland.

Some people might wonder why I should spend my time on heroin addicts. I believe that there has to be an appreciation that drug users are people: they are someone's son, daughter, sister, brother, father or mother. They come from all sectors of our society; they are ordinary people; but they have an extraordinary problem—and we must acknowledge that. They have a health problem that needs to be confronted.

In Australia we introduced drug laws to protect people. We did that with the best of intentions. We believed that, by introducing laws that came down hard not just on those who sold but on those who might consider using, we would stop their use. We now have a long enough history to know that what has happened instead is that the very laws we introduced to protect people are killing people. The laws we introduced to protect people mean that they are now leading lives of crime and prostitution, over which they have no choice, because of what the addiction is doing. They have enough of a sentence from the addiction itself without our considering some other penal reaction to it.

South Australian laws are costing not just the individuals and their families dearly but ultimately they are also costing our community dearly. We are all sharing the cost of the crime that is generated by the habit and the need for the drug and the need for the money to get the drug.

After spending two weeks in those two countries studying their drug policies and their implementation—of course, I have looked at them from a distance for some time but it is not quite the same as being there and meeting with the various players—I have come back convinced that there is not a single solution to the drug problem. In fact, there is no solution as such. However, there is a suite, or a range, of approaches which together offer some hope and clearly offer an improvement on the situation in which we currently find ourselves. Yes, we need law enforcement, but law enforcement should not be targeting the users: it has to be targeted at the pushers—the people who are inducing people to use drugs and who are making the mega profits out of the misery that is being created. Let the police focus their efforts there: do not have them chasing around after the people who have a problem and, in fact, exacerbate their problems. We need a health and a social approach adopted towards the users.

I witnessed the programs in the Netherlands and Switzerland. I spoke with health professionals, politicians, police and drug users. I went into the clinics and user rooms, etc., and saw what was happening. I even experienced first-hand drug-related theft, in that in the second week when I was in a tourist office obtaining directions to find my way to a suburb of Bern a bag was taken from my feet. It was found about 50 minutes later in a park that drug users frequent. They had been through it and taken the money from it but, luckily, had not taken my passport, tickets and notes. I was most worried about the notes that I had taken, because at that stage I was about three-quarters of the way through the tour. So, I suppose I had contact from almost every aspect of the drug situation in those countries.

I believe it would be most productive if I took the two countries separately because, while there is some clear overlap between what they are doing, there are also some clear differences. I will talk about the Dutch experience first: what they are doing and those things that appear to be working and, in some cases, just comment about it. I will do the same with the Swiss, and I may spend more time focusing on the heroin prescription situation in Switzerland, because that is where they have been doing it the longest, and I will focus on other matters in Holland, where they have had greater experience.

The Netherlands reported 65 drug deaths from a population of 15.4 million in 1995. Compare that with South Australia, which has had 34 drug deaths so far this year from a population of 1.3 million, and your maths will tell you pretty quickly that our rate of death from use of hard drugs is about eight times as great as that in the Netherlands. In fact, I commend to members (and I will quote from it later) a publication *The Annual Report on the State of the Drug Problems in the European Union*, which is put out by the European Monitoring Centre for Drugs and Drug Addiction and which contains a table of deaths over the period 1986 to 1995. In the Netherlands, the number of drug deaths was 55 in 1986. It went down to 40 in 1987, varied through the 50s, 60s, 70s and up to 82 and 84 in 1993 and 1994, and went back down to 65 in 1995. There is a bit of variation there, but it is relatively flat.

In the United Kingdom the number of deaths was 1 212 in 1988 (when it started compiling figures) and that country has had a rising line with very little relief in it. By 1995, it had reached its highest figure of 1 778 deaths, in a population of 58 million. France—another near neighbour of the Netherlands—with a population of 58 million, had 465 deaths in 1995—a significantly higher death rate than that of the Netherlands. And Germany (a country that is very tough on drugs) had 1 565 drug deaths in 1995, in a population of 81 million. I believe that is about 20 times as great as the figure in the Netherlands, its neighbour, which it also criticises for its drug policies. In some ways it is rather amusing, I suppose, that countries that are failing in their approach to the drug problem, such as the United States, Australia and Germany, condemn countries that are making not only a very real effort but also some achievement in that area as well.

The Dutch drug policy is pragmatic that is, its ideological or normative aspects are less important. Its primary objective is health protection, and the key concept is harm reduction. The outcome that the Dutch are seeking is assistance to drug users, aiming primarily at minimising health risks, with drug

abstinence as a secondary aim. That does not mean that they do not want drug abstinence: they are setting themselves what are achievable goals and are achieving them. However, the aim of the Dutch drug policy is broader: it is to minimise the risks of drug use for individual drug users, their immediate environment and society at large.

Besides minimisation of health risks, other important issues in the Dutch drug policy are to limit nuisance and criminality caused by addicts and to combat illicit drug trafficking. Therefore, the Dutch drug policy follows a two track approach which consists of repressive measures based on legislation, drug law (that is, criminal law) and law-based regulations—and I will give the Council some statistics later on just how much they are achieving in the repression area. They are not soft on drugs; indeed, they are very successful in the repression area. The other track is the social and health care measures. There are three distinguishing features: first, in general, a pragmatic orientation; secondly, in the field of social and health policy, drug problems are defined primarily as health problems; and, thirdly, in the field of criminal law, there is a less repressive approach towards users.

With a pragmatic orientation, as well as harm reduction there is also what they call normalisation, which is a key concept of the Dutch drug policy, entailing the following connotations: getting the drug issue to normal proportions is just one health issue besides others; integrating drug treatment services as far as possible into general health services; and getting the drug problem under control. This concept of normalisation is an example of the pragmatic orientation, 'pragmatic' meaning effect or result oriented and not principle oriented.

In relation to social and health policy, the drugs problem is defined in the first place as a health problem. The Ministry of Health, Welfare and Sport is responsible for coordinating drug policy. The basic aim of the Dutch drug policy is harm reduction to help drug users to live a life as healthy as possible and to survive with a subsequent aim of drug-free treatment. Therefore, low threshold programs are a priority, that is, easily accessible services where drug users do not have to fulfil certain requirements to be accepted as clients. These activities entail: the provision of methadone, sterile needles, food, medical care and accommodation. Most of that is not really different from what we are doing in Australia.

The choice of harm reduction is a pragmatic one. The principal and moral imperative that drug users should give up drug use resulting in an approach offering treatment as the only solution has proved to be not realistic, and realism is what is necessary in all of this. Harm reduction, as stated before, is important for individual drug users to prevent damage to their health. It is important for their immediate environment, preventing infection risks, reducing social problems and keeping children alive and relatively healthy, as well as for society at large.

We want to decrease the cost of health measures, law enforcement and criminality generally. Besides low threshold facilities, a variety of facilities offer treatment. There are brief detoxification periods of up to three weeks, short-term admittances of up to three months, longer-term admittances with a maximum of one year, part-time treatment and outpatient treatment.

The third point involves legislation and regulations. In drug law itself there is only one distinguishing feature, and that is the distinction between soft and hard drugs. They make a distinction between cannabis and the other illicit drugs. The outcomes are that penal provisions for soft drug offences are milder than those for hard drug offences. The possession of up to 30 grams of cannabis is seen no more as a crime but as a misdemeanour. That is not dissimilar from the South Australian approach.

The main rationales are a separation between the market for soft drugs and the market for hard drugs, preventing cannabis users from ending up in an illegal environment where they are difficult to reach for the purpose of prevention and intervention. A minor distinguishing feature is lower maximum penalties, and another major distinguishing feature—perhaps the most important one—is the expediency principle which is included within the Dutch penal code. The expediency principle empowers the public prosecutor to refrain from prosecution of criminal offences if this is in the public interest.

Guidelines for detecting and prosecuting offences under the Opium Act contain recommendations regarding the penalties to be imposed and priorities to be observed in investigating and prosecuting offences. Priorities according to these guidelines, which were amended on 1 October 1996, are: punishable offences involving hard drugs other than for individual use take the highest priority; punishable offences involving soft drugs other than for individual use; and investigation and prosecution for possession of hard drugs for individual consumption, generally .5 of a gram, and soft drugs to a maximum of five grams. To my mind, the most significant action that the Dutch have taken with their pragmatic approach and the move to separate markets is the separation of cannabis from drugs such as heroin, cocaine and amphetamines.

There are many people who prescribe to the stepping stone hypothesis: an assumption that cannabis consumers run a higher risk of switching to hard drugs, especially heroin. This idea was first put forward in the 1940s in the USA and has since greatly influenced public opinion, as well as American and international drug policies. Opinions differ as to whether or not the hypothesis is correct. Regarding a possible switch from cannabis to hard drugs, it is clear that the pharmacological properties of cannabis are irrelevant in this respect. There is no physically determined tendency towards switching from soft to harder substances.

Social factors, however, do appear to play a role. The more users become integrated into an environment (a subculture) where, apart from cannabis, hard drugs can also be obtained, the greater the chance that they may switch to hard drugs. Separation of the drug markets is therefore essential and forms the basis of the cannabis policies of the Netherlands.

As part of that policy, the police and public prosecutors have allowed the establishment of coffee shops. The law does not. It is the fact that the expediency principle is in operation within their legal system that allows them to have coffee shops. These coffee shops are established and sell cannabis and have been doing so for over a decade. They will not suffer the wrath of the law unless they go over a set of published criteria.

The first criterion is that coffee shops will not advertise: no commercials, no promotion. They will have no hard drugs for sale, nor will they allow hard drugs to be used within them. They will allow no public nuisance and no selling of soft drugs to persons under the age of 18 and in no great quantities, which means more than five grams per transaction. The maximum trade stock allowed is 500 grams, so they cannot have more than half a kilogram in a coffee shop at any one time, although councils can set a lower maximum.

Depending on specific local problems, some local councils have added several stipulations in the form of a covenant: for instance, there may be no parking in the front of the entrance and a closing time may be set.

According to police estimates, the number of coffee shops in the Netherlands was 1 200 to 1 500 in 1991. A research bureau estimated their number at 1 460 in 1995 and 1 293 in 1996. So, over the past couple of years the number has decreased. It is also fair to say that there are estimates which place higher and lower figures on them.

Coffee shops are mainly small café-like enterprises. I issue a warning for people who go to Amsterdam or Rotterdam: if you are looking for coffee, go to a café; if you are looking for cannabis, go to a coffee shop. The café-like enterprises cater for a diverse public from various social backgrounds. Most offer a wide range of hashish and marijuana products from various countries and of varying quality. Coffee shops have various functions. Some act solely as shops. In others, people may use drugs if they buy something, whilst others serve mainly as meeting places where little is bought and people stay longer.

I visited a couple of cannabis coffee shops and spoke with their owners and some of the customers. Anyone who has been to a hotel and then goes to one of these coffee shops would see a remarkable difference in the behaviour of people. In a hotel you may see aggressive drunks. In coffee shops I saw a number of people sitting around engaging in social discourse. I personally do not smoke, but they were having a smoke, and they certainly were not creating a public nuisance. Most importantly, from a drug perspective, this environment that they were in was not providing links with other drugs such as heroin, cocaine and LSD, etc.

It is worth noting that the consumption of cannabis in the Netherlands is about on a par with neighbouring European nations. Again, quoting from the Annual Report on the State of Drug Problems in the European Union, in relation to cannabis consumption among teenagers—and this is a question not as to who are regular consumers but as to who have ever consumed—in the Netherlands it stands in the age range 16 to 19 at about 30 per cent. Compare that with the United Kingdom, which has much harsher laws, where in the same age group it is 36 per cent. If you compare it with the French, ages 18 to 24, it is 30 per cent. The Germans claim that from 18 to 20 (which is just a two year age range) it is 22.6 per cent.

So, the allowance of coffee shops has not led in the Netherlands to this rapid escalation in consumption relative to the surrounding countries which have entirely different laws. Although I do not have the Australian figures with me, I have no doubt in terms of those who will have consumed at some time that the figure would have been higher in Australia and is definitely much higher in the United States. The laws have not led to increased usage. It is important that one understands that the Dutch not for one moment, having allowed the coffee shops, were saying, 'Look, cannabis is a good thing.' I brought back a large amount of material from the Netherlands in relation to the education programs being run in the Netherlands, in their schools and outside. I quote from Fact Sheet No. 5 'Education and prevention policy alcohol and drug' put out by the Netherlands Alcohol and Drug Report, as follows:

> The Government is striving to prevent a situation in which judicial measures do more damage to the drug users than the drug use itself. The sale of small quantities of soft drugs in coffee shops is not prosecuted provided that the owner complies with a number of rules. One important aim of this policy is the separation of the markets for soft drugs and hard drugs. . .
>
> Effective prevention requires a combination of voluntary restraint on the part of people themselves and restrictions imposed by the authorities in form of legislation and regulation. In addition, great importance is attached to strong, well-organised social controls. The government also takes a positive view of self-regulating initiatives developed by the industry and its umbrella organisations, such as the trade organisations for beer and liquor. . .
>
> Although a great deal of attention is devoted to the Dutch government's relatively lenient attitude to drugs compared with other countries, the supply of drugs is in fact much more stringently restricted, both legally and in practice. Supplying drugs is completely banned. . . while supplying alcohol is primarily regulated. . . The distinction between soft drugs and hard drugs is also considered of great preventive value. This is why a distinction is being made between drugs that carry an unacceptable risk (heroin, cocaine, LSD, amphetamines, hash oil, XTC), listed on Schedule 1 of the Opium Act, and hemp products (hashish and marijuana), listed on Schedule 2 of the Opium Act. By making the distinction between drug users and dealers, the government is attempting as much as possible to prevent drug users from entering an illegal environment, where they are difficult to approach for prevention and intervention.
>
> Finally, the cohesion within the policy as a whole is also important, with accessible and outreaching care also being realised along with prevention. And what is more, the care is not only provided by highly specialised facilities, but also by primary care facilities—close to the population—which also provide help and prevention.

In relation to the education programs, the fact sheet states:

> The Alcohol Education Plan (AVP) aims at providing people with more information on the effects of alcohol, making them more aware of the negative consequences of excessive drinking and motivating them to moderate their consumption (therefore, less often and less per occasion). The AVP uses four instruments: the conducting of national education campaigns, the initiation of projects, individual information supplied to the public, social organisations and the media and the conducting of research. Since 1986, there have been five general mass-media campaigns and five campaigns targeted at specific groups, particularly young people and young adults. Commercials on radio and television were complemented by commercials in cinemas, on billboards in railway stations, on the metro and in schools, together with leaflets and other written information. Such materials can also be developed specifically for intermediaries. . .
>
> The interactive computer game 'Zefalo' is a recent development. It is available in shops but can also be accessed on the Internet. A free-phone Alcohol Information phone-line is being set up to increase the range of existing information line.
>
> In addition to the national campaigns, small-scale information and education actions are being organised at local level, for instance in schools and youth centres. There are 20 regional AVP Support Centres that cooperate with other local prevention organisations. The AVP budget for 1995 was $3 million guilders [which is about $A3 million].
>
> In June 1996 the AVP became part of the National Institute for the Promotion of Health and Prevention of Illness.

What is worth noting—I have not gone through the detail of the programs themselves—is that between 1986 and 1994 alcohol consumption fell from 8.6 litres of pure alcohol per capita to 7.9 litres. This reduction is partly the result of increasing numbers of non drinkers. In 1995 young people between the age of 15 and 25 who used alcohol drank 6 per cent less than in 1994. That is a quite interesting result. Within one year they had decreased consumption of alcohol by 6 per cent. The percentage of non drinkers rose from 19 per cent to 31 per cent.

I have also been supplied with a one page summary sheet of data in a brochure called the *Healthy School and Drugs Project*. This is about an education program which is in schools and which compares control groups who did not receive the education programs with those that do. It looks at the age group 12, 13 and 14 in relation to three drugs: tobacco, alcohol and cannabis.

From time to time I have heard people suggest that, if you supply an education program, you need to get the age right or you might have the opposite effect. I am not sure whether that might partly explain why in relation to tobacco the project group showed marginally more consumption of tobacco than the control group. It was 9 per cent for the project group and 8 per cent for the control group for the consumption of tobacco. Interestingly, by the age of 13 it had flipped around the other way—14 per cent in the control group, 12 per cent in the project group—and by the age of 14 the difference had grown further to 29 per cent of the control group and 25 per cent of the project group. That is a 5 per cent difference in those who were consuming tobacco. Clearly, that education program was biting.

If we look at alcohol, at age 12 the control group was a little over 35 per cent, while the project group were at about 30 per cent. By the age of 14 and those who had consumed (that does not mean regular consumers), the project group was still significantly lower at about 59 per cent compared to the control group who were at 67 per cent. I would be concerned that that many people had actually tried it in either group but, importantly, the education had had some effect—and a measurable and distinct effect.

In fact, the most profound effect was achieved with cannabis where, at the age of 13 (they did not supply figures for age 12), 3.5 per cent of the project group had tried cannabis, whereas with the control group it was about 2.5 per cent. But by age 14 a marked difference was showing: in just over one year the control group had gone up to 13.5 per cent, compared to the project group, 9 per cent. I have seen material that the Dutch have produced for their schools and I know that they are rewriting it and further refining it even as we speak. So, the Dutch have not given up on drugs. Clearly, they are following a different approach.

When I went away I was clearly intending to look at the cannabis rules and policies of the Netherlands and to look at the heroin prescription trials in Switzerland, but I was also going to look at any other matters that came up. The one matter which got in my face really as an issue and one for which I was not prepared was the issue of consumer rooms, of user rooms. I must say that I went away with some vague awareness of them and not feeling happy about them at all and, having visited several of them and having seen them in operation, in terms of my own discomfort I felt probably even worse. In fact, after being in the second consuming room and the third time having seen people actually injecting while I was there, I was really feeling very ill. But having said all that—and I will talk more about specific experiences later—I am absolutely convinced in my own mind that they are part of an overall program and, when I get to the end of my speech, I hope I will have stitched it all together. All these things are components.

The first consumer room that I visited was a room in Rotterdam. I went to a church, Paulus Kerk, near the Rotterdam Central Station. The pastor there some 18 years before had said, 'I welcome into my church all those who are homeless and who are in need of care of whatever sort.' Every night since then large numbers have slept in the church and he has had social workers based in the church offering assistance. In among those people were drug users.

Near the Rotterdam station, to which, as I said, the church was quite close, there was a major public drug scene, if you like, including the consumption of heroin etc. around the station and a huge amount of public nuisance of all the sorts you can imagine. The police wanted to close this down, but to some extent when you squeeze in one place it comes up somewhere else. In this case, the police squeezed and it came back up inside the church. The church allowed people to consume heroin and cocaine within the church itself, it appears with the police blessing, although to some extent, having had no experience with it before, they did not know quite what to do, particularly as it was in a church.

The program is about a number of things. First, it is about compassion. These people are coming into the church and they have available to them all the assistance of various sorts that they might want. Obviously, it offers the sort of assistance you would expect any church to offer, but it also has more. It has social workers, health workers and an enormous team of volunteers are working there. Coming into this place are people who are at the most desperate end of the heroin scene. They are people who have not gone into methadone programs; people who have probably tried them and failed; people who have probably tried abstinence a couple of times and failed. They are in desperate trouble.

There is a human relationship, I guess, established between those people working in the church and the people coming into the injecting room. Through that human relationship they work to get those people into a fixed place of abode or into a residence. They work to try to get them jobs. The church has no requirement of them in terms of abstinence. In fact, as I said, it allows consumption to happen. But, importantly—and I think this is true with drug users—you cannot help them until they are ready to be helped. The church tries to get as much of their life into order as it possibly can when they have that dreadful habit. When the people are ready to go further, it will take them further.

In fact, there are two consumer rooms in the church. Many of the Dutch do not inject; it is one of the few countries of which I am aware where heroin is actually inhaled. It is heated on aluminium foil and inhaled through a straw—they call it 'chasing the dragon'. In one consumers' room people were consuming heroin in that way and in another consumers' room people were injecting. A limited number of people are in the room at one time; I think it was eight in the injecting room—one person out, one person in. Health workers are available and if somebody needs health assistance it is there. So many of the drug deaths which happen are drug overdoses, and they happen where people are in an isolated spot where medical assistance is not available.

To put it quite simply, for a person to die in a consuming room would be a rarity. The first thing about a consuming room is to ensure that people do not die from an overdose. The second thing about a consuming room is that health professionals are available to address some of the other problems. I remember seeing one lady in a consumer room in Bern and her face was covered in sores. I was told that that was likely to happen because she was injecting cocaine. I do not understand these things, but I was told quite matter of factly that that is what it was. There was a doctor treating her at the time. So, those very immediate health issues are being attacked.

The two consumer rooms that I visited—and I understand it is a regular practice—also sell a cheap and healthy meal, because malnutrition can be a major problem among drug addicts. Then, importantly, other help is there for people when they need it. Some people would say that they should be forced to take the help but, if you try to force them to take the help, they disappear from the system. If they are put into gaol, they come out worse than when they went in. I spoke to a person who telephoned me only today to speak to me

about this. She said that her sister went into gaol and came out a worse addict than when she went in.

The heroin problem is a very difficult one, and all the experts tell me that, unfortunately, people will not get over it until they are ready to get over it. They will follow many different paths. Some people will follow abstinence; for some people religion is their solution; for some people it is methadone programs; naltrexone seems to be offering some hope; and, of course, there are the heroin consumer trials.

I had great difficulty finding the first consumer room—which, I guess, must be promising in one sense. People expect consumer rooms to create a great deal of public nuisance. At the first site I visited, frankly, from the outside you would be struggling to know that a consumer room was there, and in Bern I left a consumer room and within 80 to 100 metres of that consumer room I sat down to have a meal in a restaurant which was full of people who were quite oblivious to what was so close to them. I commented before that after my last visit to a consumer room I was not feeling particularly well, and I must say that it was a meal that I did not enjoy.

I, like everyone else in this place, cannot fathom why anyone would ever want to do it, why anyone would want to stick a needle in their arm. It has me beaten and, when I looked at them, I could not see where the joy of it was. But, it does not matter whether I can see it. They are there and they are doing it, and they are doing it for reasons that are beyond, I suppose, the comprehension of a person who has not experienced it. All I can do is look at the practical impacts of the various programs that are being tried.

Some people with all the best will in the world have said that we have to be hard on these people. I can tell you that being hard on them will kill them; it will mean that they will stay in crime and the women will stay in prostitution against their will. Even if it means that they continue to use drugs for some time, offering programs of compassion and care means that they stay alive and may re-establish human relations with other people, that those who care for them still have them and that they may commit less crime. That is the sort of thinking which drove the heroin trials in Switzerland. Before I leave the Netherlands I should note that the Netherlands itself has now commenced a heroin trial, which is very much modelled on the Swiss one, but it might be better to reflect on the Dutch experience once I have talked about the Swiss, who now have experience over a period of some four or five years.

I will make a couple of final observations about the Dutch. The Dutch are certainly tough on traffickers. In 1995, 351 kilograms of heroin were confiscated. The Netherlands is not a major transit country for heroin, and most consignments that are confiscated come through other European countries. In 1995, 4 851 kilograms of cocaine were confiscated; that was 23 per cent of the total amount confiscated in the European Union in that year. In 1994, 215 kilograms of amphetamines were confiscated, in addition to 143 000 pills containing other synthetic drugs, mainly MDMA, MDA and MDEA. Seventeen illegal laboratories for the production of synthetic drugs were dismantled in 1995, while a total of 50 were dismantled in the EU in the same year. In 1995, too, 549 337 hemp plants and 332 tonnes of cannabis were confiscated. That is 44 per cent of the total amount confiscated in the EU in that year. In 1994, 323 illegal hemp nurseries were dismantled. So, if anybody thinks that the Netherlands is soft on drugs and allowing trafficking to go on, they are wrong: the Dutch are not soft on these things at all.

I will quote from the April 1997 document: *Drugs Policy in the Netherlands* put out by the Ministry of Health, Welfare and Sport. In a short section here entitled 'Results of public health policy,' it states:

> There were 2.4 drug related deaths per million inhabitants in the Netherlands in 1995. In France, this figure was 9.5; in Germany, 20; in Sweden [which is a country notoriously tough on drugs], 23.5; and, in Spain, 27.1 [a very conservative nation]. According to the 1995 report of the European Monitoring Centre for Drugs and Drug Addiction in Lisbon, the Dutch figures are the lowest in Europe.

There is no doubt that what the Dutch are doing is having a very real impact and result on people.

Having spent a week in the Netherlands (and for those who want to know precisely to whom I spoke, that will be all in the report which I will table in the Parliamentary Library in due course), I move on now to the Swiss. According to current estimates, about 30 000 of the 7 million inhabitants of Switzerland are dependent on illegal narcotics, with the primary use by this group being heroin and cocaine—and, I must stress, predominantly heroin. In addition, a number of people use drugs regularly or from time to time without actually being addicted. It is nearly impossible to determine the size of that group of drug users. Cannabis is the most frequently used drug, followed by heroin and cocaine. The use of synthetic drugs, especially of Ecstasy/MDMA, seems to be increasing. Seen as a whole, however, drug use in Switzerland has remained stable in past years, and the number of deaths related to drug use has decreased. In 1992, 419 drug related deaths were recorded, while in 1997 there were just 241. In a period of five years the Swiss had almost halved the number of drug related deaths. With the closing of the open drug scenes in the spring of 1995, drug addition has become less visible. As a result of the economic recession and the spread of AIDS, many drug addicts remain socially marginalised.

Switzerland is an interesting country to look at, because its structure is very similar to ours. It is a federation where the primary responsibility for drug law resides with the cantons, which are equivalent to our States. Although the cantons are reliant upon the Federal Government to provide a lead and coordination, it is the cantons and the cities which ultimately have most of the responsibility. In view of the apparent increasing drug problems, the federal government decided in 1991 to intensify its commitment considerably in this area. In order to fight the harmful effects of drug abuse, the federal government is pursuing a policy comprising four strategic elements. It has what it calls a 'four-fold approach' to drugs, of prevention, treatment or therapy, harm reduction and repression or law enforcement.

In relation to prevention—the most important strategic element—it is a matter of convincing young people not to use drugs and to adopt a healthy lifestyle (primary prevention) as well as keeping occasional users from developing an addiction, while maintaining their social integration in the family, at school and at work, which is secondary prevention. Therefore, the federal government supports and encourages cantonal and private projects for prevention and early intervention. It coordinates cantonal and private projects, provides technical assistance and guidelines and takes part in planning and funding of pilot projects. Certain target groups, such as socially deprived youth and migrant populations or certain environments such as schools, youth homes and youth events as well as sporting events, receive special attention.

I turn now to therapy. Those who have become drug dependent should be encouraged to enter therapy. In addition, specific means and individual support have to be made available in order to overcome addiction. The federal government supports various state and private programs for treatment and reintegration. It offers coordination and supports quality assurance and evaluation. At present about 100 institutions in Switzerland are specifically designed to provide drug therapy. In-patient therapy is available for a total of 1 750 persons. The declared goal of these therapies is abstinence and social reintegration. That is 1 750 out of the total addict population of 30 000. In 1996 more than 2 100 individuals began therapy. The federal government also offers recommendations by experts concerning oral methadone treatments and supports evaluation of this method of treatment. About 14 000 methadone users live in Switzerland, so almost half of the heroin addicts in Switzerland are within the methadone program.

At the end of 1995 the Swiss Federal Commission on Narcotic Drugs published a report on the practical and technical aspects of methadone treatment. The report is available in German, French and English at the Swiss Federal Printing and Material Centre. The federal government also offers support for patients who suffer from psychological problems as well as from drug abuse—a double diagnosis. That appears to happen in about 30 per cent of cases, from my recollection, where you will get a double diagnosis of both psychological problems and drug abuse, and it is very difficult to prove which came first. There is no doubt that drug abuse has the capacity to cause psychological problems, but it is also true that people with psychological problems find the drug culture fairly easy to fit into.

Since 1994 the federal government has been supporting scientific studies of medically prescribed narcotics for severely addicted individuals. These studies aim at clarifying whether marginalised drug addicts who have already tried treatment several times can be integrated into yet another therapy that leads to health improvements, social rehabilitation and finally to abstinence. That is the heroin prescription trial to which I will come back shortly. It has been running in Switzerland for some four years. The third plank is harm reduction. Drug addiction represents for the majority of people concerned a limited period of several years in their life. It needs to be recognised that most heroin addicts do eventually get out the other end. Unfortunately, a number do not get out for a considerable period but, for a great majority of people, it is something that lasts for several years in their life and then they do eventually emerge out the other end. I would never say they emerge unscathed, not by any measure.

The third plank relates to measures intended to limit harm that aim at protecting the health of addicts during the addition period as much as possible. Drug addicts are at great risk of being infected with HIV and hepatitis. Depending on the group, the rate of HIV infection among drug addicts is between 5 and 20 per cent. I note that hepatitis C is looming as a far bigger threat than HIV among drug users: its level is up around 75 or 80 per cent, I understand. Hepatitis C is far more contagious than HIV. At this stage HIV appears to be responding to a range of medical treatments, not that that is any comfort because they are still invasive sorts of treatments and it is a dreadful disease. Hepatitis C leads eventually to cirrhosis of the liver, cancer and the like, and people are still unsure at this stage precisely what that will mean for us in health terms in years to come.

We desperately need programs to curb the spread of hepatitis C amongst the using population because the experience is that, like HIV, it moves from the using population into the general population and continues to spread. We now find with HIV that the major people catching it are outside the early danger groups. Hepatitis C could be the same. It is in everyone's interest that harm reduction takes place. The federal government therefore supports a variety of measures, for example, needle exchange programs, housing and employment programs to improve health and the lifestyle of drug addicts and to prevent the spread of HIV and other infectious diseases. Compared with the late 1980s, HIV prevalence among drug addicts has decreased.

Switzerland has also followed the Dutch example and is setting up consuming rooms. I referred to having visited one in Bern. At this stage they have set up relatively few facilities compared with the Dutch but I think the Swiss have come to the same conclusion that, by the establishment of consumer rooms, it brings in those people previously outside the system. If you go outside the methadone and abstinence programs—and now the heroin prescription programs—you are still reaching only between 50 per cent and 60 per cent of addicts and another 40 per cent are out there injecting in parks, lanes, flats and units, spreading HIV, catching hepatitis C, dying from overdose, totally and socially dislocated in almost every sense, committing crimes and working as prostitutes, etc. The consumer rooms are reaching out to these people, bringing them in and trying to improve their health status, trying to keep them alive and trying, bit by bit, to restore their human dignity, with the long term goal of getting them off the habit.

The fourth plank is law enforcement. Swiss drug policy relies on strict regulation and prohibition of certain addiction causing substances and products. This asks for criminal prosecution of illicit production, of illicit trafficking and illicit consumption of substances regulated by law as well as the strict control of authorised use of narcotics in order to prevent abuse. That is one difference from the Dutch approach. The Dutch do not have consumption as an illegal act, whereas the Swiss do.

As to the heroin prescription trial, I had the opportunity to meet with the person in charge of the program in Geneva, Dr Mino, and I also met with one of the principal architects of the whole heroin prescription program in Switzerland, Dr Robert Haemmig, from Bern. I like to believe I gained a good insight into the heroin prescription trial. Basically, people cannot go into the heroin prescription trial unless they have been addicted for at least two years, although the reality is that most people who entered that program had been addicted for five years and longer. I spoke with one addict who had been addicted for 20 years and another for 15 years. They were people who had to have failed other treatments on several occasions. They had to have failed abstinence and methadone programs, etc.

There has to be an indication of adverse effects of drug use on health in those individuals and their social relations. One could not just roll up and say, 'I want to be in the heroin prescription trial.' People had to prove that they had made genuine efforts in other forms of rehabilitation previously and failed at them. People also had to be a Swiss resident. The clinics work in such a way that they open three times a day, seven days a week for 52 weeks a year. They are open for about two hours, once in the morning, in the middle of the day and early in the evening. Participants in the program report and are under observation for about 10 minutes so that

the nurse or social worker is confident that they are not under the influence of some other drug, because they do not want to add a drug to a drug and risk an overdose. Only eight people can enter the room at any one time and it is very much like the consumer room in that regard.

Participants come up to a counter and ask for a quantity of heroin. Each person will be prescribed perhaps a different amount; there will be a maximum dose for the day and a maximum dose at any one time. I am told that users usually come about twice a day and not three times a day and ask for heroin. They say how much they want and the nurse checks with the computer that they are not asking for more than what is prescribed. Of course, the hope is that they are reducing their dose, but there is no forcing of reduction.

The patient is then provided with a needle, which has the heroin put into it and injects there and passes the needle back where it is put into a receptacle. There is no chance that the heroin can be taken out of the room and resold. Some of these people are really bad cases and need assistance from nurses on some occasions. Their veins have collapsed and they are doing intramuscular injections. What we are not seeing in these programs, and what we are seeing in the consumer rooms and what is clearly rife in the consuming populations outside these programs, is the skin infections and the like. Because people are no longer hunting for money to get their fix they are well nourished and their physical status has improved markedly. In fact, the only deaths from the program have been due to pre-existing illnesses such as HIV and the like which they got before they entered the program. The program is aimed to stop the spread of disease and to improve significantly the health of people in attendance.

I will quote now from the *Final Report of the Research Representatives of the Program for Medical Prescription of Narcotics*, which is a summary of the synthesis report published on 10 July 1977. This was the two-yearly report: the trial had been running for two years and this is what it found at that point. First, in relation to substance related results, it stated:

> Recruitment of patients, retention rate (the duration of continuing participation) and compliance. . . were better with the prescription of injectable heroin than with that of injectable morphine and methadone.

It started off making comparisons between the two but found that morphine and methadone were not retaining people within the program. It continues:

> Of the injectable narcotics used, morphine and methadone proved to be of limited use; heroin was also more suitable in therapeutic terms because of its fewer side effects. There are as yet no apparent absolute contra-indications to the prescription of heroin; particular caution is necessary in cases of pre-existing epilepsy.

In other words, it is saying that using heroin itself is not causing further health problems. When people are receiving clean needles and known amounts, they are not suffering other health problems, the only caution being, as I said, possible pre-existing epilepsy. Also trialled were heroin cigarettes, and the report states about that:

> Heroin cigarettes are relatively ineffective (up to 90 per cent of the heroin is destroyed) and may be replaced by other non-injectable forms.

I move from substance related results to patient related results, and the report states:

> This summarises the extent to which the designated target group of heroin dependents could effectively be reached, what changes occurred in their state of health during the treatment, how illicit drug use and social integration among patients in the program developed, and what changes were observed in criminal behaviour. The program was able, to a greater extent than other treatments, to reach its designated target group: those with chronic heroin dependency, a history of failed attempts with other forms of treatment and marked deficiencies in terms of health and social integration. Those patients admitted to the project who had previously been following methadone substitution treatment had continued to use illicit heroin to a large extent during their methadone treatment.

I turn now to the development of the state of health, as follows:

> The improvements in physical health which occurred during treatment with heroin also proved to be stable over the course of one and a half years and in some cases continued to increase (in physical terms, this relates especially to general and nutritional status and injection-related skin diseases). In the psychiatric area, depressive states in particular continued to regress, as well as anxiety states and delusional disorders. Pre-existing HIV infections were referred for suitable medical treatment in the majority of cases; the same applied to other clinically apparent infectious diseases. Three new HIV infections, four hepatitis B infections, and five hepatitis C infections occurred during the study (in a total of 11 people).

We must note that close to 1 000 people were involved in this trial. The report continues:

> This was very probably related to cocaine injected outside the program.
>
> The pregnancies and births which occurred during treatment were adequately supervised and progressed normally (with the exception of one spontaneous miscarriage during heroin withdrawal); there were no indications of developmental defects in the neonates.

Regarding dependent behaviour, the report states:

> Illicit heroin and cocaine use rapidly and markedly regressed, whereas benzodiazepine use decreased only slowly and alcohol and cannabis consumption hardly declined at all.
>
> In a minority of patients, the continued regular use of cocaine (5 per cent) and benzodiazepine (9 per cent) even after 18 months of treatment constituted a difficult therapeutic problem to manage.

So, there is no doubt that the multiple users of drugs were the most difficult within this heroin prescription trial. Concerning social integration, the report continues:

> The participants' housing situation rapidly improved and stabilised (in particular, there were no longer any homeless).

Nobody within the program was homeless. The report continues:

> Fitness for work improved considerably; those with permanent employment more than doubled (from 14 per cent to 32 per cent), and the number of unemployed fell by more than a half (from 44 per cent to 20 per cent); the remainder lived on benefits or irregular employment or were engaged in housework.
>
> Debts during the treatment period were constantly and substantially reduced. A third of patients who, on admission, were dependent on welfare required no further support; on the other hand, others turned to welfare support (as a result of the loss of illicit income).
>
> Contact with drug dependents and the drug scene declined massively, but was not adequately replaced by new social contacts during the observation period.

If we look at social integration matters, we see that the Swiss put a great deal of effort into the provision of social workers to try to maximise social integration but that development of new social contacts proved to be the most difficult of all of those, although again the people to whom I spoke at least had improved the contacts with their immediate families. That is a terribly important first step. In relation to criminal activity the report continues:

> Income from illegal and semi-legal activities decreased dramatically: 10 per cent as opposed to 69 per cent originally. Both the number of offenders and the number of criminal offences decreased by about 60 per cent during the first six months of treatment (according to information obtained directly from the patients' and from police records). Court convictions also decreased significantly (according to the central criminal register).

With regard to the retention rate, the report states:

In some cases, the improvement in the participants' health and social situation referred to above occurred soon after the beginning of treatment, but in others not until after several months of treatment. The extent to which early discontinuation of treatment can be avoided therefore plays a major role. The retention rate in the study, 89 per cent over a period of six months and 69 per cent over a period of 18 months, proved to be above average compared with other treatment programs for heroin dependents.

This is a tough program. If you want it, you are required to turn up twice a day, seven days a week, 365 days a year. You also have to hand in your driver's licence. So the retention rate is quite staggering. Concerning drop-outs, the report shows that:

By the end of 1996 a total of 83 people had decided to give up heroin and switch to abstinence therapy. The probability of this switch to abstinence therapy grows as the duration of individual treatment increases.

So, the longer this treatment continues the more people will go to abstinence, and I will give more recent data in relation to that in a moment. The report continues:

The longer a patient remains in treatment, the more the rate of drop-outs and exclusions from treatment decreases. Severe physical illness, particularly in conjunction with AIDS, is over-represented among drop-outs as it leads to hospitalisation.

Improvements in the social situation which occurred in the course of treatment persisted for at least six months, whether or not follow-up treatment was administered.

The use of illicit drugs increased somewhat after withdrawal but remained clearly below the initial level; the same applied to contacts with the drug scene and illicit income.

So, even those who dropped out have gone, in some cases, to places where you would want them to go—to abstinence or methadone programs. I have figures on that to which I will refer later. Generally, even those other drop-outs, for the most part, have improved their quality of life. The report continues:

Of the 1 146 patients in the study, 36 had died by the end of 1996.

It is important to note that none of those died due to overdoses within the program. It continues:

Seventeen deaths were attributable to AIDS and other infectious diseases; other causes of death include overdosage of non-prescribed narcotics, suicide and accidents. . . .Despite a high toll on health, the annual mortality rate of 1 per cent in the total cohort remains at the lower limit of what is known from other studies on treated heroin dependents (0.7 per cent to 2.6 per cent per year). The mortality of untreated patients is markedly higher.

I have a lot of other information about project related results in terms of what was done to ensure that there were not disturbances in the local community, security problems, and so on. If members are interested I would be happy to let them see that documentation.

I now move to the conclusions of this study. On the basis of these results, the report came to the following conclusions and recommendations:

- Heroin-assisted treatment is useful for the designated target group and can be carried out with sufficient safety.
- As a result of above average retention rates, significant improvements can be obtained in terms of health and lifestyle, and these persist even after the end of treatment; of special interest is the striking decline of criminal activities.
- Such improvements are of great public interest, too (prevention of dangerous infections, diseases, struggle against drug-related delinquency etc.).
- In view of the considerably impaired state of health of patients on admission to the program, the mortality rate of 1 per cent per year is relatively low.
- The economic benefit of heroin-assisted treatment is considerable, particularly due to the reduction in the costs of criminal procedures and imprisonment in terms of disease treatment.
- These improvements were achieved subject to the prescription of heroin as part of a comprehensive program of patient education and therapy.
- The same can be said with regard to the general conditions governing the organisation and operation of the program; the safety of participants and others can only be guaranteed by establishing appropriate supervisory measures.

The continuation of heroin-assisted treatment can be recommended for the indications described in this research and as long as the general organisational and operational conditions set out in the research protocol are established.

If the program is continued, the unresolved questions and problems mentioned in the report should be further examined and elucidated through scientific research. The treatment itself should be appropriately monitored, documented and evaluated.

The final recommendation was as follows:

It is apparent from these conclusions that a continuation of heroin-assisted treatment can be recommended for the group targeted by this program, provided that it is administered in suitably equipped and supervised outpatient clinics which meet the general conditions and criteria as described above.

I also have another paper that has been prepared by Dr Mino and others specifically about the heroin prescription program in Geneva, as well as a swag of other documents that I will not quote from extensively here today.

The key messages are that a heroin maintenance program may be a useful treatment option for patients who do not succeed in conventional drug treatment programs—and I stress that they do not succeed in those other programs. Patients randomly allocated to the Geneva heroin maintenance program fared better than patients in conventional drug treatments in terms of street drug use, mental health, social functioning and illegal activities. The results of the trial apply only to a subgroup of severely addicted people who failed repeatedly in conventional drug treatments.

As one would expect, there was controversy about the heroin trial in Switzerland—such controversy that a citizens initiated referendum was run last year. The required number of signatures was obtained—I believe that about 131 000 signatures, or something like that, were gathered—and that referendum was aimed to stop the heroin prescription program. When the vote was taken (in a community that most people would recognise as quite conservative) it was defeated 79 per cent to 21 per cent. Very few referenda will get votes of that sort. So, the Swiss themselves are absolutely convinced that the heroin prescription process is one that works.

The Hon. T. Crothers: Other solutions that had been tried hadn't worked.

The Hon. M.J. ELLIOTT: Absolutely.

The Hon. T. Crothers: That is more what their concerns were.

The Hon. M.J. ELLIOTT: Yes, that's true enough.

The Hon. T. Crothers: As indeed are mine.

The Hon. M.J. ELLIOTT: But, as I have said, it is only one of many solutions, and we must always keep our mind open for others. But, having witnessed at that stage the heroin prescription process for three years, the people of Switzerland—79 per cent to 21 per cent—said that it should continue. The Swiss Government will now expand that program. As I understand it, that program will take in up to 3 000 persons, at which time it will peak. The experts tell me that it is their belief that only about 10 per cent of heroin addicts are suitable for this program. So, when they go to 3 000 that will be the maximum—and I suppose once again that underlines the fact that there is nothing magical about the heroin prescription trial. It is one of a range of treatments, and

it is something that will work and has worked for some people: other treatments will be necessary for other people.

It is worth noting that the Dutch also have started their own heroin prescription program. It currently involves 50 users, based in Amsterdam and Rotterdam. I had the opportunity to visit the clinic in Amsterdam (although at a time when it was not operating) and to speak with some of the professionals there. As I understand it, that trial, also scientifically constructed and also expected to be reassessed over time, will expand to 1 000 users in the new year. So, the Dutch have clearly watched very closely what happened in Switzerland. And, might I add, both Switzerland and the Netherlands watched very closely what happened in Australia. A number of people there commented on and gave praise to the scientific integrity of the trial that has been proposed for Australia and then said, 'What happened? Why did it stop? Why did the Prime Minister do that?' I shrugged my shoulders and said, 'I honestly do not know.' I do not know whether it was because of his innate conservatism; whether Johnson and Johnson (I believe it is), which is a major producer of methadone and uses a lot of the opium that we grow legally in Tasmania, had made a threat in relation to that, as some people have hypothesised; or whether the American Ambassador came knocking on the door—as he has a habit of doing, as do other American Ambassadors around the world, sticking their nose into other people's business—all by himself.

But, as I said, the Dutch are now following the Swiss in such a program, and when I spoke with people in Switzerland and the Netherlands they told me that they believed it would not be long before Germany followed the same path—and, indeed, France not long after that. For a number of reasons, I believe that everywhere around the world people are coming to the same realisation. They are looking to places such as the Netherlands and Switzerland and seeing what is happening. There has been a change of Government in both those countries, and those Governments appear to be more open minded and prepared to look at alternatives.

In relation to the costing of the heroin programs, the Swiss have done their own work, and they believe that they are making significant savings to the public purse. They say that these heroin programs save close to 45 francs per patient per day. When they compared the cost of running the program with all the health professionals and the provision of the heroin against how much they would have spent in other programs and with policing and courts, etc., they estimated that they would save, in Australian terms, close to $A50 per patient per day.

So, it does not matter whether you look at it from the perspective of the individual and our human and humane approach to them and their families, from the perspective of Government expenditure or from the perspective of a society with less crime (indeed, any way you look at it), this heroin prescription process is an improvement on the previous situation. No-one can feel happy that people are still consuming heroin and that they are still struggling to get their lives together, and I am certainly not happy about that. However, I do appreciate the very real improvement that has been made within that program.

For those people who have been addicted for 20 years, one can only say, 'If only such a program had been available 10 or 15 years ago,' because there is no doubt that the longer the addiction the more difficult it is to overcome it. How does a 38 year old, a person who has been addicted for 20 years and who has no work experience, enter the work force? How do they achieve normalisation? That person's mistake was made 20 years ago and, 20 years later, our society has worked out how it should respond to that mistake. Hopefully, in future people will have been addicted for much shorter periods before we offer appropriate treatment to give them a real chance at normalisation.

There is one set of figures to which I said I would refer. The most recent data in relation to the just over 1 000 people who began the heroin trial in Switzerland states that 80 had gone into abstinence at the end of 1996, increasing to 120 in 1998; and 120 had gone on to methadone at the end of 1996, increasing to 200. So, close to one-third of the people on that program after four years are in abstinence or have moved on to a methadone program. As I said, it was the toughest of the tough who were involved in those programs—those who had failed everything else despite their best efforts—so those figures must be seen as encouraging. It would be so nice if we could wave a magic wand and say, 'I cure you of your dependency, please don't do it again', but that magic wand simply does not exist.

We must be mindful to design laws that really work. We must ask ourselves what we are trying to achieve and whether we are achieving it. Our current laws are not achieving what we had hoped. We have major drug problems that are worse than those experienced in other countries which are adopting different approaches. We have done many useful things. Let us not neglect the good things that we have done such as the methadone and needle exchange programs, which have been a success. We have done a number of things, but there are still far too many people dying or becoming involved in crime and prostitution against their will. As human beings, we must offer them real hope. As I said, there is no one answer—there is a suite.

I ask members to consider this motion in the light of what has happened in the Netherlands. That country has quite consciously and deliberately set about separating the cannabis market from the market for hard drugs. This data shows us that cannabis consumption has not taken off in the Netherlands relative to other countries. It seems to indicate that the recruitment of problematic drug users to heroin, etc. has been in decline and that the drug death rate in the Netherlands is much lower than in other European nations.

The one thing that stands out as different is the very long period during which the Netherlands have been operating with this approach of separating cannabis from heroin and other drugs. As I have said, they are not soft on cannabis use either. They are running education programs—and those programs appear to be biting. Sensibly, those education programs do not tackle only cannabis but also other drugs such as alcohol and tobacco. Let not anyone who enjoys a tipple of alcohol become too pontifical about people who might consume cannabis. Alcohol itself is a problematic drug. The Dutch have recognised that and are running very good programs that are directed at all drugs.

The second part of my motion looks at what the Swiss have done, I believe so successfully, and that is to run a heroin prescription trial. It calls for the Legislative Council to support the heroin trial proceeding in Australia. It should be noted that all the Health Ministers of Australia met with the Police Commissioners and the Federal Health Commissioner and agreed for the heroin prescription trial to proceed.

There was consensus until the Prime Minister stepped in and said that this would not happen. I strongly believe that he has made a mistake. He may have done this with the best of intentions from a conservative viewpoint that says that people

shall not take drugs, we will not allow them to do it, we will tell them not to do it, and they should know better. I can only ask the Prime Minister in all humanity to look at the consequences of that decision. I believe strongly that a decision not to allow heroin prescription amounts to a sentence of death for some and a sentence to a life of crime and prostitution for others, a life of suffering, not just for those who are addicted but for their families. I have talked with members of those families. In fact, they have been telephoning again today and offering support.

We must realise the impact on the broader community of home invasions, the robberies that are occurring as people seek to sustain their habit. The heroin prescription trial seeks to address all these matters. It must be stressed that this would be a staged trial that would start initially with a small number of people in the ACT. It will not proceed beyond that stage unless people are satisfied with certain conditions that will be laid down. It will continue to be a trial as, hopefully, it spreads to two other major cities. Again, it will not continue unless the people have examined it and are satisfied with it.

The Swiss went through a trial process. They were convinced that it was a good thing. Why would we not be prepared to allow such a trial to go ahead? For those who are not prepared for a trial to go ahead, I would like to know what is there alternative. I will tell you what their alternative is: it is that these people will continue to inject in parks, alleyways and isolated locations, and they will continue to die, suffer and commit crime, etc. Those who reject the heroin prescription trial support all those things happening. They must be aware of that. They should not hide behind any personal feeling about what is right or wrong about this. What is right or wrong is what we do to people. What is right or wrong is whether we actually show humanity to other human beings.

The Hon. T. Crothers: What is right or wrong is whether it works or not.

The Hon. M.J. ELLIOTT: Yes, whether it works or not. That is the question that only the trial can answer. If at the end of two or four years it is shown that I am wrong and they are right, then they can gloat. I do not believe they will be in that position. The worst that can happen is that those people will be told to go back to the streets and the alleyways, to their isolated rooms and parks, and to go back to injecting in the way they were. Because that is all there was before, and that is all there will be afterwards.

I urge members to support this motion. I have a great deal more information that I have not presented, but I believe that I have covered the major points. If members respond in the negative and start to raise their own questions, I could at that time go through this material that I have and respond to any questions and doubts that they may have.

The Hon. T. CROTHERS secured the adjournment of the debate.

GAMBLING, ELECTRONIC

The Hon. NICK XENOPHON: I move:

I. That a select committee of the Legislative Council be appointed to inquire into and report on the feasibility of prohibiting Internet and interactive home gambling and gambling by any other means of telecommunication in the State of South Australia and the likely enforcement regime to effect such a prohibition;

II. That the committee consist of six members and that the quorum of members necessary to be present at all meetings of the 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 committee prior to such evidence being reported to the Council; and

IV. That Standing Order 396 be suspended to enable strangers to be admitted when the select committee is examining witnesses unless the committee otherwise resolves, but they shall be excluded when the committee is deliberating.

The catalyst for this motion is twofold. First, there was the announcement in the Governor's speech at the opening of Parliament last week that the Government was considering the legalisation of Internet and interactive home gambling. That concerned me greatly given the Premier's previous statement as to the impact of gambling on the community: his 'enough is enough' remark and the remarks he made in the other place in December last year about the devastation that poker machines have caused in this State.

The second aspect of the catalyst was the remarks of the Hon. Angus Redford in his Address in Reply. The Hon. Angus Redford and I do not necessarily agree on many things, but I was heartened by his admirable statements and his genuine concern about this issue. This is something about which I have had a number of private discussions with the Hon. Angus Redford, and I am pleased that we are at one on this specific issue.

This motion is not about whether or not Internet gambling is desirable—that is something that members can make up their mind on. But it seems that the debate on Internet gambling has been premised by an argument that it is simply inevitable, that it cannot be stopped and that there is simply no way to prevent the proliferation of Internet and interactive home gambling in this State and, indeed, in Australia. I beg to differ. There have been a number of papers on this issue. There have been a number of debates and discussions in the public forum which ought to be mentioned briefly.

I am grateful to Senator Grant Chapman, a South Australian Senator, who delivered a paper entitled 'Home Gambling: an Australian Perspective', presented to the Australian Institute for Gambling Research and the Australian Institute of Criminology Conference on Gambling, Technology and Society in Sydney on 7 May 1998. I note that Senator Chapman has made the remark in the past that, if the technology is there to regulate Internet gambling, the technology also exists to prohibit it—wise words that deserve to be repeated again and again by as many people as possible. In his paper Senator Chapman said:

> The potential for credit betting is an aspect of home gambling which is absolute anathema. I am also concerned that Internet cash schemes, including anonymous payment forms like E-cash, can allow users to authorise automatic payments to gambling providers. Problems will arise with automatic payments being used in conjunction with gaming activities, particularly in repetitive activities such as virtual gaming machines. In this situation it could be possible for the gaming provider to request more payments than due for games played.

Senator Chapman also discusses at length the Bill of US Senator Jon Kyl which was introduced in March 1997 in the United States Senate to prohibit Internet gambling and interactive home gambling, entitled the Internet Gambling Prohibition Act. That Bill was passed by an overwhelming majority of the United States Senate in August this year. It indicates that, arguably, the most powerful law making body in the world was of the overwhelming view that Internet gambling is something that ought not be encouraged, that going down the path of regulation which, in effect, is a path of eventual promotion of the industry, as we have tended to go down in Australia, is not the way to go.

I note that there are very real issues in terms of the means by which such a ban could be effective. This select committee would provide a very real opportunity for members of the committee to explore practical alternatives to ensure that this industry is nipped in the bud. I refer to material provided to me in a publication from the Break Even Gambling Services in Tasmania, from the Newsletter for Gambling and Betting Addiction Incorporated, and I quote:

> Net Site is Closed to Tasmanian Gamblers
>
> Casino operator Australian National Hotels has been given State Government approval to set up Internet gambling, but Tasmanians will be banned from the site. The Government has decided to ban Tasmanians because it believes they have enough gambling outlets already. ANH Director John Farrell said the site will be the first in the world to be regulated and supervised by the Government when it is started at the end of the year.

The article further elaborates on that particular site, but the important point is that the Tasmanian Government recognises something of which the State Government appears to be blissfully ignorant, namely, that we already have too many gambling outlets in this State. The impact on the community is significant. Having Internet and interactive home gambling could cause enormous social and economic dislocation. The potential for harm is enormous. The ability to prevent children having access to it, despite whatever safeguards may be proposed, is something that needs to be brought into question. The same publication to which I have just referred refers to the US Senate's vote to ban Internet gambling. Senator Kyl is quoted in that report and points out that by the year 2000 in the United States 15 million children will have access to the Internet. Extrapolating those figures to Australia, something in the order of 100 000 children could have access to the Internet in this State by the year 2000.

This is an important issue with enormous ramifications. I note that the Australian Hotels Association does not have a position on Internet gambling. I would have thought that it is an issue which the association would have been keen to approach, given their views on the responsible provision of gambling services and the work that Ms Margo McGregor of that association has carried out. I am disappointed and surprised that the Hotels Association has not taken a strong stand on this issue in the community, given the potential for a new form of gambling that could impact in every household, every living room, in this State.

I believe that this select committee, if established, will not need to sit for months on end. The issues raised in the terms of reference for the proposed committee are discrete and distinct. In my view, the technical issues that the committee will raise can be dealt with in a number of weeks. This is all about sorting out an effective regime to prohibit Internet gambling. It would be remiss of this Parliament not to make a genuine attempt on this issue. I commend this motion to the Council.

The Hon. A.J. REDFORD: I rise in support of the sentiments expressed by the Hon. Nick Xenophon and, subject to any views that might be later expressed on the precise wording or the structure of any proposed committee and who should be on it, I intend to support the establishment of this select committee. On my understanding, the issue of gambling in relation both to the Liberal Party and the Australian Labor Party is one of conscience, and I would hope in relation to the issue of Internet gambling that that would remain so. I note that the Governor mentioned—

The Hon. Diana Laidlaw interjecting:

The Hon. A.J. REDFORD: Absolutely; I do not want the public not to know where I stand on this issue. I will not be gagged by any form—

The Hon. Diana Laidlaw: No-one has ever suggested that you ever be gagged.

The Hon. A.J. REDFORD: No, I have never been gagged.

The Hon. Diana Laidlaw interjecting:

The Hon. A.J. REDFORD: No, that is true. In my Address in Reply contribution I expressed my concern about Internet gambling and, indeed, I issued a challenge to the Hon. Nick Xenophon to seek to establish a select committee of this nature. It would be unfair and unreasonable of me not to support him, given that he has responded to that challenge so quickly and so eloquently.

It seems to me that the debate on Internet gambling in this country has been to this stage somewhat muted, particularly with some of the more hysterical comments that have been made about other forms of gambling, and in particular the presence of poker machines in hotels. I have to say that that concerns me somewhat. As I said in my Address in Reply contribution, the issue of Internet gambling brings a whole new range of issues to bear that do not apply in so far as poker machines in hotels are concerned. As I understand the way Internet gambling operates, I am not sure that any employment would be generated as a consequence. Indeed, the ability to supervise any form of regulation would be extremely difficult and, notwithstanding any form of supervision or regulation, people will seek to operate outside of it. Of course, there are also issues relating to hours and to access by children to this form of gambling.

I read with a great deal of interest the Australian Institute of Criminology's report on Internet gambling by Jan McMillen and Peter Grabosky, and I must say that I do not necessarily agree with the sentiments expressed in that document. They have sought to raise the issue of Internet gambling in that document, but in some respects they dismiss some of the arguments against prohibition too lightly.

We have laws prohibiting homicide in this country, yet homicide still continues. That does not then allow an argument to say that we ought to get rid of homicide laws. We have laws preventing burglaries and breaking and entering in this country, yet we do not currently hear any argument to say that, because there is that form of activity in our community, those laws ought to be abolished. It seems to me—and perhaps I am summarising this report too briefly—that to say prohibition will be difficult and that some people might avoid prohibition necessarily means that we should not legislate to prohibit is a *non sequitur*. The report at page 3 states:

> Even if one were to succeed in closing down every provider of Internet gambling services within one's own jurisdiction, one would be hard pressed to prevent the determined gambler from 'dialling' a server offshore, constrained only by the inconvenience of obtaining an external connection and by the additional telephone charges.

I would suggest that, even if we did that, it would act as some form of inhibition in terms of this form of gambling. It may well make it more difficult for children and other disadvantaged people to have access to this form of gambling. Even if we only achieve that, in my view we have achieved something. The report continues:

> Such initiatives raise the problem of extraterritorial jurisdiction and international cooperation, areas in which there remain many unanswered questions. Would the proprietor of a service operating legally from Melbourne be liable to prosecution under Minnesota law for taking bets from a player in Minneapolis? To what lengths

should Australian Governments go to assist foreign States in enforcing their law, when the activity in question is legal on Australian soil?

That is a circular argument in my view. It seems to me that we are, as a sovereign State, entitled to pass laws to make this sort of activity illegal. Whether or not it is effective is questionable, but there are other ways in which we can attack the transaction. It may be that we have limited constitutional powers to do so, and in that regard I commend the approach of Senator Chapman. I am most interested in whether or not we can strongly attack the actual financial transaction which would need to support this industry and perhaps penalise banks either by way of fine or prosecution or, indeed, put their licences at risk in the event that they honour such transactions.

In relation to strict prohibition, the report continues at page 4:

> And while a regime of prohibition will not suppress gambling entirely, it would certainly dissuade involvement on the part of legitimate gaming operators who would be loathe to jeopardise their land-based casino licences through involvement in prohibited activity. Prohibition might thus be expected to result in laws which are largely unenforceable and to create a black market in online gambling services.

There is no doubt that prohibition of any form can create a black market. Indeed, the Hon. Michael Elliott has addressed us at length about drug laws and the sort of black markets which have been created there. That is not to say that it is legitimate to argue that a system of prohibition will be imposed in our jurisdiction, and that is an argument that should be made on a case by case basis. My concern is that the problems outlined in relation to strict prohibition by the authors of this paper are exactly the same if one should seek to impose a regulatory model. I say that because, whatever regulatory model you might seek to establish, there will always be a temptation to operate outside the regulatory model. If one is to prosecute an operator for operating outside the regulatory model, you will have exactly the same conceptual and practical problems as if you would seek to prosecute someone under a regime of strict prohibition. In that regard I am not sure that the authors are correct in that assertion. However, the authors do raise a very significant issue which is encapsulated by this statement in the report:

> The challenge faced by State Governments is to adhere to the agreed policies, standards and procedures over time rather than succumb to interstate rivalry, pressures from local gaming operators and competition for market advantage, and then break ranks.

Indeed, the Hon. Nick Xenophon in his reference to the Tasmanian proposal is but one example of that. Notwithstanding that, we do have jurisdictions in Australia that have different regulatory and different prohibitions in relation to gambling and it is not suggested that they are total failures.

It seems to me that it would be most desirable to have Internet gambling opposed and prevented by the Commonwealth Parliament. However, we all know in this place how slow the Commonwealth is in taking any legislative initiative and it may well be that by the time the Commonwealth seeks to do anything about this, to quote the authors of this paper, 'the genie will have been let out of the bottle'. The authors quite correctly identify that the Commonwealth does have power in relation to this issue and indicate that its power over telecommunications, banking and financial transfers, and external affairs gives the Commonwealth the opportunity to prohibit Internet gambling if it should see fit. That is not to say that we should sit back and do nothing; that is not to say that we should walk away from the issue and wipe our hands of it waiting for the Commonwealth to act.

I think the establishment of a select committee will enable us to look at what we can do as a State to prohibit this form of gambling and give members of this Parliament, who, by and large, will exercise a conscience vote on any issue of prohibition or regulation, the means by which we can make a fully informed decision on this topic. I for one will not blandly accept from experts the simple assertion that prohibition is too hard and, therefore, we must move to a regulatory regime.

Most importantly, I think that we need to consider this in the light of what we all have at stake. It is not often the Hon. Nick Xenophon and I are at one on the issue of gambling. I am sure as the honourable member exposes himself to more and more experiences his attitude towards gambling might soften somewhat, but I am of the view that we need to protect the revenue of this State. One can see, if Internet gambling is extremely successful, the demise of the hotel industry and the demise of the poker machine industry within that context. Some may say that is not such a bad thing but, at the end of the day, we as a State Government (and, quite correctly, the Hon. Nick Xenophon says the State Government is the biggest poker machine junkie), collect some $200 million *per annum* from poker machines. I am not sure how we would replace an attack on the revenue by Internet gambling, and I certainly have not seen any information that would indicate that there would be any replacement of lost poker machine or gambling revenue as a consequence of regulation in this area.

I am not sure that we as a community would in any way be able to supervise what might happen should this industry take off in this State. I am not sure that we would be able to deal with or indeed identify any social problems that might arise from Internet gambling. How are we to know about parents whose children have used their credit card with their PIN number and cleaned them out? How are we to survey and ascertain that information? How are we to survey and ascertain information about how much international Internet gambling operators might generate as a consequence of this sort of activity? Even if we knew, how can we possibly regulate it if they choose not to follow our regulations? It seems to me that some very significant questions and important issues need to be carefully thought through before we as a Parliament adopt holus bolus the suggestion made in the Governor's speech that perhaps we ought to go down the regulatory path. In my view the establishment of a select committee to look into these issues will be a small step towards enhancing community debate and understanding on what options we have as South Australians in dealing with this very important issue. I commend the motion.

The Hon. P. HOLLOWAY secured the adjournment of the debate.

MOTOR ACCIDENT COMMISSION

The Hon. NICK XENOPHON: I move:

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

(a) The activities of the Motor Accident Commission, its policies, financial affairs, Board composition and the incidence and management of claims against the Compulsory Third Party Fund;

(b) The level of compensation payable to victims of road trauma in South Australia;

(c) The current and future roles and responsibilities of the Motor Accident Commission in relation to road safety and injury reduction; and

(d) Any other related matter;

II. That the committee consist of six members and that the quorum of members necessary to be present at all meetings of the 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 committee prior to such evidence being reported to the Council; and

IV. That Standing Order 396 be suspended to enable strangers to be admitted when the select committee is examining witnesses unless the committee otherwise resolves, but they shall be excluded when the committee is deliberating.

I refer to the speech I gave to the Council on an identical motion a few weeks ago, and I have nothing to add.

The Hon. P. HOLLOWAY secured the adjournment of the debate.

CONSTITUTION (PROMOTION OF GOVERNMENT BILLS) AMENDMENT BILL

The Hon. NICK XENOPHON: I move:

That the Constitution (Promotion of Government Bills) Amendment Bill be restored to the Notice Paper as a lapsed Bill, pursuant to section 57 of the Constitution Act 1934.

Motion carried.

GAMING MACHINES (FREEZE ON GAMING MACHINES) AMENDMENT BILL

The Hon. NICK XENOPHON obtained leave and introduced a Bill for an Act to amend the Gaming Machines Act 1992. Read a first time.

The Hon. NICK XENOPHON: I move:

That this Bill be now read a second time.

In May 1992 this House passed by the narrowest of margins the Gaming Machines Act. I think it would be fair to say that most of the members who are here today who voted for the Bill then could not have seen foreseen the impact on the State that gaming machines would have both in economic and social terms. In the other place the Hon. Frank Blevins, a prime mover for the Gaming Machines Bill and now, interestingly, as I understand it, a lobbyist for the Australian Hotels Association, estimated that net gaming revenue would be a fraction of the current figure, now approaching $400 million a year. It is also appropriate to reflect on the comments of the Hon. Robert Lucas in this Council on 17 November 1994 in the context of a motion instigated by him to establish a parliamentary inquiry into gambling. The Hon. Mr Lucas said:

. . . by and large I believe that there is a group in the community who, irrespective of what form of gambling is available, will more than likely get themselves into trouble.

The Hon. Mr Lucas went on to say:

I do not accept the view put by some that we will have thousands of new people, as a result of gaming machines, becoming addicted to gaming machines, as if the creation of gaming machines is the catalyst that sends them from being average citizens headlong down a path of destruction to becoming gambling addicts.

Unfortunately, the introduction of gaming machines in this State has seen an exponential increase in the number of South Australians who are now in trouble because of their widespread introduction.

I presume that the Hon. Robert Lucas no longer shares those views, given the number of South Australians who never had a problem with gambling before now appearing at the doorsteps of welfare and counselling agencies and services, seeking help because of gaming machines. Further, I presume that the Hon. Robert Lucas has been convinced by the cogent arguments set out in Professor Robert Goodman's book *The Luck Business*, a copy of which I gave him a number of months ago as part of his continuing education.

Many of the gaming counsellors and researchers to whom I speak on a regular basis are concerned that people have become problem gamblers because of gaming machines and that we now have a new underclass of problem gamblers who did not have a problem previously. They are concerned about the inherent design of gaming machines, with the rapid images, sounds, lights, and ability to place a bet every six seconds being just some of the factors that have led to more and more South Australians getting hooked on this form of gambling more than any other. Indeed, members of the medical profession have referred to gaming machines variously as 'hypnotic mechanistic devices' and as the 'most seductive and addictive form of gambling'. The easy access to machines is an unequivocal factor in the level of problem gambling and any associated social and economic dislocation.

This Bill proposes a freeze on the granting of gaming machine licences, with 28 August being the commencement date—the date when the consultative draft of the Gambling Industry Regulation Bill was made public, and the date on which the hotel industry became aware of the contents of that Bill, which contents included the very provisions in this Bill.

Mr President, I note that the Treasurer made comments to this Council last week to the effect that I have had 12 or 14 months or so with my oft-touted legislation. The record should be set straight on that unfortunate assertion. Members would be aware that I attempted unsuccessfully to gain a place on the Social Development Committee inquiry into gambling. I moved the amendment to facilitate that in my first week in this place, only to be defeated as a result of the combined vote of the Government and the Democrats. The views expressed to me by members from both sides of the Chamber at that time and since then were that I should wait for the report of the Social Development Committee inquiry into gambling before introducing my Bill, because it was intimated to me that the committee's report could be a catalyst for change. I should wait for the recommendations, I was told. Being the trusting sort of soul that I am, I believed them. The report was eventually tabled in this Council on 26 August 1998. I will speak about the report in detail at another time, but my expectations were certainly not met by that report.

Parliamentary Counsel were instructed in May of this year to draft a Bill. The consultative draft became available to me in August, and I thank Parliamentary Counsel for the enormous amount of work they have put into the consultative draft. I am still consulting widely with respect to that draft and, when amendments have been drafted, it will be tabled. I hope members will support the thrust of the Gambling Industry Regulation Bill, which will be to provide a comprehensive framework of gambling industry reform where the community, not the vested interests of the industry, will be the main beneficiary. However, there is a provision which can be voted on now, relating to freezing the number of machines in this State. In its report the Social Development Committee recommended at page 24:

A ceiling of 11 000 gaming machines be imposed, with a cap to be reviewed biennially with the long term aim of reducing the number of gaming machines in South Australia to less than 10 000.

Let us look at the status quo. The information I have received from the Office of the Commissioner of Liquor and Gaming is that currently there are 513 venues in the State, excluding the Casino, with 10 898 machines. Further, the total number of gaming machines approved in non-live venues as at 30 September 1998 (and I understand that that refers to venues which have an approval for a gaming machines licence but which have not yet installed the machines) is 442.

The total number of gaming machines approved but not live in live venues as at 30 September 1998, which I understand refers to existing gaming machines, where there is approval for additional machines but where those machines have not yet been installed, is 723. On my reckoning, that means that there is already approval as at 30 September 1998 for 12 063 machines. We also have a situation in this State where over 60 per cent of hotels—

Members interjecting:

The PRESIDENT: Order! If members need to talk and make plans, could they do so in the lobby. The honourable member on his feet needs to be heard with some decorum.

The Hon. NICK XENOPHON: Thank you, Mr President. We also have a situation in this State where over 60 per cent of hotels currently have gaming machines, a proportion which I understand is higher than any other State in the Commonwealth. This Bill gives members a chance to effect the recommendation and to say 'Enough', that gaming machines and the problems associated with them ought not to encroach any further in our communities, particularly in emerging suburbs, regional centres and small country towns.

The Bill, if passed, will be a necessary and important first step in reining in the impact of gaming machines and I urge members in this Chamber to exercise their conscience and support the measure. I commend the Bill to the Council.

The Hon. G. WEATHERILL secured the adjournment of the debate.

PARLIAMENT (JOINT SERVICES) (ADMINISTRATIVE ARRANGEMENTS) AMENDMENT BILL

The Hon. G. WEATHERILL obtained leave and introduced a Bill for an Act to amend the Parliament (Joint Services) Act 1985. Read a first time.

[Sitting suspended from 6.4 to 7.45 p.m.]

STATUTORY AUTHORITIES REVIEW COMMITTEE: 1997-98 REPORT

Adjourned debate on motion of Hon. L.H. Davis:

That the report of the Statutory Authorities Review Committee, 1997-98, be noted.

(Continued from 28 October. Page 47.)

The Hon. J.S.L. DAWKINS: I echo the comments of the Hon. Legh Davis and the Hon. Carmel Zollo in relation to the committee's annual report. I will speak briefly to the report, having joined the committee part way through the reporting period along with the Hon. Carmel Zollo. During the year the committee released the review of the Commissioners of Charitable Funds and, while recognising and commending the performance of the current Commissioners, the committee determined that the legislative arrangements governing the Commissioners were anachronistic and out of touch with the changes in modern hospital management, accounting practices and fund raising techniques that we have seen since that body was established in 1875. The committee therefore recommended that the Commissioners of Charitable Funds be abolished and, after the reporting period, the committee was advised that the Minister had accepted its recommendations. During that period the committee also examined the management of the West Terrace Cemetery which was vested in the Enfield General Cemetery Trust following legislative amendments in August 1997.

The committee released an interim report on the management of the West Terrace Cemetery by the Enfield General Cemetery Trust just after the conclusion of the reporting period. The report focused on the historical significance of the cemetery and the trust's inexperience in heritage matters. The committee recommended changes to the composition of the trust and improvements to the amenity of the cemetery, increased community involvement and sponsorship to assist in restoration and preservation of this place of significant heritage, and a methodology for establishing West Terrace Cemetery as a self-funding operational facility.

Also during the reporting year the committee commenced an inquiry into the South Australian Community Housing Authority, and that is continuing.

The committee has also released its second report into the timeliness of reporting of statutory authorities. The first report was released very early in the reporting period, in July 1997, and it revealed that a very low proportion of bodies that are required to prepare and table an annual report in Parliament had met their legislative obligation. It is pleasing to note that there has been a significant lift in performance in that area, and one hopes that that trend will continue.

I have enjoyed the experience I have had on the Statutory Authorities Review Committee, which is one of two standing committees of which I am a member. I have welcomed the fact that on just about every occasion its five members—all members of this place, of course—have been able unanimously to agree on findings. I thank the Presiding Member (Hon. Legh Davis), the Hon. Julian Stefani and my colleagues on the other side of the Chamber, the Hon. Carmel Zollo and the Hon. Trevor Crothers, for their support and contributions to the work of the committee.

The Hon. A.J. REDFORD: I commend the motion and the annual report of the Statutory Authorities Review Committee. I was fortunate to serve on this committee for nearly four years, from its inception until the date of the last election, and I enjoyed my time on it. It has, to date, fulfilled the expectations that were held of it at the time that it was promulgated prior to the 1993 election and during the passage of the legislation creating it.

If one looks at the way the Legislative Council operates, one sees that, unlike our brethren in the Lower House, its committees continue to operate notwithstanding elections, and there is a continuity in terms of their work. It is pleasing to see that the Statutory Authorities Review Committee took advantage of that and, considering the activities in which it was involved during 1997-98, one might be forgiven for thinking that, other than a change of membership, there was no election. That is an endorsement of the Chair and the committee and the way in which committees in the Upper House operate.

The Statutory Authorities Review Committee led the way, in the time I was on it, and addressed three very important and significant issues, the first of which was identifying statutory authorities and ensuring that they complied with the most basic of their responsibilities, that is, the provision of annual reports to this place. It is not too much to ask of agencies that operate under the auspices of legislation to provide an annual report. The diligence of the Chair of that committee, the Hon. Legh Davis, and the staff in ensuring an improvement in that regard is certainly welcome.

We saw some evidence of that when, on the first day of this session, each of the Ministers in this place brought almost wheelbarrow loads of annual reports in to be tabled. That is some evidence to show that the Executive arm of Government has listened to what this parliamentary committee has recommended.

The second important issue related to ETSA. A series of inquiries during my time on the committee was conducted into various issues relating to ETSA, and enormous amounts of information were provided about all aspects of it. When I listen to the Hon. Legh Davis in his contributions to various issues associated with electricity, including the sale of the electricity assets, I note that he has been backed up by the significant information that he has managed to obtain in his role of Chair of that committee.

The other issue into which we inquired during my time on the committee was the Legal Services Commission and the provision of legal aid. I know that we were well ahead of many other agencies and indeed the media in that regard. One would hope that when the media writes reports on the legal aid system and some of the difficulties with which it is confronted it goes back to this most comprehensive report that was developed by the committee.

When it was first suggested that we inquire into the Legal Services Commission, I remember that there was some opposition within the Government and the Legal Services Commission. The commission felt that it had been inquired into enough and that it really wanted to get on with the job. As it turned out, with some of the decisions made by the Federal Government, it was soon welcoming the inquiry because it gave it a great opportunity and a forum within which to advance the complaints that it had about some of the decisions made by the Federal Government in relation to funding. The committee does not solve problems but it certainly highlights them. If it does become an issue again I would urge all members to revisit that report.

Finally, I note that the committee is continuing inquiries in relation to the South Australian Community Housing Authority. I would thoroughly endorse that conduct. Whilst I am not a member of the committee, I did suggest that that matter be looked into, given that the state of public housing in this country is going through great change as a consequence of limited resources and a change of focus in terms of the delivery of public housing. I hope that we see a detailed and comprehensive report in that regard.

In closing, I would like to acknowledge and thank the Chair of the committee, the Hon. Legh Davis, for his chairmanship, and my colleagues with whom I served on the committee. The Hon. Anne Levy was always forthcoming with a viewpoint and always constructive and, whilst we did not always agree in terms of emphasis, we endeavoured to work together. The Hon. Trevor Crothers made important contributions, as did the Hon. Julian Stefani. We were also blessed with some very talented staff—and, in particular, Andrew Collins. I know that he has moved on. He is a very talented young man and I am sure that he will have an outstanding career, whether it be in the public sector or in the private sector, as a legal practitioner. The quality of his report writing and his analysis was absolutely outstanding.

Finally (and this is a tribute to all members and, indeed, I cannot take credit for it myself because I am no longer on the committee but I see that this policy is still continuing), it is pleasing to see that the committee has maintained its habit of endeavouring to present bipartisan reports. I stand to be corrected, but I do not recall any minority report being presented by the Statutory Authorities Review Committee to this Parliament, and I believe that that is good testimony as to how the parliamentary committee system works well. While some of the committees in this Parliament do not receive the massive publicity of the 'powerful' Economic and Finance Committee, I believe that they do some outstanding work. I commend the motion. I look forward to receiving further reports from the Statutory Authorities Review Committee into other statutory authorities and to reading them with great interest.

The Hon. L.H. DAVIS: I thank members for their contribution to this debate.

Motion carried.

AUDITOR-GENERAL'S REPORT

Adjourned debate on motion of Hon. R.I. Lucas:

That the Auditor-General's report 1997-98 be noted.

(Continued from 28 October. Page 47.)

The Hon. P. HOLLOWAY: I commend the Auditor-General on the presentation of his report for the year ended 30 June 1998. It is yet another important contribution to the debate on the finances of this State. Of course, because of the election last year and the delayed presentation of the report, it does not seem all that long ago that we were discussing the matters that were raised by the Auditor-General at that time and, indeed, many of the themes in that report of the Auditor-General for the year ended 30 June 1997 again arise in this latest report.

I want to begin my contribution to this debate by talking specifically about Volume A.3 of the Auditor-General's Report, which is his report on outsourcing, or Government contracts. In a footnote on page 1 of this report, the Auditor-General makes reference to the fact that this overview on outsourcing is in response to a request made by the select committee on outsourcing. As a member of that committee, I would like to thank the Auditor-General for his contribution. He appeared before that select committee some time earlier this year (I believe it was back in June) and he had certainly done his task very well in terms of providing this Parliament with an overview on some of the issues that arise with the outsourcing of Government contracts and the issues that that gives rise to in relation to accountability, and so on.

Unfortunately, I suppose the committee has not made a commensurate contribution. I would like to put it on record that now, almost one year after the establishment of that select committee on outsourcing, the committee still is yet to appoint a research officer and, indeed, apart from the Auditor-General appearing before that committee, there has been precious little evidence taken by that committee, and I believe that is to be greatly regretted.

During the term of the previous Parliament, select committees were appointed with respect to the Modbury

Hospital, EDS, the prisons contract and the water contract. I was on two of those select committees. The first of those was the Modbury Hospital select committee. Unfortunately, after some three years, that committee had still not reported. It was not the fault of the committee. There were lengthy delays in getting quorums and, perhaps more importantly, there were delays in getting evidence, particularly from the relevant sections of the Public Service, in relation to many of the questions the committee had asked. In some cases, there were delays of up to six months in getting responses from the relevant departments.

So, I believe that, whereas the Auditor-General has made a very worthy contribution to debate on the question of outsourcing, unfortunately, this Parliament is yet to do the same. I can only hope that, when the outsourcing committee of this Parliament does finally go into full swing, we can consider this issue as comprehensively as the Auditor-General has done.

In relation to the Auditor-General's Report on outsourcing (Volume A.3), last week I asked a series of questions relating to warnings given by the Auditor-General in relation to outsourcing contracts and agreements. What these questions and the answers provided have highlighted is that this Government has been hiding behind these contracts using the catchphrase 'commercial confidentiality' to hide real problems with the current contracts.

The Auditor-General gives an excellent summary of the issues associated with outsourcing, and he has been careful to communicate the legal complexities associated with outsourcing and the consequences of ignoring or mistakenly applying such complex legal matters. While the Government has at its disposal excellent legal advice, the Auditor-General makes it clear that unmistakable problems are becoming apparent as the Government outsources more and more services.

These warnings are even more vital as the Government continues to consider the sale or lease of our State's greatest and most valuable asset, the Electricity Trust. I have stated in this place on many occasions my opposition to this process, and I believe that the comments in today's *Advertiser*, and on page 1 of the *Financial Review*, highlight one of the Auditor-General's concerns in relation to outsourcing—which is really what any lease of ETSA would be.

The Hon. L.H. Davis: How does the *Financial Review* highlight that concern?

The Hon. P. HOLLOWAY: I was referring to the *Advertiser* in particular.

The Hon. L.H. Davis interjecting:

The Hon. P. HOLLOWAY: The *Financial Review* also referred to the subject. Far from giving any kind of support to the sale or lease of ETSA, as the Treasurer has tried—

The Hon. L.H. Davis interjecting:

The Hon. P. HOLLOWAY: I am pleased that the Hon. Legh Davis is reading it. Perhaps later when he has finished reading it he might care to tell us about it. Far from giving any kind of support—

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. P. HOLLOWAY: I said that the issue had been referred to in today's *Financial Review*. Far from giving any kind of support to the sale or lease of ETSA, as the Treasurer has tried to imply in the past, the Auditor-General states some concerns about the consequences of outsourcing, and I will deal with each of these concerns in turn. First, he refers to the potential for loss of accountability. The Auditor-General recognises that there is a very real potential for loss of accountability when outsourcing public services to the private sector—indeed, in some cases, he believes it to be inevitable. The question then is: does the supposed financial saving to the public in outsourcing the services outweigh the loss of accountability suffered?

A further issue which complicated this question and of which this Government has been quick to take advantage is the issue of commercial confidentiality. Interestingly, the Auditor-General sees this as a factor which clouds Government accountability, and he does not appear to be sympathetic to the Government's current position on confidentiality. The Auditor-General lists four principles which he feels apply to this issue. They are: the right of people to know; the accountability of Parliament to the people; the responsibility of the Executive Branch of the Government to the Parliament; and the rights of individuals or groups to assert confidentiality claims.

The Auditor-General is principally—and in my view rightly—concerned about the principle of the right of people to know. He states (page 33, volume A.3):

> The fact that public officers ultimately work for the people means that they are subject to higher standards of fidelity, probity and integrity than individuals working in the private sector. . . accountability of the Government to the people can only be meaningful if people are fully aware of the consequences of Government contracts.

He goes on to say that our democratic system of government inevitably creates a strong public interest in Government activities. He states further (page 34):

> [This] takes on special significance when Government contracting extends to core Government functions. . . where Government contracting results in a long-term transfer of material Government responsibility to the private sector, the right of the people to know the extent and terms of that transfer must take precedence over less persuasive arguments in favour of confidentiality.

I hope the Premier and the Treasurer in particular have taken careful note of the Auditor-General's comments. However, the Auditor-General does not stop at that. He then turns to Government accountability, another term that is possibly foreign to members opposite. He states that accountability can only be meaningful 'if adequate information is available for consideration and evaluation' (page 34).

This can be difficult when the Government continues to claim commercial confidentiality to keep hidden all important details of outsourcing contracts. The Auditor-General even relates a trick of the trade where contracts give Government agents or instrumentalities some kind of nominal control which is, in fact, illusory. Although the Auditor-General does not cite any examples in relation to this, I would be interested to know the specifics of his concern, as I am sure would many other members.

The claim of commercial confidentiality also impacts on the accountability of the Executive to Parliament, which is recognised by the Auditor-General as an important issue. The Auditor-General fully recognises the implications of breaking the chain of responsibility by claiming commercial confidentiality. He recommends that a review be undertaken of all public sector agencies to determine the adequacy of current procedures for the treatment of confidential information. He suggests that the Crown Solicitor's advice be obtained on the issue of confidentiality controls associated with Government tender procedures.

I turn now to the issue of diminution of the private rights of citizens. The issue of confidentiality impacts on the rights

of citizens to gain access to information. Rights which may be diminished by outsourcing include: investigations by the Ombudsman; access to information through the FOI process; and judicial review. Contracts between the Government and a private contractor which contain confidentiality clauses should not on the whole override the public right of access. Therefore, the Auditor-General recommends that the Ombudsman's Act 1972 be amended so that investigations may be carried out by the Ombudsman's office into the conduct of a third party where that contract was carried out on behalf of a public authority.

In relation to implications for successor governments, another concern of the Auditor-General and one which is obviously shared by the Opposition is the potential for contractual arrangements to act as a fetter and thereby limit future 'governments from being able to act in matters that become of importance to the economic and social welfare of the State'—to use the words of the Auditor-General (page 17).

The Auditor-General discusses the doctrine of executive necessity which is best defined as a bar on governments contractually limiting their freedom in matters which concern the welfare of the State. Whilst it is true that this doctrine would not be an issue for the majority of contractual agreements with the private sector, the Auditor-General has raised a valid concern which obviously needs attention and which will, in the Auditor-General's own words 'assist in providing a framework for analysis of current long-term contracts that have been entered into by the Government and contracts that may be intended for the future' (page 18). The Auditor-General suggests that termination for convenience clauses be included in contracts with provision for compensation to the private contractor to provide for changes of policy by successor governments.

Another issue which the Auditor-General raises is the non-delegable duty of care. The Auditor-General warns us that the Government is liable under the non-delegable duty of care, a tort liability requiring not only to take care but to ensure that care is taken. In my opinion, the Government has failed miserably in its dealings over Modbury Hospital. In 1995, the Government entered into a contract with Healthscope to privately run Modbury Hospital.

Since 1995, this contract has been amended, mainly because the original contract price agreed upon by the two parties was apparently not sufficient to enable Healthscope to make a profit on the deal. According to the Auditor-General, further ambiguities in the original contract caused difficulties between the two parties. There was no statement of shared aims and values in the original contract, no adequate mechanisms to discuss and resolve issues, and no clear relationship between the quantity and type of services to be provided.

The Auditor-General also recognised that the contract did not provide any guarantees of Healthscope's performance. There was no termination of the convenience clause in the contract, and internal Government processes did not identify deficiencies in the contract. So, how did the Government rectify these issues? It paid out more money. The Auditor-General expressed concern that the Government had placed itself in the untenable position of having to amend the contract in a manner which required more money to be paid to the contractor 'because the Government agency concerned had not properly carried out adequate due diligence' (page 72).

So, now we are told that ETSA could possibly be outsourced. Given all the concerns expressed by the Auditor-General and the Opposition in recent months, I expect that the Government would want to be seen to be open and up-front about ETSA, but this has not been the case so far. Given the track record not only in contracts relating to Modbury Hospital but also to EDS, Group 4 and United Water, I shudder to think what the result will be if the Government does not listen for once and take the advice of a person who knows.

I congratulate the Auditor-General on his excellent advice in relation to outsourcing, and I sincerely hope that it will not simply fall on deaf ears. I am concerned, however, that this may be a forlorn hope because of responses received so far from the Government in relation to some of these concerns.

In relation to the Modbury Hospital, I want to add that the Parliament, the select committees and members of the Opposition were continually given assurances by this Government—particularly by the then Minister (Hon. Michael Armitage)—that the renegotiation of the contract would not provide any additional benefits to the contractor. On a number of occasions, the previous Minister released information which boasted just how successful the Modbury contract is. In my view, it is very lucky that Michael Armitage is no longer the Minister for Health because he might have had to resign in view of the comments that the Auditor-General has made in relation to Modbury Hospital. Frankly, the handling of this contract has been an utter disgrace.

The Hon. R.R. Roberts: Enough to make you sick.

The Hon. P. HOLLOWAY: It certainly would. I would also like to say that many of the assurances and answers that the Opposition and others have been given over the past few years in that regard are clearly revealed by the Auditors-General to be less than frank.

Having made some comments on the subject of Government contracts, I would like to complete my discussion of the Auditor-General's Report with a few comments about some other aspects of the audit overview. First, in my view the Auditor-General has made another worthy contribution (particularly Part A.2 of the Audit Overview) in relation to his discussion on the State's finances. In relation to the issue of State debt the Auditor-General has pointed out to us again just how this Government has been misrepresenting—perhaps that is the word—some of the figures in relation to State debt. I shall read one part of it in relation to the measurement of the debt, because it was a comment I made last year in relation to the Auditor-General's Report that is worth recording again. At page 37 the Auditor-General said:

> In South Australia it has been the practice for some time to publish data for both net debt and for the aggregate of net debt and unfunded employee entitlements of which superannuation is the main component. It is the latter measure which is by far the more significant as the two components are not only similar in essence, but are, in a sense, interchangeable. This has been particularly true in recent years in this State where the amount of superannuation funding contributions each year has been determined, in effect, as a 'balancing' item to maintain the deficit of the non-commercial sector at projected levels.
>
> The 1998-99 Budget is a good example of this point. While it incorporated a reasonably favourable deficit outcome, that was achieved after providing for a much lower amount of superannuation funding than in recent years (1993-94 through 1996-97). The effect is that net debt (excluding the effect of asset sales) is forecast to rise by a quite small amount between June 1998 and June 1999 ($58 million, or about .6 per cent) but unfunded superannuation liabilities are expected to grow strongly ($184 million or 4.7 per cent).

Later on in his report the Auditor points out that, if we look over a longer period, by the end of that forecast period (June 2002) the total net debt is estimated to be about $600 million higher than at June 1994. The Auditor-General points out that:

> The decline which has occurred over this period in real terms is thus entirely due to the effects of inflation, consistent with policies of not generating surpluses.

So, the Auditor-General is really telling us that, when this Government talks about how it is reducing debt, it does need to be considered perhaps with a grain of salt, that we do need to consider the statistics that this Government is throwing around, because there is another story. The Auditor-General does us a service in pointing out to us that, clearly, there is a substantial worsening of this State's debt position.

In relation to debt management the Auditor-General has some other interesting things to say. In assessing debt management performance the Auditor-General at page 49 points out that back in 1995 a decision was made by SAFA, following a review of debt management policy, that:

> A rolling year basis should be used to avoid concentration on volatile, short term results. SAFA's performance should be judged over the medium term consistent with the time period applying to the Treasurer's objectives, that is, approximately three years.
>
> Notwithstanding this decision, data has not been reported in annual public reports on this basis either by the Department of Treasury and Finance which is responsible for setting debt management policy or by SAFA which is responsible for managing the debt portfolios within those parameters.

But the Auditor-General then provides a table on page 50 which shows the cost of State debt and makes this interesting observation:

> It will be observed that had the shortest benchmark portfolio been in place over the period, the cost of debt [this is debt to the State] would have been 5 to 8 per cent lower reflecting the low interest rate environment which has been enjoyed over this period. This difference represents an additional cost to the State.

To put his comments in perspective it needs to be said that:

> Again it is emphasised that the longer portfolio aimed to restrict the volatility in interest rate costs that can arise from the uncertainty of future interest rates.

So, although it has been possible that our debt costs could have been 5 to 8 per cent lower, of course there is a need for prudent management—and we would accept that. But the Auditor-General's point is that no major review has been undertaken over the two years since Audit's comments were first made. Clearly, there is now a very strong case for a debt management review to be made. The Auditor-General notes, prompted perhaps by the proposed sale of ETSA, that that is finally taking place; but quite clearly the management of the cost of State debt is something which requires further review.

The Auditor-General also has a very useful contribution in relation to the electricity asset sales process and its impact on the State budget. For those of us who have been trying for some time to get some reasonable information on what might be the impact of the proposed sale of ETSA but who have had great difficulty in getting that from this Government, the Auditor-General does provide some useful analysis in his report. Of course, the Auditor-General has to rely on the information provided to him by Treasury but, clearly, the impact of the Auditor-General's analysis really is to draw into question the sort of glowing and rosy figures which this Government has given as the benefit of selling ETSA. I refer to the conclusion of his chapter on this report at page 58 of Part A.2:

> As noted previously, it is to be emphasised that this analysis is based entirely on the material provided by the Department of Treasury and Finance as to the figures incorporated in the Budget estimates. Clearly, the actual amount of annual net premium, if any, will depend on sale proceeds and on interest rates at the time of sale, neither of which can be predicted at this stage. It is certainly not the role of the Auditor-General to make such predictions, and the foregoing should not in any way be interpreted as an attempt to do so.
>
> It is the very fact of the uncertainty associated with this matter that must be considered in assessing the implications of possible electricity asset sales for the State's budget.

Of course, using the correct analysis of the Auditor-General, based on the Government's own figures, the possible net benefits are significantly less than those which the Government has given. Those comments by the Auditor-General are particularly pertinent and useful to the current debate that we are having on the future of the Electricity Trust and Optima Energy.

The final matter to which I wish to refer from the Audit Overview relates to national competition policy and, in particular, to the policy on water. This was a matter I raised in a question to the Treasurer last week. The importance of water on the national competition policy is that the COAG agreement on water reform is included in the assessment process for the first time during the second tranche assessment under national competition policy, which is due by 1 July 1999. So, at some stage within the next 12 months South Australia's performance in terms of implementing national competition policy to water reform will be assessed.

In Audit Overview A.2 at page 97 the Auditor-General points out the strategic framework for water. The particular principles which this State and all other States will have to implement in relation to national competition policy are:

- pricing regimes based on principles of consumption based pricing, full cost recovery and removal or transparency of cross subsidies;
- use of community service obligations where services are provided at less than full cost;
- rates of return for supplying organisations;
- for rural supplies, full cost recovery for water charges, transparency of subsidies and economically viable and ecologically sustainable future investment;
- institutional separation of regulation and service provision;
- service providers seeking to achieve international best practice; and
- systems of water allocations and entitlements and institution of trading arrangements.

These are all particular requirements which this State and all other States will have to satisfy the National Competition Council have been implemented by 1 July next if the States are to receive payments under the national competition policy. The impact of these changes on rural water supplies must be of some concern. The Auditor-General points out at the bottom of page 97:

> Audit is not in a position to assess the adequacy of this response; this is the role of the NCC.

He is talking here about the Water Resources Act, which this Parliament passed in 1997 and which made some changes to the management of water, and to what extent that satisfies the requirements of national competition policy. On page 98 of his report, the Auditor-General gives us the most pertinent warning in relation to water reform and how the national competition policy may affect this State.

The Auditor-General refers to the fact that the National Competition Council wrote to the Premier in June 1998 in relation to water reform and matters to do with clarifying

elements of the reform package. The Auditor-General points out:

> It is evident from this correspondence that while there was consensus on some matters, the majority of questions to that time, which covered a broad spectrum of the reform agenda, required further clarification from the NCC.

The Auditor-General continues:

> An example of the NCC's views where South Australia considered there was a need for further discussion was the interpretation of community service obligations (CSOs). One relevant comment by the NCC in this area was ". . . any CSOs or subsidies would need to be clearly defined, well targeted, and justifiable in terms of departure from the general principle (of full cost recovery) as well as being explicit and transparent." Hence, a situation where a jurisdiction had large undefined CSOs and large subsidies may find it difficult to prove compliance with full cost recovery goal in 3(a)(i) (of the strategic framework).

Then this is the important part:

> For example, pensioner rebates can be seen to be a defined clearly targeted CSO, whereas price discounts for the entire rural sector would not be a CSO.

The Auditor-General continues:

> The South Australian Government pays a large CSO (estimate for 1997-98 $80 million) to the SA Water Corporation with respect to the pricing of country water and waste water services. This arrangement will be included in the NCC's water reform assessment.

Clearly, the Auditor-General is drawing our attention to the fact that this particular subsidy to rural water supplies—a very important subsidy for keeping down the price of water in rural communities—may not comply with national competition policy. The Auditor-General makes the comment:

> Given the complexity, as evidenced by the extent of the water reform agenda, it is apparent that interpretation risk remains in the NCC's assessment process, notwithstanding the apparent progress in water reforms. As noted previously, clarification of the scope of water reforms for the purposes of competition payments is to be done under the auspices of the Committee on Regulatory Reform.

I again draw the attention of the Council to that particular warning of the Auditor-General. It is couched in the Auditor-General's usual, well considered way, but I think he is telling us we could be in for some nasty decisions under national competition policy on water if the NCC takes the wrong interpretation on this particular matter.

In conclusion, the Auditor-General has certainly given us plenty to think about, yet again, in his annual report for the year ended 30 June 1998. I again commend the Auditor-General on another excellent report. I believe that his volume on outsourcing will be a very important contribution to the debate on the subject of outsourcing not only within this State but also within Australia. I do not believe that such a comprehensive overview of that subject has been conducted by any other Auditor-General or comparable authority, certainly within this country. I think he is to be commended on that particular report.

I believe his comments in the other volumes on audit overview also provide very important contributions for this Parliament. I will not take up the time of the Council in discussing the volumes of the Auditor-General on the particular departments, but I am sure within those particular volumes is, indeed, much important material for this Parliament to consider at another time. I conclude by congratulating the Auditor-General on his report.

The Hon. CARMEL ZOLLO: I, too, commend the Auditor-General on his report. He has raised a number of key issues which are of concern to the Opposition and to the South Australian community, the most important of these, I think, being that of accountability following outsourcing or privatisation. My colleague the Hon. Paul Holloway has already spoken at some length on these concerns, and I will try not to cover exactly the same ground.

The report highlights the greater use of contracts in matters of public governance and the Auditor-General rightly points out that this development raises some important issues concerning the relationship of the Executive and Parliament. The Auditor-General emphasises the need to formulate guidelines so that Parliament can be kept informed of whether a contractor is complying with the obligations under that contract. He identifies this as a gap in the accountability of Executive Government and points out the importance of this accountability where the contractor is charged with the responsibility of discharging Government functions and being paid a material amount of public money under the contract. He recommends that criteria be developed to identify contracts of major public importance and that the Parliament be informed each year in the annual report of the responsible agency on matters of performance with agreed contract service levels. The recommendation is one which the Opposition—and I am sure the community—would like to see urgently implemented.

As a member of the Statutory Authorities Review Committee, this is an initiative in reporting standards which I am sure my other colleagues on that committee would also welcome. In relation to contracts the Auditor-General comments:

> Some contracts have intergenerational consequences and involve a commitment to pay public funds in advance of, or independently of, the appropriation of those funds by Parliament.

He further comments, as has been mentioned already:

> Some contracts have the potential to fetter the Executive flexibility of successor Governments.

This indicates concern that the Audit holds over the extent to which contracts may affect future fair and transparent governance. I believe it further strengthens the Opposition's view that some contracts may, indeed, be irresponsible because they are no longer binding for just one or two years or perhaps for the term of a Government but may be binding a whole generation or more.

This Government has made a great deal of the need for confidentiality in contracts. It is pleasing to see the role of the Auditor-General being described as the people's 'first check and best window on the conduct of Government'. The Audit cites:

> While some provisions might be legitimately confidential, in my opinion, confidentiality cannot be permitted when the overall impression created would be misleading to the public and to the Parliament.

And by extension, therefore, to the Executive. In particular, the Audit comments that:

> The right of the people to know takes on special significance when Government contracting extends to core Government functions.

That is an argument that I am sure all members would acknowledge the Opposition has consistently pursued in and out of Parliament. The Audit also highlights the accountability of private parties exercising public or Government functions. The delivery of a service by a private sector contractor potentially may 'reduce or extinguish public law rights of citizens to obtain information and exercise other public law rights in respect of the provision of those services'.

This is a serious issue because it threatens the basis of responsible Government by challenging a fundamental tenet to the Westminster system of accountable representative Government. If the rights of the public are compromised, then on what basis can they expect accountability? Citizens should have a right to expect transparency in Government. The liability of the Crown for activities of contractors' performing public functions raises the issue of a 'non-delegable duty of care', which I understand to mean that, despite the fact that a Government service is contracted out, it may still be the case the Government continues to maintain final liability or final responsibility.

The recent gas crisis in Victoria is a good example of a Government's ultimate responsibility; hence the Opposition argument as to whether core services should be outsourced in the first place. Therefore, in my view the Auditor-General correctly recommends in the report that all major outsourcing contracts should be reviewed by the Crown Solicitor to identify whether a non-delegable duty of care arises for the Crown.

In particular, the Auditor-General cites a non-delegable duty of care in the year 2000 compliance of computer systems and medical facilities in public hospitals. The audit makes observations about the issue of enforceability in the contracting out of Government services and argues that any contract, particularly complex services on which the public or the Government relies, must provide methods to remedy failures by the contractor.

In the second term of this Government, which is well advanced on the road to corporatisation and privatisation, the Auditor-General has identified many Opposition concerns in relation to contractual liability and accountability. We hope the Government will implement the necessary action required. I am particularly pleased to see that the report calls for a 'comprehensive legal audit' to be initiated to establish the adequacy of the legislative basis for electronic commerce and Internet services. This is consistent with previous concerns I have raised in this Chamber over the issue, particularly in the Matters of Interest debate in the last session of Parliament.

The audit seeks to establish what may be the potential liability for the Government and its agencies. Under the review of EDS IT arrangements and security, the Auditor-General reported that, as a result of the contract with EDS, a number of the functions have been consolidated into the Glenside site and, as a result, the risk profile has increased. The audit calls for an improvement of security arrangements within the EDS Information Processing Centre. Questions are raised on whether confidential public information is at risk whilst being managed under contract. What recourse does the public have if the security and confidentiality of personal information data have been breached?

Further key areas of concern have also been identified in relation to the EDS contract, despite having been the subject of previous audit comment. These are listed as: agency service level agreements and security specification documentation; agency procedure manuals; and the Department of Administrative and Information Services agency contract management manual.

The Auditor-General is critical that all key matters were not settled before the execution of the contract, and that this has caused unnecessary ongoing contractual negotiation and has distracted from ensuring that services are delivered to standard. Rather than focus on administering the contract, resources have been diverted to address other issues.

A serious concern raised was the recent Department of Administrative Services report, where 30 agencies indicated that, despite the fact that a large percentage had developed security policies, few had developed procedures for application of the policy. This opens the gateway for security breaches. I have previously stated in this place that personal information data is now regarded as a valuable commodity that is transmitted, exchanged, manipulated and compiled as a central activity in the emerging information age. It is in this context that I have particularly grave concerns over the security matter raised in the audit.

In relation to the preparation for year 2000 compliance, I believe it is worthwhile repeating the concerns I raised last week in a question without notice. The Auditor-General refers to '39 portfolios or agencies/Government business enterprises being monitored' for year 2000 compliance, 'of which 14 are assessed as being behind schedule to complete the correction of critical items by December 1998'. The Auditor-General also states:

> . . . in relation to the testing of critical items, seven agencies indicated that they will not be able to complete testing by June 1999.

The audit indicates that the Department of Administrative Services and the South Australian Health Commission are at a high risk level, due in part to lagging behind Cabinet endorsed time frames. It also indicates:

> It is apparent that without the substantial input of additional resources, not all Government agencies will be ready in time.

The report also confirms that the cost to address this issue would well exceed the $80 million indicated in budget papers and in fact could have the potential to exceed $111 million.

A number of clear recommendations have been presented by the audit in relation to the issue of protecting Government intellectual property rights. These include the establishment of a plan by Government to manage such rights, developing standard agreements, ensuring that Government actually holds intellectual property rights over any potentially commercialised venture, as well as ensuring that Government limits its third party exposure. Clearly, this is an area which needs a great deal of scrutiny by Government to protect the interests of the community.

In the last session of Parliament, following constituent inquiries, I raised the issue of the Food Act and the election commitment by the Government to redraft that Act. I am not sure why I have yet to receive a reply to that straightforward question. I have also prepared other questions which I intend asking when the opportunity arises. This is understandably an area of major concern to the Auditor-General and, while many issues have been identified, he comments that not all have been translated into amended Food Act legislation in South Australia. This in part relates to awaiting the outcomes of a national review, although it appears that Victoria has decided not to wait for that outcome.

The audit covers the issue of the coronial findings in the Garibaldi case and makes a number of criticisms, in particular that the SA Health Commission does not routinely keep information on resources and activities of councils. It makes a key recommendation that:

> . . . as a matter of priority, a review be carried out to determine whether an appropriate level of resources is being applied in the area of enforcement of food legislation, and such reviews be undertaken on a regular basis.

In the area of information technology, the Auditor-General's Report clearly raises a number of challenges for the Government. It highlights some glaring deficiencies in the out-

sourcing contracts which this Government has zealously embraced. It sounds some loud warning bells, particularly in the matters of year 2000 compliance, the security of personal information data and, even more importantly, food hygiene and the protection of the community.

The Auditor-General has also highlighted the need for chief executive officers who have responsibility for overseas transactions—which understandably in many instances are entered into only on limited occasions—to familiarise themselves with the potential risks and the actions that are required to manage those exposures. A number of examples of foreign exchange currency losses in the Health and the Lotteries Commissions totalling several millions of dollars are cited.

South Australia is now firmly a part of the global economy and therefore at times is at the mercy of widely fluctuating variances in foreign exchange rates. Clearer guidelines need to be established for those agencies dealing in foreign exchange transactions. I trust that the Government will act quickly on the many important recommendations made by the Auditor-General, not only in those areas which I have discussed but also the many other issues which my colleagues are raising in both places. Again, I congratulate the Auditor-General and commend his report.

The Hon. R.R. ROBERTS secured the adjournment of the debate.

SUMMARY OFFENCES (OFFENSIVE AND OTHER WEAPONS) AMENDMENT BILL

The Hon. Diana Laidlaw, for **the Hon. K.T. GRIFFIN (Attorney-General)**, obtained leave and introduced a Bill for an Act to amend the Summary Offences Act 1953.

The Hon. DIANA LAIDLAW: I move:

That this Bill be now read a second time.

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

Leave granted.

There has long been considerable community concern about the inappropriate possession and use of weapons in society. Sometimes, the general level of concern is given additional fuel by a spectacular incident. The Australian community will not quickly forget the massacre at Port Arthur. But sometimes the level of community concern is brought about incrementally, as the result of a lot of minor matters which, taken together, are perceived to amount to something about which action should be taken.

I do not want expressions of genuine concern about perceived problems to be confused with the occasional outburst or panic or hysteria, often ill-informed, which can arise. I have been aware over the several years that the Leader of the Opposition has taken every opportunity to try to stir up community fears about the use and prevalence of knives in our community. This reached ridiculous heights recently, when an incident was reported in which a teenager was said to have been attacked by a wooden paper knife in the Festival Plaza. This apparently prompted the Leader of the Opposition to call for a ban on the carrying of all knives, presumably of whatever material they are made.

This Government will not sponsor changes to the law based on knee-jerk reactions to isolated and unrepresentative incidents. It is simply irresponsible to call for legislation banning knives without considering the consequences. Recent legislation in New South Wales about the selling of knives to minors was such a gross overreaction that the Government was forced to exempt from the criminal law plastic knives, commonly provided by fast food outlets, from the ban by passing a regulations saying so.

The realities of criminal knife use are quite different from that which some would have the community and the Parliament believe. For example, in respect of assaults coming to police attention in 1997, 92.5 per cent involved no weapon, 2.9 per cent a knife, 0.1 per cent a firearm and 5.4 per cent were 'other'. In respect of rape, 564 (97.4) involved no weapon, 8 (1.4 per cent) involved a knife, 3 (0.5 per cent) involved a firearm and 4 (0.7 per cent) other. The fact is that the use of any weapon in the committing of offences is small. For example, in 1997, 781 (68.2 per cent) robbery offences involved no weapon, 177 (15.4 per cent) involved a knife, 75 (6.5 per cent) a firearm and 113 (9.9 per cent) other. Of the 25 460 total offences against good order, 25 388 (99.7 per cent) involved no weapon, 6 (0.02 per cent) a knife, 11 (0.04 per cent) a firearm and 55 (0.30 per cent) other.

But the Government is not complacent about the general issue of dangerous weapons. It has been quietly reviewing the current law and consulting with the Commissioner of Police in order to see whether any changes should be made which will improve the safety of the community in a realistic way. This Bill, and the Regulations which will follow it, are a result of that process of review and consultation.

The existing law about dangerous weapons can be found in the *Summary Offences Act* and Regulations. I leave aside offences dealing specifically with firearms, because they clearly form a separate category. Section 15 of the *Summary Offences Act* contains an offence of carrying an offensive weapon without lawful excuse. An offensive weapon is currently defined to include 'a rifle, gun, pistol, sword dagger, knife, club, bludgeon, truncheon or other offensive or lethal weapon or instrument'. 'Carrying' includes 'have on or about one's person'. The applicable maximum penalty is $2 000 fine or 6 months imprisonment. The onus of proving lawful excuse is on the accused. The offence may be committed anywhere. In general terms it can be said that the law is that some things are offensive weapons in and of themselves—such as a flick knife—and anything at all, any every day object—may become an offensive weapon if it is carried or employed in a way or with an intent that makes it an offensive weapon. So, for example, a bottle, a screwdriver, a cricket bat—all can be offensive weapons depending on the circumstances.

Section 15 of the *Summary Offences Act* also contains an offence prohibiting the manufacture, sale, distribution, supply, dealing in, possession or use of a 'dangerous article'. Dangerous articles are listed in the *Dangerous Articles Regulations*. That list is a long one. It includes hunting slings, catapults, pistol cross-bows, blow guns, flick-knives, ballistic knives, knuckle knives, daggers, swordsticks, knuckle dusters, and self-protecting sprays and devices. It follows that only listed kinds of knives can be 'dangerous articles' for the purposes of the section. Other knives can, of course, be offensive weapons. The applicable maximum penalty is $8 000 fine or 2 years imprisonment. The onus of proving lawful excuse is on the accused. The offence may be committed anywhere.

I want to emphasise that this outline makes it quite clear that the law as it stands in South Australia is *not soft* on people who carry weapons or articles, such as knives or other objects, which can be used as weapons. The penalties noted above are clear enough evidence of that. The inconsistency of the position taken by some critics of the Government's position is shown by the fact that it is not so long since the Government was under attack by people who thought it was too tough and wanted *more exceptions* for people to carry weapons to defend themselves.

In reviewing the structure and content of these offences, the Government began with a submission from the Commissioner of Police noting that, in 1994, the Australian Police Ministers Council agreed upon a list of weapons that they thought should be treated as dangerous articles in every Australian jurisdiction. There are three types of weapon that are on the Commissioner's list, but are not in the South Australian list of dangerous articles. They are:

- nunchakus or kung-fu sticks;
- shuriken throwing knives, star knives and similar devices; and
- any article which conceals a knife or blade but which disguises the fact that it conceals a knife or blade.

It is sensible for South Australian law to be amended to bring these dangerous weapons into the legal scheme of prohibition.

But since we had to look to amending the law, the Government decided to review the whole scheme of dealing with dangerous weapons. This Bill is the result of a part of that review. Another result of the review will be reformed regulations. What follows is an account of the reforms embodied in the Bill.

Some debate has arisen about the legal meaning of the word 'carry' in the offensive weapon provision (section 15(1)). Although 'carry' has not been defined exhaustively by the statute, (only to include 'to have on or about one's person'), the word seems to connote something less than mere possession, which is a very wide concept indeed. In *Holmes v Hatton* (1978) 18 SASR 412, the ac-

cused was found asleep in his car with a machete stowed in the groove between the driver's seat and the door in a position readily accessible to the accused. In this case the question whether the accused was 'carrying' an offensive weapon was not in dispute. However, in *Coleman v Zanker* (1991) 58 SASR 7, the police found an ordinary knife in the car of the accused. There was some dispute about the exact location of the knife and the case was decided on other grounds. But Olsson J in passing remarked that, if the knife was on the floor behind the driver's seat, it could not be said that the accused was 'carrying' it. Olsson J said that the notion of 'carrying' the weapon meant having it on or about one's person 'in the sense of being in the immediate vicinity of a person so as to be directly accessible to that person'.

The purpose of the offensive weapon offence is to criminalise access to a weapon which is dangerous because it is accessible at any given time to a person with unlawful intentions. The notion of 'possession' is far too wide for this purpose. One may possess an item which is completely inaccessible and which poses no threat to the safety of any person or the public. One may, for example, 'possess' an item held in a bank's safety deposit area. Indeed, the notion of 'possession' was so vague and wide that common law judges refused to employ it in common law offences and so all possession offences are statutory. On the other hand, it is clear that, although like possession, the notion of 'carrying' is one of fact and degree, some statutory guidance would be helpful in determining the scope of the prohibition. For example, it should be the case that a knife within reach in a car is 'carried' by the occupant of the car, even though it is not on or 'about' his or her person. The definition of 'carry' is amended to make this more clear.

It is proposed to amend the scheme of control over dangerous weapons. Examination of the existing list of 'Dangerous Articles' in the *Dangerous Articles Regulations* suffices to show that there are few occasions on which some of them should be tolerated in our community. Many of these devices are things that are designed primarily or exclusively for use against humans. Others are more tolerable, having possible practical utility for some legitimate purposes.

It is proposed to create two different classes of regulated articles. Those articles which are considered to be more tolerable will be kept in the dangerous articles list and will remain subject to section 15(1b) of the Act. The defence of 'lawful excuse' will be retained in relation to these articles. Those which are regarded as less tolerable will be labelled 'Prohibited Weapons' to underline their undoubted status. A new offence will be created to prohibit these. It is proposed that, in relation to these items, there be no defence of 'lawful excuse'. The only defence will be by exemption from the operation of the system. There will, therefore, be a system of exemptions. It follows that persons who commit an act of manufacture, sale, distribution, supply, dealing in, possession or use of a 'prohibited weapon' will be guilty of an offence unless they can bring themselves within an exemption. The onus will be on the defendant to prove the exemption. The lists of dangerous articles and prohibited weapons will be prescribed by regulations.

There will be two kinds of exemption: general exemptions and specific Ministerial exemptions. The general exemptions are to be prescribed in the Act. They largely speak for themselves. The power of Ministerial exemption is also contained in the Act. Although some attempt has been made to specify in advance the conditions under which these generally prohibited weapons may be used lawfully in our society, it is simply impossible to do so by legislating general categories without so opening up the opportunities for evasion of the law as to render the strength of the prohibition otiose. It is therefore proposed that the list of general exemptions be supplemented by a power of Ministerial exemption exercised on application for individual cases or for a class of cases.

The exemptions are intended to be interpreted in the light of the avowed policy of the changes proposed: that is, in light of the avowed intention of the Bill to restrict the use and existence of these dangerous weapons to a status of prohibition and to be tolerated only in the clearest of socially acceptable circumstances. These lines are very hard to draw and impossible to draw with exactness by even the closest attention to the words of the statute. For example, it is quite clear that the law should not prohibit the use of even prohibited weapons where they are used in good faith and for, example, for the purposes of a genuine public performance of skill and in the ordinary course of the arts. For example, should the magician David Copperfield have a part of his performance which requires the use of an implement which comes within the technical definition of a dagger, it should not be the law in this State that he, or someone on his behalf, should have to apply to the Minister for an exemption in order to do what he does all over the world. On the other hand, the exemption ought not to be interpreted so that any member of the public can claim his or her possession of a dagger is exempt merely because he or she claims to be training to emulate David Copperfield or for some other similar tenuous reason. The point of having a prohibited weapons list is to make it clear that the weapons listed in it are absolutely prohibited except for the best of reasons.

It should be noted that the Act provides that these general types of exemption may be supplemented by regulation.

The Act also gives the Minister power to grant specific exemptions individually or as a class on application. This will be done by declaration. It should also be noted that the Minister may delegate this power to exempt.

It is also proposed to create a new offence of possession or use of a dangerous article, or a prohibited weapon in any place, or carrying or having control of a loaded firearm or, in essence, a firearm together with a loaded magazine, in a public place, unless it is done in a safe and secure manner. This will give the Police an alternative charge where a person puts forward a lawful excuse that is credible, but the item is being carried in a manner inconsistent with that excuse. The Victorian Act contains a similar provision.

In summary, it is proposed that the new law will be structured as follows. There will be four gradations of offences according to seriousness, from the least to the most serious as follows:

First, the offence of possession or use of a dangerous article or prohibited weapon in a manner that is not safe and secure.

Second, carrying an offensive weapon without lawful excuse.

Third, manufacturing, selling, distributing, supplying or otherwise dealing in or possessing or using a dangerous article without lawful excuse.

Fourth, manufacturing, selling, distributing, supplying or otherwise dealing in or possessing or using a prohibited weapon unless exempted, there being no defence of lawful excuse.

It must be noted that the Bill does not extend the powers of police. They are already adequate to enforce the law. Changes to powers of police should only be made if there is a demonstrated deficiency and a compelling public policy argument to change the delicate balance of those powers within our society. There is no such argument in respect of weapons.

Lastly, a matter of detail. The opportunity has been taken to convert all of the penalties expressed as divisional penalties in the Act to penalties by fixed amounts. This has been a continuing program for several years and the divisional penalties are replaced by the terms of imprisonment and financial equivalents which have been in use as determined by Cabinet for a number of years.

I commend the Bill to the House.

Explanation of Clauses

Clauses 1 and 2:

These clauses are formal.

Clause 3: Amendment of s. 15—Offensive weapons, etc.

This clause amends section 15 of the principal Act. Paragraphs *(a)*, *(c)* and *(d)* update penalty provisions. Paragraph *(d)* reduces the penalty for an offence relating to a dangerous article to reflect the fact that the old category of dangerous articles is now divided into 'dangerous articles' (regarded as being less dangerous) and 'prohibited weapons' (regarded as being more dangerous). Paragraph *(b)* makes an amendment that is consequential on the new definition of 'carry' inserted by paragraph *(m)*.

Paragraph *(e)* inserts the new offence of manufacturing etc. or possessing or using a prohibited weapon. New subsections (1d) and (1e) provide defences for an exempt person in relation to the new offence. The categories of exempt person referred to in subsection (1d) are set out in new subsection (2a) inserted by paragraph *(g)*. An exempt person in one of these categories has a defence against possession or use of a prohibited weapon but not against manufacture etc. of such a weapon. The categories of exempt persons referred to in subsection (1e) (see new subsection (2b)) are declared by the Minister or by regulation and may provide a defence to the offence of manufacturing etc. a prohibited weapon.

New subsection (1f) makes it an offence to carry or have control of a firearm or magazine or to have possession of or use a dangerous article or prohibited weapon in an insecure or unsafe manner. New subsections (2e) and (2f) provide for delegation of the Minister's power to declare persons to be exempt persons.

The remaining paragraphs of the clause make amendments of a consequential or supporting nature. The term 'dagger' is removed from the definition of 'offensive weapon' because it is proposed to declare daggers to be prohibited weapons by regulation.

Clause 4: Amendment of s. 85—Regulations
This clause amends the regulation making power of the principal Act to provide regulation making powers required by section 15 as amended.

SCHEDULE
Further Amendment of Principal Act
The Schedule updates the penalty provisions of the principal Act. The Schedule also repeals section 84 which is redundant because section 5 of the *Summary Procedure Act 1921* now determines what constitutes a summary offence.

The Hon. T.G. ROBERTS secured the adjournment of the debate.

ADDRESS IN REPLY

Adjourned debate on motion for adoption.
(Continued from 3 November. Page 98.)

The Hon. R.R. ROBERTS: I support the motion for the adoption of the Address in Reply. I congratulate His Excellency the Governor, Sir Eric Neal, on the speech with which he opened the Parliament. There has been some controversy about the Governor's speech and its political nature. However, I would refute any implication of impropriety or misjudgment by the Governor—

The Hon. Sandra Kanck: You're in opposition to your Leader.

The Hon. R.R. ROBERTS: I don't care if I am in opposition to Micky Kafoops. I do not agree with it. I believe that the Governor has discharged his duty by convention in that he has delivered the speech which is written for him by Executive Government. He performed that duty and I would expect that, when the Labor Party comes to power, he will exercise his duty with the same diligence.

I join with other members in noting the death of our brother and comrade, Jack Wright. We have all made contributions on that and I do not intend to labour that point any further.

I was particularly interested in the sections of His Excellency's speech with respect to State development and industry. I was particularly interested in that outstanding contribution made by the Transport Department and the dynamic strategy in transport where it will have a test on school buses to see whether they work. That was a worthy contribution to an Address in Reply speech.

The Hon. Diana Laidlaw: There is airconditioning.

The Hon. R.R. ROBERTS: Yes, to have a policy which says that a test will be conducted to see whether airconditioning works in buses is very courageous! Let me return to the State development and industry policy. There are a number of areas I could canvass, but one area has been dear to my heart for some time, and I will spend time on it because it has been a political observation of mine for a number of years. I have been ridiculed about my insistence relating to the Gulf St Vincent prawn fishery. It is my observation that time wounds all heels, and I am going to be proven right again when those heels are going to be hurt.

In that regard, I will go over the history of the Gulf St Vincent prawn fishery which, for many years, was one of the premier industries and income earners in primary industry in South Australia. Catch statistics for the Gulf St Vincent prawn fishery show that in the 10 years following the development stage from 1974-75 to 1983-84 the catch averaged 479 tonnes, despite serious mismanagement which caused catches to be lower than they otherwise would have been.

It can be seen from these statistics that this fishery is capable of producing an annual catch of 400 tonnes. All the parties agreed to this figure in the past and it was on this figure that the buy back system was based. In the 14 years since the buy back, since 1984-85 to 1997-98, the catch has averaged only 179 tonnes. We have had a management regime which has reduced a viable fishery by 300 tonnes of prawns per year over that period. That figure alone indicates gross mismanagement.

At today's values, the production loss since 1984 amounts to more than $45 million and continues at a rate of $3 million annually. Despite the great benefit of a two year closure—without any fishing—the fishery has produced an average annual catch of only about 220 tonnes during the five years since the reopening, but that has been at the cost of a 20 per cent decline in base stock numbers.

Those charged with management have well shown that they lack sufficient knowledge of the fishery to bring about its rehabilitation. In the years following the buy back they advised the Government, as did Mr Coates in 1990 and the select committee of the House of Assembly in 1991, that their management had resulted in a three to four fold stock recovery. They did so in the face of their own statistics which showed a 72 per cent catch decline during the same period. Survey results and reports from the biologist during the two year closure confirmed that the stock had been reduced to such a dangerously low level that it was struggling to sustain itself. I turn now to the biologist's report of December 1982 and quote the biologist as follows:

> There was a reduction in the numbers of prawns between 1991 and 1992 due to natural mortality, and low numbers of small prawns were present.

The next report of 2 July 1993 states:

> However, the level of recruitment is lower than was anticipated and it does indicate that, to date, the closure has not resulted in significant increases in recruitment of juveniles into the fishery.

I then move to 1993, when the fishery was eventually reopened. The August 1993 report stated:

> Recruitment to the fishery was lower than in the previous two years and, as a consequence, the closure to date has not resulted in a significant increase in gulf fishable stock.

In late 1993 the Minister announced that the scientific evidence precluded a reopening of the fishery at the end of the two year closure. Surveys at that time showed that the prawns had grown to the best egg producing size and, in view of the low stock numbers, good management required that they be left unfished for another spawning season. However, in line with their unfortunate history of failing to understand the basic principles of fishery management, which is the maintenance of the basic stock, fisheries officials urged that the fishery be reopened.

It is to be noted that they were scarcely in a position to do otherwise in view of the fact that they had vigorously denied the need for a closure at the select committee hearings. It was interesting to note that after the election, despite the fact that this information had been given to the then Minister (Hon. Terry Groom), and on the advice of the Fisheries Department and the survey results he decided to continue the closure to allow the fishery to recover. It is now history that, within a week of the declaration of the 1993 election results, the incoming Minister (Hon. Dale Baker) opened the fishery, ostensibly for a fishing trial with the concurrence of the then President of the Gulf St Vincent Prawn Fisheries Management Committee, Mr Ted Chapman.

After only 34 nights fishing and a catch of 226 tonnes (this is after a two-year closure), the fishermen who had been urging its reopening refused to fish on. This is unheard of—fishermen refusing to fish on, complaining that the fishery is again being over fished and that we are taking next year's stock. Again, Fisheries officials insisted that the fishery should continue.

At that stage the Government engaged a Dr Gary Morgan, on the recommendation I understand of Mr Hall, to carry out an assessment. He reported, *inter alia*:

> There does not appear to be any immediate concern regarding the health of the Gulf St Vincent prawn fishery in 1994 and catches, catch rates and sizes are entirely consistent with the level of effort applied.

These are very efficient collecting machines, so that statement is hardly a contribution. The following year (1994-95) the catch dropped by 40 per cent even though smaller prawns were being fished. That is important, Mr President, because as this fishery declined to the state of closure the management regime kept allowing the fishers to take smaller fish, with the ultimate result being closure. Again, we see a repetition of past failings starting to develop. Dr Morgan was re-engaged that year at considerable cost. He identified features of the fishery that should have been identified years before but poorly predicted catches and the size composition of prawns which indicated that his view of the level of stock remaining was not accurate.

The fishery was clearly in need of expert management but the Government sanctioned the formation of the Gulf St Vincent Prawn Fishery Management Committee with licence holders in the majority. It is a bit like putting the foxes in charge of the lambs. These people had been severely criticised by Copes in 1986 for the part that they had played in overfishing and had a history of disregard for the resource and resistance to fishing restraint. They had strongly opposed the select committee's recommendation that there be a fleet reduction and had shown over the years that they lacked sufficient knowledge of the Gulf St Vincent prawn fishery and fisheries management to bring about rehabilitation.

Dr Morgan's advice that considerable quantities of large prawns would be available in 1995-96 again proved to be untrue. Without regard for the 40 per cent catch drop the year before the Gulf St Vincent Prawn Fishery Management Committee allowed much smaller prawns to be taken, at the extreme outer limit of the size Dr Morgan had recommended should be fished. These prawns had not been fished for almost five years, so the result was a catch increase of nearly 75 per cent over the previous year, when all the evidence was that the allowable catch should have been reduced. Even worse, because the prawns were smaller the number of individual prawns removed was more than twice the number of the previous year. So, to catch the same weight with small prawns it is obvious that you must kill more prawns.

The following year (1996-97) the catch during the pre-Christmas fishing period was lower than at any other similar time since the reopening, and the down trend continued when fishing resumed in March. Ever ready with excuses, the fishermen members of the Gulf St Vincent Prawn Fishery Management Committee claimed that the lower catches were due to an earlier than usual mixing of juvenile prawns with the larger prawns and that this had resulted in a mixture that was unfishable because it did not meet the target size. There was no real evidence of this at all and nor did the claim explain the lower pre-Christmas catch which was prior to juvenile prawns entering the fishery.

Instead of using caution, the Gulf St Vincent Prawn Fishery Management Committee ordered the installation of larger mesh nets to allow the juvenile prawns to escape and thereby the schools of prawns containing juveniles to be fished. So here we have a situation which most people in the prawn fishery know—when a fishery gets into trouble instead of the fish breaking up into their natural size rates they congregate together, as most fish do. This was a clear indication that the fishery was in trouble. This was done in such haste that there was not time to carry out proper research to establish whether the juvenile prawns survived passing through the nets. It also rendered the SARDI data on the fishery of recent years worthless because it was based on the number of juvenile prawns in the catch. So, after all the research that was done on the recruitment of juvenile prawns they introduced a method which completely wiped out their own research of the past few years.

As a result of the larger mesh nets, more of the stock was exposed to fishing than ever before and good management required that care be taken to ensure that too many prawns were not removed. However, at the end of the allotted 34 fishing nights, when the catch was still well down on the previous year, the Gulf St Vincent Prawn Fishery Management Committee allowed another four nights fishing. Despite these efforts to lift the catch it fell again to 211 tonnes, 18 per cent down on the previous year.

I now turn to the observation of the SARDI prawn biologist. She reported:

> (1) Estimates of fishing mortality and exploitation rate for the 1996-97 season were higher than those of previous years. Furthermore, the estimated exploitation rate is greater than the desired value of 20 per cent and the limit point of 30 per cent specified in the draft management plan for the fishery.

Clearly, the plan that was worked out had been breached. Her observations continue:

> (2) The size composition results are above the desired performance indicator of 24 [prawns per] kilogram and close to the limit of 27 [prawns per] kilogram. Thus the available performance indicators suggest more conservative management strategies are necessary to rebuild the spawning stock in the gulf.

I indicate again, for those who are interested, that we see once more this move to target smaller and smaller prawns, which clearly was the reason for the closure in the first place. So, it is happening again. The remaining observations are:

> (3) This is important as the available performance indicators indicate that the current management strategies have not succeeded in further rebuilding the prawn stock in Gulf St Vincent. The estimates of exploitation rate and size composition are above the optimum values with the estimated exploitation rate (34 per cent) above the limit point specified in the draft management plan. There is therefore no evidence from the current catch and effort statistics which supports an increase in effort for the 1997-98 season.
>
> (4) The cumulative catch and catch rates for each day fished for 1995-96 and 1996-97 is shown in figures 4 and 5 [of the report] and for 1993-94 and 1994-95 in figures 6 and 7 [of the report]. These trends should be treated with caution because of the changes in targeting practices over the last four year years. When the fleet commenced fishing in 1993-94 it was targeting an average of 22 prawns per kilogram. The targeting of large prawns limits the spatial distribution of effort in the fishery and the target criterion has been relaxed to 24 prawns per kilogram.

Again, we observe that trend downwards. She continues:

> An observed decrease in overall size has occurred with number/kilogram taken being 26.8 in 1995-96 and 26.7 in 1996-97.

With complete disregard for the warning from the prawn biologist, the Chairman of the Gulf St Vincent Prawn Fishery Management Committee spoke of increasing the nights, and one of the licence holder representatives stated, on the basis

of misinterpretation of misleading statistics from the past, that they ought to fish more nights. Instead of fishing resuming in March after the pre-Christmas fishing run, as usually is the case, the Gulf St Vincent Prawn Management Committee authorised a restart in February, which is one of the months of the greatest prawn growth and spawning of female prawns. The same prawns could have been taken a month later, after they had spawned and achieved a greater growth rate. Even in the strong Spencer Gulf fishery, fishing did not start until March for this reason. The consequence of irresponsible action was that the percentage of prawns taken during the spawning season, relative to the total catch for the year, was higher than any other year in the fishery's history. So, at the time when these prawns were spawning, they removed more prawns than at any other time during the fishery's history—all this at a time when rehabilitation of the fishery was supposed to be taking place.

The reason the committee gave for the early start was that a member believed that prawn prices may fall in February. This rationale of placing economic considerations before stock rehabilitation has been a feature of the committee's management, and is further proof of the unsuitability of the management of this fishery over the years. The 1997-98 season proved to be one where the catchability factor of prawns was extremely high. This did not signify increased numbers of prawns, because for that to be the case there would have to have been an improved recruitment of juveniles some years earlier. In Gulf St Vincent the relevant time was two years plus, in Spencer Gulf one year, and on the west coast somewhere in between. So, it would have been of high coincidence if this had occurred.

The Spencer Gulf catch—this is where the management of the State's best fishery takes place—rose by approximately 40 per cent in the same season and, because fewer days were fished, the catch rate per hour trawled rose by a massive 59 per cent. Seasonal conditions could not be blamed for the problems in Gulf St Vincent if the management regimes had been comparable. The west coast fishery also produced an excellent result. In Gulf St Vincent at the end of 38 nights fishing (the same number as the previous year) the catch and the catch rate was only about 14 per cent higher, despite the use of large mesh nets, which allowed access to more of the stock, and other fishing efficiency gains having been used for the full season.

To safeguard against an excessive amount of stock being removed, the Spencer Gulf fishermen agreed amongst themselves to stop fishing before completing the usual number of fishing nights, even though the catch rates remained high—there was a 59 per cent increase. In contrast, the licence holders of the Gulf St Vincent Prawn Management Committee, with the assistance of a solicitor, argued long and hard at the committee meetings for increased fishing nights. The other committee members and the Department of Fisheries and SARDI officials initially opposed this, but finally consented to six more nights. It was not clear enough that we were going down the gurgler: they threw in another six nights, making 44 nights fishing in total.

In doing so, the committee again ignored the previous biologist's warnings and also went outside its own management plan, which stipulated a maximum of 38 nights, and it had been signed off by the Minister for fisheries less than six months before. So, clearly, the Minister was aware of the plan and would have been made aware of what was happening. The six extra nights fishing caused the catch rate for the year to drop substantially. This was a sign of a fishery in need of further catch restrictions. However, the three licence holder representatives then bypassed the committee, I am told, and approached the Director, seeking even more fishing nights but, fortunately, on that occasion the Director would not agree.

I could be accused of being critical of the Gulf St Vincent prawn fishermen members of the committee, but I say in their defence that they were part of a buy-back scheme that was guaranteed to provide 400 tonnes of prawns per year, and the returns were something like an average of 179 tonnes. They were struggling to cover costs, so one can understand why these fishermen, burdened with debt and burdened with pay-back debts, would be wanting to fish. But, at the end of the day, there is no excuse for poor management, and those who have been part of the management scheme over the past 10 or 15 years will have to take a share of the blame.

It was apparent that there was a need for yet another stock assessment, and this was undertaken by a new appointee to SARDI, who concluded that the stock numbers were down 20 per cent from when the fishery was reopened in 1994. He presented his findings at a workshop in mid September, but the fishermen ignored his findings and insisted on a fishing strategy for the coming fishing season, which will result in even greater fishing pressure and the taking of smaller prawns.

Taxpayers have funded the cost of three inquiries, three stock assessments, numerous reports and meetings, etc., and they have also absorbed more than $2.5 million of the buy-back debt. So, here we have $2.5 million of taxpayers' money to fix up the buy-back debt and the poor management. None of this would have been necessary if the fishery had been properly managed, because it was quite capable of being rehabilitated. The obvious need is for fleet reduction, because the current fleet of 10 vessels, even to be partly viable, needs to take more prawns than the fishery can withstand during rehabilitation.

Mr Copes, the fishing biologist and an expert in his field, pointed to this need in 1986, and again in 1990, as did the select committee in 1991, but the Government has done nothing to bring this about. The licence holders have well shown that they will not progress that way, despite giving assurances to the select committee in 1991 that they would agree to a reduction in the fishery if the fishery did not fully revive during the closure.

Far from acting on the recommendations of the select committee and Copes, the Government is now offering to forgo another $1 million of the buy-out debt, provided that licence holders agree to forgo any right to sue over the buy-out or the management of the fishery over the past 10 years. This would be a further waste of taxpayers' money, because it will not resolve the fishery's problems. I would suggest that the money would be better spent in buying out some of the vessels.

After all the controversy over the past few years, which I have 'precied' (to use your term, Mr Acting President) in my contribution, the fact is that, in 1991, the debt for each fisherman was $370 181—and they have been trying to pay off this debt—and today they are still up for $336 000 per licence, and there are 10 of those. In their offer to the fishermen, there is an admission, in my submission, of their failures, and their failures have resulted in the inability of these fishermen, working their guts off, to try to pay that. It is just impossible for them to meet their debts with the amount of prawns in that fishery without a rehabilitation program.

So, having admitted their guilt, they have said, 'We will knock off a million dollars, and each and every one of you will save $146 000 in the pay-back.' We have fishermen saying, 'I do not want to do that. I do not want to avoid my responsibility to pay the $146 000. I would rather have that fishery back in a proper state, whereby it can sustain itself and those people who work in that industry in this State in future years.' That is almost unheard of—fishermen forgoing $146 000. That is the parlous state of this fishery. The Government has said, 'We will give you a million dollars if you enter into a deed of settlement.' A document which I have before me states:

> [The Government] would also require a deed of settlement to be entered into in which each and every licence holder gives the Government a full release from any claim arising out of the introduction and operation of the Fisheries (Gulf St Vincent Prawn Fishery Rationalisation) Act 1987 up to the date of the deed.

I ask myself a simple question: why would the Government want to do that? There are a couple of reasons. There is a strong likelihood that litigation will ensue. In fact, I am told that one fisherman has lodged a right of claim in the courts in this country. He is still deciding whether that statement of claim will be implemented.

This fishery has a long and sorry history. I have been warning for some years that this fishery is in a parlous state. We are now facing spending another $1 million of taxpayers' money to buy this Government out of trouble. That is another $1 million of taxpayers' money on top of the $2.5 million that has been spent. How much taxpayers' money has to be wasted before we can get some proper management? When will we have a Minister with enough courage to step into the Fisheries Department and fisheries organisations and say, 'Enough is enough'? We are looking at a fishery capable of producing 400 tonnes of prawns. We need some restraint.

Having condemned the Government for throwing in a further $1 million, I believe that to restore this fishery to its former production levels and provide that income for the State of South Australia certain things need to happen. I believe that the Minister is now considering prawn fisheries in South Australia as a total industry.Unfortunately, I believe that the prawn fishery is still broken up into segmented parts, so that does not really help.

If the prawn fishery in Gulf St Vincent, with proper and prudent management and set catch rates, is to reap millions of dollars each year, two things need to happen. The fishermen need to remain viable. They cannot do that with this massive debt around their neck. It is not the fault of the fishermen; it is the fault of the managers of the fishery, the biologists and fishing directors that guaranteed fishers back in the late 1980s that if they reduced the number of licence holders they would be in a position to catch 400 tonnes of fish. If those figures had been realised, if those managers had managed the fishery properly, if they knew what they were talking about—400 tonnes of fish per year—this licence payback debt would have been paid, these people would have been viable, they could have replaced their fishing vessels, safety equipment and everything that is necessary to run a fishery and produced that export income.

However, because of the failure to manage this fishery properly, these fishermen are now desperate to fish. Desperate people will do desperate things. They will do things that logic decries they should not. We have to cut the cloth to the point where we say, 'We will take the debt right out and close down the fishery for another two years'—because that is where I believe we will have to end up—'until the fishery can sustain itself.'

If this Government, as has been stated in the Governor's speech, is serious about creating new industries and consolidating the present industries in our State for employment and income earning capacity, this matter must be dealt with immediately. I want the Minister to respond to my suggestions as soon as possible because these fishermen have been advised in writing that they need to do two things: they need to pay their licence fees of, I believe, about $57 000 before they can go fishing on the fourteenth, and they have to sign a document disclaiming the Government from its poor management, which clearly they have indicated has occurred.

So, these desperate people are trying to maintain their livelihood and their industry. They have a gun at their head. They are being told, 'Unless you can come up with this amount, you can't go fishing.' I think it is a disgrace, and I think this Government is culpable. I only hope that in the next couple of weeks this matter is sorted out. If it is not, given that the taxpayers have already spent a huge amount of money on this fishery, it will be with some reluctance that I will be forced to move—and I will do this following consultation with the shadow Minister for Fisheries—for another inquiry to sort out this matter once and for all, unless the statement of claim that has been lodged with the courts in South Australia is pursued. Unfortunately, this matter will be sorted out in the courts. I suggest that there is a strong likelihood of that given the submissions in writing and the requests for a deed of exemption for the mismanagement of the fishery.

Once again, I thank His Excellency, Sir Eric Neal, for his speech, and I look forward to a productive session of this Parliament.

The Hon. P. HOLLOWAY secured the adjournment of the debate.

ADJOURNMENT

At 9.27 p.m. the Council adjourned until Thursday 5 November at 2.15 p.m.