LEGISLATIVE COUNCIL

Thursday 6 April 2000

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

PROSTITUTION

Petitions signed by 50 and 37 residents of South Australia respectively concerning prostitution, and praying that this Council will strengthen the present law and ban all prostitution related advertising to enable police to suppress the prostitution trade more effectively, were presented by the Hons Caroline Schaefer and K.T. Griffin.

Petitions received.

TAB AND LOTTERIES COMMISSION

A petition signed by 59 residents of South Australia concerning the Totalizator Agency Board and the Lotteries Commission of South Australia, and praying that this Council will ensure that the Totalizator Agency Board and the Lotteries Commission of South Australia remain Government owned, was presented by the Hon. Caroline Schaefer.

Petition received.

PAPER TABLED

The following paper was laid on the table:

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

Rules of Court—Supreme Court—Supreme Court Act—

Amendment No. 71

Amendment No. 72

Amendment No. 73

FLINDERS HEART CLINIC

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): I seek leave to table a ministerial statement issued today by the Hon. Dean Brown, Minister for Human Services, in relation to the Flinders Heart Clinic.

Leave granted.

SUBMARINE CORPORATION

The Hon. R.I. LUCAS (Treasurer): I seek leave to table a copy of a ministerial statement made in another place today by the Premier on the subject of the Australian Submarine Corporation.

Leave granted.

QUESTION TIME

TRANSPORT, PUBLIC

The Hon. CAROLYN PICKLES (Leader of the Opposition): I seek leave to make a brief explanation before asking the Minister for Transport a question about bus privatisation.

Leave granted.

The Hon. CAROLYN PICKLES: I refer the minister to her public statements, where she claims:

> While the service improvements will be gained at a reduced contract cost at $7 million a year, $70 million plus over 10 years will be cut from the taxpayer funded operating subsidy, after taking into account the whole of government costs.

In what areas will the $7 million annual savings be made? Can the minister provide a complete and detailed list of service improvements as undertaken by the private sector operators, including a timetable for the delivery of such services?

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): I thank the honourable member for her positive question because this competitive tendering, not privatisation, of public transport bus services will realise many positive gains for both users and taxpayers. The honourable member has outlined the cost savings over an annual and a 10 year period. I will seek advice from the Passenger Transport Board which was responsible for the calling of tenders, their evaluation and recommendations in terms of the tender bids and bring back a reply.

The media statement that I made when announcing the PTB's determination on 27 January listed a range of service improvements including more frequent services overall, the return of night and evening services in many areas, and a host of safety provisions. I advise the honourable member that, in the lead-up to 23 April when the new operators take over their new responsibilities, we will announce some exceedingly positive service improvements for which people have been calling for some time but which we have not been able to deliver because there has not been the competitive pressure to do so or any surplus funds.

We now have both critical elements as a result of these bus contracts. I also highlight that, in the briefing that was arranged in my office for members of parliament to meet the new contractors, the contractors themselves showed a very positive attitude towards building patronage for the bus service, and I think that generally members of parliament who attended that briefing endorsed the direction, goodwill and commitment of the new operators.

GOVERNMENT REVENUE

The Hon. P. HOLLOWAY: I seek leave to make a brief explanation before asking the Treasurer a question about government revenue.

Leave granted.

The Hon. P. HOLLOWAY: The opposition has received copies of insurance bills for households and small businesses which show that the state government is levying a tax on top of another tax. In the case of one insurance premium of $3 822 which has been provided to the opposition the state government reaped an extra $26 in stamp duty by levying both the insurance premium and the federal goods and services tax. That is compared with levying the stamp duty on the value of the premium alone. My questions to the Treasurer are:

1. How much extra revenue will be reaped by the Olsen government as a result of this decision to levy certain State taxes and charges on top of the GST, a tax which the Treasurer has enthusiastically endorsed?

2. Which specific state government taxes, charges and duties will now be further increased by including the GST in their calculation?

The Hon. R.I. LUCAS (Treasurer): I am surprised. Normally, the Hon. Mr Holloway has his questions written by the shadow treasurer. I presume that on this occasion he has not done that, that it is all his own work, because it is obvious that he has not consulted with his own shadow treasurer. The shadow treasurer has acknowledged to a number of interest groups and others that the Labor Party

supports the position of the government in relation to this issue. So, I am not sure what the—

The Hon. P. Holloway: I just asked you a question about how many taxes—

The Hon. R.I. LUCAS: So, you disagree with the shadow treasurer?

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: You were critical of the state government when you did not know that your own shadow treasurer has told a number of interest groups—

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: We have the shadow minister for finance shafting his own shadow treasurer publicly on the day before a number of members of the Labor Party are going to shaft a number of their other colleagues in a not too nice way—

The Hon. L.H. Davis: It's pineapple time.

The Hon. R.I. LUCAS: It's pineapple time. I am surprised that the division within the Labor Party of which we are aware should now become so transparent that the Deputy Leader of the Opposition in the Legislative Council should shaft his own shadow treasurer, who is not even here to defend himself. On behalf of Kevin Foley, who is no friend of mine, I think it really is a touch disappointing that the shadow minister for finance should shaft his own shadow treasurer on this issue.

There are not many things that the shadow treasurer and I are in agreement on but, in accordance with a number of publicly and privately reported discussions with the shadow treasurer, he has indicated that the Labor Party's position supports the government's view and indeed the view of Labor government administrations in Queensland, New South Wales, Victoria and Tasmania.

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: No, do not try to back out of it now. You have been caught out. You are mightily embarrassed.

An honourable member interjecting:

The PRESIDENT: Order, the Hon. Mr Davis!

The Hon. R.I. LUCAS: The shadow minister for finance is mightily embarrassed at having been caught out at being critical of a move which his own shadow treasurer and indeed treasurers in labor administrations in all other states in Australia are supporting.

In relation to other aspects of the honourable member's question, the issue of applying stamp duty on tax inclusive goods is not new: it has been around for many years, if not decades. I ask the honourable member to think back to when he bought his last car. When you purchase a car, you pay state stamp duty on the value of the car plus the wholesale sales tax. The honourable member actually represented an electorate that represented the car industry in the south. I ask the honourable member—

The Hon. R.R. Roberts interjecting:

The Hon. R.I. LUCAS: Well, at least the honourable member says I am saying truthful things. That is a huge leap forward for the shadow minister for finance. He acknowledges the existing situation, which was supported by the South Australian Labor Government for the 11 years that it was in power, of levying stamp duty on cars with the wholesale sales tax component included. Wholesale sales tax on cars was 22.5 per cent or something, not a 10 per cent GST. When he was in government he would take the value of the car, increase it by 22.5 per cent wholesale sales tax and then levy stamp duty on it. If a Liberal Government took the value of the car, applied a GST of 10 per cent and then levied the stamp duty, shock, horror, that is terrible. That is a Liberal Government double dipping with a tax on a tax. I do not want to go on and embarrass the shadow minister for finance any longer because—

The Hon. P. Holloway: At least answer the question.

The Hon. R.I. LUCAS: I do not want to keep answering because the more I answer the more embarrassed the honourable member will become. I have been waiting for a week and a half for this question and I was disappointed that it was not forthcoming. Then, lo and behold, I won the political equivalent of X-Lotto because on the last day of the week the shadow minister for finance came in with the tide and asked the question.

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: I have just given the answer. I will not belabour the point any longer. The government in some parts loses money—so, in relation to cars, as I have just explained, we lose money—and in relation to some areas such as conveyances we make some money.

An honourable member interjecting:

The Hon. R.I. LUCAS: No, the government's estimate is that, in net terms—and we will not know until it all works out in the wash—we might in the end, in relation to the overs and unders, end up somewhere between $5 million and $10 million ahead. But at the same time—

An honourable member interjecting:

The Hon. R.I. LUCAS: There is a different way to ask the question, if that is all the honourable member wants to know. On the other hand, the commonwealth government is taking about $10 million from South Australia as a result of a calculation it has done that, because of the GST, it will generate more stamp duty, more movement in the economy and more revenue, so it has reduced our grants by $10 million in that part of the calculation. So, in net terms, we think that we will probably be a little bit revenue neutral, and maybe marginally ahead. It is certainly not the huge bonus that the honourable member—and, indeed, others—has been suggesting.

GOODS AND SERVICES TAX

The Hon. R.R. ROBERTS: I seek leave to make an explanation before asking the Treasurer a question about the GST and recycling.

Leave granted.

The Hon. R.R. ROBERTS: Some weeks ago, I was approached by a constituent who was concerned about the future of recycling, or the can deposit legislation, as most of us know it. His comment to me was that he believed that few people would be encouraged to be involved in recycling because of the implications of the GST. I think that many members would support the can deposit legislation, as we know it, and those people who have lived in country areas would be aware that, in the early days, some charitable organisations (and I am not certain whether this is still the case) ran marine stores to raise funds. I believe that Coober Pedy was one place where that activity took place.

Given the concerns expressed to me, I raised these matters with the Leader of the Opposition's unit, and it has had some contact with Recyclers of South Australia. The opposition has been informed by the accountants of Recyclers of South Australia that the GST will burden the industry with huge compliance costs: it will cost approximately 12¢ to collect

each container with a 5¢ return allowable under the container deposit legislation. The accountants say that, to comply with the GST legislation, among other things recyclers will have to increase the number of sorting cages. I understand that that is because there are registered and unregistered sellers. They will need to have more recyclable categories, which will mean that, in the case of containers, there will be an increase from three sortings to nine, and that will separate further the containers that come in from registered sellers and unregistered sellers and those containers already deemed GST.

I am told that the extra cost to the industry will be huge and, with the new and complicated accounting systems (which is of some concern) required by the bottle yards and the collectors, I am told that these extra costs will flow through to the manufacturer and then onto the consumer. The industry expects that the cost of rearranging the industry to cope with the GST will result in an increase of at least 12¢ per container, and the increased cost will eventually result in similar increases in the price of beverages to the consumer.

In addition, there is the added complication for the bottle yard of determining how much of these purchases will be tax deductible. Presumably, ten-elevenths of payments to unregistered sellers is all the yards can claim as a tax deduction, whereas 5¢ would be the tax deduction in the case of a purchase being made from a registered seller. The new post GST system would become unworkable, they assume, and impose extra costs on an industry which cannot survive with such a cost increase. All this, I am told, and it raises no additional revenue for the Australian Taxation Office. I understand that the industry is making representations to the federal government for GST exemption status. My questions to the Treasurer, in his capacity as the minister in charge of taxation, are:

1. What action, if any, is the Treasurer taking to ensure that South Australia's exclusive container deposit scheme is not jeopardised by the imposition of the GST, which, if not granted GST free status soon by the Howard government, stands to threaten the future of a significant part of the recycling industry?

2. What are the implications with respect to the compliance costs and accounting to charitable organisations such as the boy scouts and other groups that collect cans at the football for fundraising purposes? As further explanation, for some of these groups it is their largest income earner.

The Hon. R.I. LUCAS (Treasurer): One of the things I have learnt from observing the Hon. Mr Roberts over a short number of years is that you do not always believe everything he says in the Council. I do have a degree of scepticism, but I certainly do not stand here this afternoon saying that he is not telling the full story. I am sure he is reading all the information that Mike Rann's office has given him on this issue. Based on past experience, he will excuse me if I do not automatically and immediately accept everything that he says.

If the honourable member is correct and the industry is taking up the issue with the commonwealth government and the federal Treasurer, that is quite appropriate, and more strength to its arm if there is an issue that it needs to have clarified with the commonwealth government. It will be like most of the rest of us, including state government departments and agencies, seeking clarifications or ATO rulings in relation to the impact of the new national tax reform package. I suspect that the Minister for Environment will know much more about the potential impacts of the GST on container deposit legislation in South Australia. I am happy to have some discussion with the minister to see what his information is on this issue and whether he has already or would intend to take up the issue with the appropriate federal authorities.

MANDATORY SENTENCING

The Hon. A.J. REDFORD: I seek leave to make a brief explanation before asking the Attorney-General a question about mandatory sentencing.

Leave granted.

The Hon. A.J. REDFORD: Yesterday I asked a question of the Attorney on the topic of mandatory sentencing, and in particular I asked about the Attorney's understanding of the state opposition's view on the issue of mandatory sentencing and commonwealth intervention. The Attorney responded that the Labor governments of Queensland, New South Wales, Victoria and Tasmania were opposed to it and agreed with commonwealth intervention, whereas in Western Australia the ALP has told Kim Beazley to keep out and stay away. The Attorney-General stated:

> The interesting thing about the Leader of the Opposition, Mr Rann, is that he has not made any statement at all about either mandatory sentencing or what the commonwealth parliament should be doing regarding the Northern Territory and Western Australia. I do not know why that is so.

I have since received in my letterbox—and I assume other members of parliament have received in their letterbox—a document entitled 'Lawyers Take Over the Machine' and, amongst other things, it states:

> Since the machine faction was created about four years ago they have shown extraordinary preselection support for lawyers. The following lawyers have been or are being supported for preselection—

It then lists off seven lawyers from the left. I note that Michael Atkinson is not mentioned because he is obviously from the right. It continues:

> No other social or occupational group has received such support. The Labor Party, to be successful, must have a broad range of candidates. Seven lawyers is making the ALP one dimensional and too narrow. It appears the machine faction has been taken over by a legal clique. It is to be hoped that genuine rank and file members of the machine would start demanding a broader range of candidates.

The Hon. R.R. Roberts interjecting:

The PRESIDENT: Order!

The Hon. A.J. REDFORD: I have obviously hit a raw nerve.

The Hon. G. Weatherill interjecting:

The PRESIDENT: Order!

The Hon. A.J. REDFORD: The Hon. George Weatherill interjects, and I can well understand his viewpoint, that the legal members within this parliament currently dished up by the Labor Party would need support from lawyers and others to bolster their lack of performance, in particular their failure to make any comment at all on the topic of mandatory sentencing and their failure to make any comment at all on whether they agree with mandatory sentencing.

The PRESIDENT: Order! The honourable member is a long way from the leave that he was given.

The Hon. A.J. REDFORD: My question to the Attorney is: does he know, with all these lawyers, whether any of the proposed candidates, seven in all, have expressed any opposition view on the topic of mandatory sentencing or commonwealth intervention?

The Hon. T. CROTHERS: On a point of order, Mr President: would the chair consider that, because the Attorney is by nature a lawyer himself and the question is about

lawyers, he may have a vested interest with respect to the question?

The PRESIDENT: There is no point of order. I am sure you all know his position.

The Hon. K.T. GRIFFIN (Attorney-General): It is an interesting concept that I should have a vested interest considering I no longer practise except as Attorney-General and am sort of the figurative head of the profession in South Australia. I can be just as critical of lawyers as I can be complimentary, so I am sure the honourable member will recognise that I do not have any particular bias for or against the legal profession. I think they do in many instances provide important support for the community but, equally, some criticisms can be made periodically about them, as can be made about politicians, about doctors, about any professional or other group in the community.

The honourable member raises an interesting question about mandatory sentencing and the views of the opposition. I did indicate in answers to questions which were raised with me yesterday that the Leader of the Opposition has been peculiarly quiet in relation to the issue, and particularly also on the issue of intervention by the federal parliament in the affairs of the states and territories. I do not know that the Leader of the Opposition, Mr Rann, has ever been put on the spot to identify publicly what his or the opposition's view is in relation to that issue.

The Hon. P. Holloway interjecting:

The Hon. K.T. GRIFFIN: He hasn't.

The Hon. P. Holloway interjecting:

The Hon. K.T. GRIFFIN: Well, who has he spoken to—Mr Beazley? Does he support Mr Beazley? Does he support Mr Beattie, Mr Bracks, Mr Carr and the Premier of Tasmania? We do not know.

The Hon. P. Holloway interjecting:

The Hon. K.T. GRIFFIN: So you support mandatory sentencing for adults—is that the answer?

The Hon. P. Holloway interjecting:

The PRESIDENT: Order!

The Hon. K.T. GRIFFIN: Now we are getting it clear. It appears from—

Members interjecting:

The PRESIDENT: Order! The Attorney-General should not be asking questions in question time when he is answering them.

Members interjecting:

The Hon. T.G. Cameron: Just get on with this crap.

The Hon. K.T. GRIFFIN: I am not sure that most of the members, and certainly the public, would agree with that description of the issue that we are discussing right now.

Members interjecting:

The PRESIDENT: Order!

The Hon. K.T. GRIFFIN: It is interesting that the Hon. Paul Holloway, in his interjection, indicated that the Labor Party does not support mandatory sentencing—or mandatory detention, as I indicated yesterday it should more appropriately be called—for juveniles. It still raises the interesting question of what is the Labor Party's view in relation to mandatory sentencing for adults and also what is its view in relation to intervention by the commonwealth parliament in the affairs of the states and territories. I guess we will just have to hope that someone will press the opposition and we will get an answer on that.

In terms of the lawyers, according to the memo (the author of which is unidentified), Mr Conlon is one of those and Mr Hanna is another. I do not know what their views might be, but they are in parliament, and we might follow that fertile field of inquiry at some stage in the future. I do not know the view of Mr Weatherill as a candidate. There is also Mr Rau, Mr Stanley, Ms Wong and Ms Kirk. We will have to wait until an election campaign—

The Hon. Carolyn Pickles interjecting:

The Hon. K.T. GRIFFIN: Mr Stanley is nominated for federal Adelaide. It will be interesting to know. I do not know what their position is on that policy item, but it is interesting that someone feels so strongly about the number of lawyers being proposed by the machine faction that they have taken to more publicly alerting members of the parliament to that issue. If they are going to choose lawyers, that is their problem—or it might be to their benefit, who knows? I do not know the quality or otherwise of the candidates who are nominating. But it certainly does seem—

The Hon. T.G. Cameron interjecting:

The Hon. K.T. GRIFFIN: It may be that that is really the objective. The Hon. Mr Cameron has now hit the nail on the head. He has really enlightened me, because this is the 'Get Michael Atkinson show': quite obviously they do not like the way he is performing as shadow Attorney-General and taking policy out of the hands of the opposition and, quite obviously, they are trying to put up some alternative candidates to become Attorney-General in the event that one day way into the future the opposition might become government.

Members interjecting:

The PRESIDENT: Order!

FISHERIES ACT

The Hon. IAN GILFILLAN: I seek leave to make a brief explanation before asking the Attorney-General, representing the Minister for Primary Industries, a question about the use of exemptions from provisions of the Fisheries Act.

Leave granted.

The Hon. IAN GILFILLAN: The Fisheries Act 1982 is the main legislative instrument which regulates the various fisheries industries in this state and provides for joint authorities to be set up between the state and commonwealth and for the management of particular fisheries. The act assigns certain duties to the minister, the Director of Fisheries and fisheries officers. It covers the regulation of fishing, including licences for fishing and registration of fishing boats, as well as the declaration of aquatic reserves. It also requires the registration of fish processors. The single most used provision of the Fisheries Act is none of these. It is section 59, which empowers the minister 'to exempt any person or class of persons from any specified provisions of this act'.

The power of exemption was envisaged originally as something that could be used exceptionally or very rarely when other provisions were not appropriate. But now, every week according to the *Government Gazette*, more and more people are exempted from one or more provisions of the Fisheries Act. Sometimes the *Gazette* contains nothing other than Fisheries Act exemptions. Usually, the exemption is for a limited period of weeks, but they may be for months and, on occasions, for an unlimited period until revoked by the Director of Fisheries.

I realise that it is a bit tricky to insert in *Hansard* during question time a statistical table, but I indicate to members and the Attorney that I have a statistical chart which details the number of exemptions to the Fisheries Act granted by the minister year by year from 1984 until last month. I am happy

to make this chart available to any member. The total number of exemptions is 1 449. I note that the use of exemptions began slowly with none in 1982 or 1983 and 25 in 1984, and they have risen steadily year by year until last year there were 194 exemptions issued or varied in that year alone.

This year, the rate of issuing exemptions has accelerated again to the point where the minister is exempting people from the act at the rate of almost five per week or one on every working day. I am not suggesting that the people who are getting these exemptions are doing anything wrong: they are doing whatever this government requires of them so that they can get on with their business. Anyone who might want to know the state of the law regarding fisheries in South Australia would have to look at not only the act and the regulations but also about 1 500 notices published over 16 years in hundreds of issues of the *Gazette*.

Clearly, it would be impossible for any person to know all the details, but I assure the minister and this Council that the areas that I have looked at cover the harvesting of seagrass, abalone (both black lip and green lip), pilchards, tuna, lobster, red fin—and the list goes on. My questions are:

1. Does the minister agree that the process of issuing so many exemptions from the Fisheries Act in effect undermines the rule of law in this state?

2. How credible is the Fisheries Act to the management regime when the main tool for the management of fisheries is to exempt people from the act?

3. Do persons who are exempted from the act pay anything in lieu of licence or registration fees which would otherwise be payable? If not, what is the government's estimate of the revenue foregone by the granting of 1 449 exemptions since 1984?

The Hon. K.T. GRIFFIN (Attorney-General): In answer to the first question, I do not see how the giving of exemptions undermines the rule of law, because exemptions can be given only if they are in accordance with the law. It is somewhat curious to me as to where the honourable member may be seeking to go in relation to his first question, because I would expect that any exemption was lawfully granted. However, I will refer the honourable member's questions to my colleague in another place and bring back a response.

The Hon. IAN GILFILLAN: As a supplementary question, does the Attorney not agree that the granting of so many exemptions undermines the effectiveness of legislation—namely, the Fisheries Act—passed by parliament in this state?

The Hon. K.T. GRIFFIN: It may not. It may be very supportive of the policy underlying the legislation. It depends on the exemption, but I would have thought that it was very much an integral part of the whole framework of fisheries legislation.

OLYMPIC SOCCER

The Hon. J.F. STEFANI: I seek leave to make a brief explanation before asking the Treasurer, representing the Minister for Tourism, a question about the arrangements for the Olympic football tournament.

Leave granted.

The Hon. J.F. STEFANI: I have been advised that Australian Major Events has responsibility for the coordination of the Olympic football tournament to be played in Adelaide from 13 to 23 September 2000. The South Australian government has undertaken certain contractual obligations and commitments through a memorandum of understanding with SOCOG. In order to meet the commitments covered by this agreement, a manager of the Olympic football project has been appointed and a project control group formed. My questions are:

1. Will the minister provide a copy of the memorandum of understanding between SOCOG and the state government?

2. Will the minister advise the date of the inaugural meeting of the project control group?

The Hon. R.I. LUCAS (Treasurer): I will refer the honourable member's questions to the minister and bring back a reply.

GENETICALLY MODIFIED FOOD

The Hon. T. CROTHERS: I seek leave to make a precied statement before asking the Attorney-General, representing the Minister for Primary Industries, Natural Resources and Regional Development, a question about genetically modified crops.

Leave granted.

The Hon. T. CROTHERS: The *Australian Financial Review* dated Tuesday 28 March 2000 reported that this year Australia's canola crop has been estimated to have an export value of close to $600 million. The article in the *Australian Financial Review* further reports that Australian canola farmers have enjoyed a premium price, partly due to the fact that their crop is GM free, unlike the US and Canadian crops. However, critics are saying that trials of genetically modified canola at up to 200 non-disclosed sites across the country are putting Australia's GM-free status at risk; and that there is concern about these trials because of the uncertainty and the potential for cross pollination with non-GM canola. Therefore my question is: does the minister concur with critics of GM crops that the current trials of genetically modified canola taking place in South Australia and the rest of the country could savage Australia's exports of not only canola but the much larger wheat industry due to the ever increasing consumer resistance to such crops?

The Hon. K.T. GRIFFIN (Attorney-General): I will refer that question to my colleague in another place and bring back a reply.

MURRAYLINK

The Hon. L.H. DAVIS: I seek leave to make a brief explanation before asking the Hon. Robert Lucas a question on the subject of MurrayLink.

Leave granted.

Members interjecting:

The Hon. L.H. DAVIS: I understand that most of the Labor members will be jay-walking on Saturday. On ABC Radio on Tuesday 4 April, comment was made about the South Australian government's decision to assist the fast-tracking of the privately funded electricity interconnector from NSW which is known as MurrayLink. The Hon. Nick Xenophon, who has a continuing interest in this matter, was quoted as saying, 'MurrayLink will not address the competitive framework. It will not deliver cheaper power to consumers.' He is talking, of course, about South Australia. My question to the Treasurer is straightforward. Can the Treasurer advise the Council whether the Hon. Nick Xenophon's statement is a fair interpretation of the MurrayLink interconnector and the consequence for electricity in South Australia?

The Hon. R.I. LUCAS (Treasurer): The Hon. Mr Xenophon is not the only one who commented on the issue of MurrayLink and its impact on the market: Riverlink has been pretty active in getting its spokespersons out into the media. Kevin Foley and the Hon. Mr Xenophon were out, and others were reflecting the views put about by the proponents of Riverlink in trying to shaft the MurrayLink project.

The Hon. L.H. Davis: Is this to the tune of *Danny Boy*?

The Hon. R.I. LUCAS: I am not sure.

An honourable member interjecting:

The Hon. R.I. LUCAS: The price is right? Is it *Danny Boy*? In addition to the comments made by the Hon. Mr Xenophon and Kevin Foley, Mr Stirling Griff of the Retailers Association stated on ABC news on 4 April,'It still doesn't answer the other issue of costs. Our understanding is that this [MurrayLink] being an unregulated supply means that in actual fact the costs are going to be far more expensive than a regulated supply.' There was a constant theme being run by Mr Xenophon, Kevin Foley, Stirling Griff and one or two others on that day and for 24 hours afterwards. In responding directly to the question from the Hon. Mr Davis as to whether the government agrees with the position of the Hon. Mr Xenophon that MurrayLink will not reduce prices—

The Hon. L.H. Davis: And it won't deliver cheaper power.

The Hon. R.I. LUCAS: —and it will not deliver cheaper power to consumers, it will not surprise the Hon. Mr Davis to know that the government again strenuously disagrees with the Hon. Mr Xenophon and his New South Wales government advisers with respect to this issue. Rather than this continuing to just be a difference of view between the South Australian government and the New South Wales government and the Hon. Mr Xenophon, perhaps I can quote an independent commentator, the managing director of the National Electricity Code Administrator (NECA)—so, in essence, the independent umpire in relation to these issues—on the issue of whether the comments being made by the government or the Hon. Mr Xenophon are a fair reflection of the truth in relation to this matter.

At the South Australian Power and Gas Conference on 3 April, I think it was, Mr Kelly, the managing director, was asked whether non-regulated interconnectors would raise the price differential between regions. Mr Kelly's response was as follows:

> No. A non-regulated interconnect would act much like a new generation entry. In other words, it would increase competition and lower prices. The actual flows on a non-regulated interconnect would in most circumstances be similar to those on a regulated interconnector.

I think that that is a pretty clear and unequivocal statement in relation to the sort of claims which the Hon. Mr Xenophon has been making and which the Hon. Mr Davis has just quoted in relation to the impact of MurrayLink on prices in the South Australian market. The Hon. Mr Xenophon and his New South Wales Labor government advisers have been making these claims publicly and in this Council and privately for quite some time. They have made those claims to the retailers association, as I indicated—

Members interjecting:

The Hon. R.I. LUCAS: This is not the government of South Australia speaking—

Members interjecting:

The PRESIDENT: Order! Can we have just one member speaking.

The Hon. R.I. LUCAS: I am the first to acknowledge that the Hon. Mr Xenophon is unlikely to believe what I say to him—

The Hon. L.H. Davis: He's more likely to believe the New South Wales Labor government.

The Hon. R.I. LUCAS: He is more likely to believe the New South Wales Labor government. But what we are saying is that an independent commentator on this issue, Mr Stephen Kelly, the managing director of NECA, has said that it would increase competition and lower prices. You cannot get any more unequivocal than that. I just hope that the Hon. Mr Xenophon, in addition to taking advice from the New South Wales Labor government, is prepared to at least open his mind to the independent views that are being put by commentators who have no vested interest in the electricity market. Whilst the Hon. Mr Xenophon will not acknowledge it, Danny Price and others have a vested interest in the national market—which is fair enough, as long as they declare it, rather than portraying themselves as independent commentators, as they do on ABC Radio and other commercial radio here in South Australia.

I cannot say any more than that. The government's position has been made clear on a number of occasions. We absolutely and fundamentally reject the position being put by the Hon. Mr Xenophon and others in relation to MurrayLink, but I place on the public record this statement from Mr Kelly as an independent commentary on the advantages of MurrayLink.

The Hon. NICK XENOPHON: I have a supplementary question. Has the government undertaken a comparative analysis of the impact of electricity prices between an unregulated and a regulated interconnector?

The Hon. R.I. LUCAS: I have previously answered this question from the Hon. Mr Xenophon. The government's advisers have undertaken a significant amount of modelling work on the South Australian electricity market with all sorts of variations with both generation, non-regulated—

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: Well, it is part of the significant consultancy costs, but a valuable part of the consultancy costs, because, if we can get a competitive electricity industry in South Australia as a result of our expert advice, and not the prejudices of Danny Price and the apologist for the New South Wales Labor government, it will be for the long-term benefit of South Australian industry.

We have done a considerable amount of work with a whole variety of variables, and the very strong view put to the government by the advisers is that there are significant advantages for South Australia in the MurrayLink interconnection. The advisers' view—and it would be of no surprise to Mr Xenophon—is that many of the claims made by Danny Price on behalf of the New South Wales Labor government are either ridiculous or unsubstantiated. Some of his more recent claims would be categorised by the government's advisers in exactly the same way.

GOODS AND SERVICES TAX

The Hon. T.G. ROBERTS: I seek leave to make a brief explanation before asking the Treasurer a question about the GST.

Leave granted.

The Hon. T.G. ROBERTS: Yesterday a former leader of the Democrats asked a very interesting question in relation to the application of the GST, and indirectly it was answered by the Treasurer. His question was to do with consumer protection for internet buying. The questions I have are in relation to internet transfers and internet buying where the commonwealth and all the states are able to intercept or follow the trail of a transaction. It has been reported to me that that is already occurring.

For those of us with teenage sons and daughters, a lot of transactions are going on between the United States and Australia in relation to buying films over the internet. The technology is available now to allow for the use of disks. Videos are the clumsy alternative: you are now able to buy the latest technology disks over the internet to be played on home computers. My questions are:

1. How will the GST be able to intercept and be used as a method of revenue collection for either the commonwealth or the state (I expect that the commonwealth would benefit from it if it could follow the trail)?

2. What steps have been taken to bring the GST into line with what would be regarded as a modern day tax for the new millennium, rather than a tax that was clumsily adapted from a 1960s tax copied from Europe?

The Hon. R.I. LUCAS (Treasurer): I have to confess to the honourable member that his melodic tones lulled me into a false sense of security, and I was not concentrating as much as I should have. So, I will read his two questions—

The Hon. T.G. Roberts interjecting:

The Hon. R.I. LUCAS: That was a long winded way of saying it. I will read the honourable member's questions closely, take advice and correspond with him as soon as I can.

STUDENTS, DISABILITIES

The Hon. M.J. ELLIOTT: I seek leave to give a brief explanation before asking the Treasurer, representing the Minister for Education, a question regarding school students with disabilities.

Leave granted.

The Hon. M.J. ELLIOTT: I note with interest the Minister for Education's comments last week in another place about students with disabilities. By promising his consideration of any call by the Democrats for an inquiry into the assistance available for students with disabilities in our public schools, he highlighted the serious concern within the community. Last Monday I came across another example that reinforces the concerns identified by the minister. On page 23 of Monday's *Advertiser* an article appeared detailing how the commonwealth government, to assist students at risk of leaving school, is funding a full service schools program using non-traditional methods of education to sustain interest and self-worth.

However, in a meeting this week about a student with a disability that sees this student several years behind at school, another northern suburbs school was asked whether that program was available for students with disabilities. The school's reply was that, while the program was theoretically available in that school, the funding had not been received and the program was not available to that student at that time. I ask the minister the following questions:

1. How many South Australian schools are approved but still waiting for funding to commence the full service schools program?

2. What is the state government doing to make sure this important funding is received as soon as possible?

3. What provisions, if any, will be made within this program to incorporate students with moderate and severe disabilities who would benefit greatly from alternative teaching strategies to improve levels of interest and self-worth?

The Hon. R.I. LUCAS (Treasurer): I will refer the honourable member's question to the minister and bring back a reply.

GAMBLING INQUIRY

The Hon. NICK XENOPHON: I seek leave to make a brief explanation before asking the Treasurer a question about the Productivity Commission's report on gambling and the state government's response.

Leave granted.

The Hon. NICK XENOPHON: The Productivity Commission's final report on Australia's gambling industries in its summary sets out a number of key findings on the issue of the regulation of Australia's gambling industries. The findings include the following:

> The principle rationales regulating the gambling industries any differently than other industries relate to: promoting consumer protection; minimising the potential for criminal and unethical activity; and reducing the risks and costs of problem gambling.

It continues:

> Policy approaches for the gambling industries need to be directed at reducing the cost of problem gambling through harm minimisation and prevention measures, while retaining as much of the benefit to recreational gamblers as possible. The current regulatory environment is deficient. Regulations are complex, fragmented and often inconsistent. This has arisen because of inadequate policy making processes and strong incentives for governments to derive revenue from the gambling industries. Existing arrangements are inadequate to ensure the informed consent of consumers or to ameliorate the risks of problem gambling.
>
> Particular deficiencies relate to: information about the price and nature of gambling products, especially gaming machines; information about the risks of problem gambling; controls on advertising which can be inherently misleading; and availability of ATMs and credit and precommitment options, including self-exclusion arrangements.

The commission also found:

> An ideal regulatory model would separate clearly the policy making, control and enforcement functions. The key regulatory control body in each state or territory should have statutory independence and a central role in providing information and policy advice, as well as in administering gambling legislation. It should cover all gambling forms, and its principal operating criteria should be consumer protection and the public interest.

Given the commission's key findings referred to, my questions to the Treasurer are:

1. What review has the government been undertaking or what review is planned by the government in relation to the findings made by the commission of the current regulatory environment of gambling industries in South Australia?

2. If no such review has been undertaken or planned by the government, will the Treasurer favourably consider undertaking such a review to deal with the concerns set out by the commission?

The Hon. R.I. LUCAS (Treasurer): As I have indicated privately to the Hon. Mr Xenophon, and I think I did say this publicly yesterday afternoon or last evening in the gaming machine debate, the government was considering a number of those issues well prior to the receipt of the Productivity Commission report. From the government's viewpoint we do

not look at the Productivity Commission report as wisdom coming down from on high necessarily. It is important information which, together with a lot of other information that we have, we will consider. So we would not intend to specifically set up a formal review to consider the recommendations of the Productivity Commission.

We are already down the track in terms of considering a number of the issues that the Productivity Commission has now commented on. We will obviously consider its views and give them appropriate weight, but they do not carry any greater weight than many other learned people who are expert in this area. I do not wish to downplay the significance of its work at all, but it comprises a small number of people who have looked at the issue in quite some detail and made some recommendations. There are a good number of other reports that have been produced within Australia and internationally which the government is obviously having a look at as well.

From the government's viewpoint, no, we would not be establishing a review as a result of the Productivity Commission. We were already undertaking our own work prior to the Productivity Commission report, and we will give appropriate consideration to the views that the Productivity Commission expresses, and even some of the views that it expresses that the honourable member has not quoted, which would tend not to support some of the views that the Hon. Mr Xenophon has been putting for the past couple of years on internet gambling, and in a variety of other areas.

The Hon. NICK XENOPHON: As a supplementary question, could the Treasurer disclose the other reports and studies that the government is relying on in terms of its overall review of gambling industry regulation in this state?

The Hon. R.I. LUCAS: No. The government has available to it considerable information from within Australia and internationally, and we will bring down a considered position in due course. It is not normal process for the government to take the Hon. Mr Xenophon and his colleagues into its warm embrace too early in the process in terms of indicating with whom we are consulting, what reports we are reading and from whom we have taken advice before we form a final position.

WOMEN, QUOTAS

The Hon. A.J. REDFORD: I seek leave to make a brief explanation before asking the Minister for the Status of Women a question about quotas for women.

Leave granted.

The Hon. A.J. REDFORD: Yesterday, I also received in my letterbox a document entitled 'Bolkus left women sell out to right.' I understand the Australian Labor Party has a system of quotas in relation to the selection of women candidates for parliament. Indeed, one wonders whether or not that ought to be extended. The article states:

> Carolyn Pickles, Stephanie Key, Gay Thompson, Jenny Rankine and Penny Wong have decided they would rather support Julie Woodman, a right wing, conservative woman candidate for preselection in Makin, and a right wing male conservative in federal Adelaide than support a progressive young energetic woman, Jo Dwyer.

It then goes on about the demand for more candidates and the like, and it talks about support for women. The document continues:

> It's about time members of the Bolkus left acted like a true left rather than a weak appendage of the right. In particular, it's about time Bolkus left women stood up for one of their own.

It then refers to the fact that those women are the subject of male factional bosses. My questions are:

1. Does the minister support quota systems in relation to elected positions for office to ensure that women achieve positions and, in her experience, do they work?

2. Is the fact that some women are suggested to be mere servants of male factional bosses of concern to the minister in her capacity as Minister for the Status of Women and, indeed, their status within the community generally?

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): I have watched—as has every member of parliament—the manoeuvrings of the left and right and the faction numbers and crunching in the Labor Party. I have taken particular interest in the way in which the Labor Party has sought to promote the interests of women. It seems to me that one of the reasons why women are being encouraged to participate further in decision making—

Members interjecting:

The PRESIDENT: Order! The minister has the call.

The Hon. DIANA LAIDLAW: —at all levels of our community and certainly to stand for parliament and be involved in the debate is that we will see a different approach to the conduct of parties and parliament in general. That is why it is particularly interesting to see—

Members interjecting:

The PRESIDENT: Order!

The Hon. DIANA LAIDLAW: —somebody in the Labor Party who is concerned about this issue has released this pamphlet and has highlighted the difficulties that Labor women are having in terms of the rhetoric of wanting more women in parliament while still being prepared to be subservient or tokens to the major factions in particular. I note that all these factions are led by men. As the honourable member said, Carolyn Pickles, Stephanie Key—

Members interjecting:

The Hon. DIANA LAIDLAW: Are there more people to hand out pineapples to? Is that what you are saying?

Members interjecting:

The PRESIDENT: Order!

The Hon. DIANA LAIDLAW: Carolyn Pickles, Stephanie Key, Gay Thompson, Jenny Rankine and Penny Wong—

The PRESIDENT: Order! The time for questions has expired.

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

Second reading.

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): I move:

That this bill be now read a second time.

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

Leave granted.

> This Bill makes two separate amendments to improve the community protection of children.
>
> Firstly, the amendments add pharmacists to the list of persons who are required to notify their suspicions that a child has been or is being abused or neglected.

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

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

Secondly, the Bill implements national agreements for the efficient transfer of child protection orders and proceedings for children who cross borders between the States, the Territories and New Zealand.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

I commend this Bill to honourable members.

Explanation of Clauses

Clause 1: Short title

Clause 2: Commencement

Clauses 1 and 2 are formal.

Clause 3: Amendment of s. 6—Interpretation

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

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

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

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

Clause 5 is a drafting amendment.

Clause 6: Repeal of s. 41

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

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

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

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

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

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

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

Clause 10: Insertion of s. 47A

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

Clause 11: Substitution of Part 8

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

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

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

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

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

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

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

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

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

In determining an application the Court must have regard to—

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

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

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

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

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

The proposed new sections provide that if the Court makes an order transferring a proceeding the Court may also make an interim order making provision for the guardianship, custody or care of the child in such terms as the Court considers to be appropriate and giving responsibility for the supervision of the child to the interstate officer in the participating State or any other person in that State to whom responsibility for the supervision of a child could be given under the child welfare law of that State. Such an order remains in force for not longer than 30 days.

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

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

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

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

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

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

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

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

Clause 12: Amendment of s. 57—Delegation

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

The Hon. CAROLYN PICKLES secured the adjournment of the debate.

CRIMINAL LAW CONSOLIDATION (SEXUAL SERVITUDE) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 4 April. Page 759.)

The Hon. A.J. REDFORD: I will be brief. This bill deals with the concept of sexual servitude and comes out of chapter 9 of Offences Against Humanity from the Model Criminal Code Committee. The chapter deals extensively with the issues of slavery and sexual servitude. The bill, as originally prepared, proposed the repeal of section 63 of the Criminal Law Consolidation Act. Section 63 creates the offence of procuring for prostitution and it provides:

Procuring persons to be prostitutes.

Any person who—

(a) procures any person to become a prostitute;

(b) procures any person, not being a common prostitute, to leave the state or to leave his or her usual place of abode in the state and to become the inmate of a brothel for the purposes of prostitution either within or outside the state,

shall be guilty of an offence and liable to be imprisoned for a term not exceeding seven years.

I have to say that, in my view, section 63 serves a very useful purpose in the fabric of our criminal law. Whatever members might think about how we should deal with the issue of prostitution in this parliament—whether it ought to be regulated or licensed, whether there should be a scheme of negative regulation or, indeed, whether we tighten up the law (and that is a matter for members in another place to consider in the first instance)—I am confident that 98 per cent of all members of parliament would agree that prostitution is not something that is desirable nor is it something that should be encouraged.

It exists and, in my view, this parliament has a duty and a responsibility to ensure that those who are engaged in the conduct can do so without being exploited and, indeed, with some degree of dignity. Section 63 is really designed to provide an impediment to those people who might be engaged in the business of prostitution from encouraging others to engage in that business. Generally speaking, those who would endeavour to procure persons to be prostitutes would be doing so for a commercial interest only.

Those who become involved in the business of prostitution fall into two categories. First, there are the women who provide the service. Whilst I might be accused of being anecdotal in making this comment, it is my experience that women who become involved in prostitution do so not because they see it as a desirable career path or occupation but out of necessity. It might be out of necessity because of unemployment, but in my experience it is more common that women become involved in the business of prostitution because of addiction to drugs. Whilst we have a regime of discouraging drugs, I think we ought to continue to follow the policy that is encapsulated in section 63.

The second group of people who get involved in prostitution are those who do so mainly or solely for financial gain—not out of necessity but to improve their position. I suggest that the old-fashioned term of 'pimp' and those who own brothels or escort agencies would fall within that category. It seems that section 63 of the Criminal Law Consolidation Act is aimed directly at those people and is an attempt to hinder their activities of procuring people to become prostitutes. That would involve procurement either by offering substantial financial incentives or alternatively encouraging people to become more involved in the world of drugs.

In that sense, albeit in a very brief way, I have endeavoured to explain why section 63 is in the legislation. I understand that the initial position of the Attorney was that section 63 could be repealed on the basis that the offences created by clauses 66 and 67 of the bill would cover the kinds of criminal behaviour covered by section 63 which, as I said earlier, is proposed to be repealed.

With the greatest of respect, I think that is not correct. Clause 66 of the bill talks about a person who compels another to provide commercial sexual services or uses undue influence. It is certainly a much higher test than the question of procurement. Clause 67 refers to deceptive recruiting for commercial sexual services, but I suggest that without section 63 it leaves a gap because, where you have someone who is addicted to drugs and who has a great need for substantial sums of money to maintain that habit, in my view, people in that position are vulnerable to some of the means of persuasion that might be used to encourage them to enter into an unsavoury, unhealthy and, in general moral terms, unacceptable occupation.

In that respect, it is my view that the bill, as currently cast without the proposed amendment (to which I will refer in a moment), substantially weakens the Criminal Law Consolidation Act. I have had considerable discussion with the Attorney on this and put my view forcefully, as happens within political parties. The Attorney responded by indicating that he would be prepared to move an amendment not to the Criminal Law Consolidation Act but to the Summary Offences Act by creating an offence entitled 'procurement for prostitution'. The Attorney's proposed amendment is to insert in the Summary Offences Act section 25A as follows:

(1) A person must not engage in procurement for prostitution.
Maximum penalty:
For first offence—$1 250 or imprisonment for three months.
For a subsequent offence—$2 500 or imprisonment for six months.
(2) A person engages in procurement for prostitution if the person—
(a) procures another to become a prostitute; or
(b) publishes an advertisement to the effect that the person (or some other person) is willing to employ or engage a prostitute; or
(c) approaches another person with a view to persuading the other person to accept employment or an engagement as a prostitute.
(3) In this section—
'advertisement' includes a notice exhibited in, or so that it is visible from, a public place.

I take no great issue with replacing section 63 of the Criminal Law Consolidation Act with clause 25A of the Summary Offences Act and, in particular, the use of the words. From a practical point of view, in terms of application, there is no significant difference between the existing section 63 of the Criminal Law Consolidation Act and proposed section 25A of the Summary Offences Act. There is, however, one significant difference, and that is the question of penalty.

Under the existing law, the maximum penalty is seven years imprisonment. Under the proposed law, the maximum penalty is three months imprisonment for a first offence and six months imprisonment for a subsequent offence. The message the parliament will be sending is that it is downgrading the offence of encouraging or procuring people to become prostitutes. With the greatest respect to the drafter of that clause, I think there is a serious issue to be determined by this parliament.

I draw the attention of members to what His Honour Judge Bright said in sentencing Sylvia Chandra for an offence of procuring someone to become a prostitute. In that case, Miss Chandra inserted an advertisement in a newspaper. There was some argument about whether that was an attempt to procure a prostitute. The advertisement was answered by an undercover police officer who attended at Miss Chandra's premises. A process of discussion took place, during which a number of things occurred, including the disclosure by the undercover police officer that she was not engaging and had not engaged in prostitution at an earlier stage.

Secondly, there was a lengthy discussion with Miss Chandra pointing out the quite extensive and substantial income that she could expect to earn if she engaged in prostitution. I am not sure whether some of the comments in other publications about the amount of money that prostitutes earn are not highly exaggerated. The case went before a jury. The jury decided based on those facts that Miss Chandra was guilty. In his sentencing remarks, His Honour Judge Bright said:

It is clear that by its verdict the jury did find that there was some degree of persuasion exercised by you in that conversation with Miss Olds. It is impossible to know how much persuasion they felt was involved. It seems to me that, consistent with what I heard of the

conversation and consistent with trying to be fair to you, I should assume no more than a fairly minor degree of persuasion.

I emphasise that Judge Bright found that there was a 'fairly minor degree of persuasion'. He then said:

From what Mr Bailey has told me, you are well aware of the fact that to procure a person to become a prostitute is quite a serious offence; it carries a maximum penalty of seven years imprisonment. From your record and from what I would infer from what I have heard, you knew that. You knew generally the conditions in which brothels and prostitutes work and operate in South Australia. You knew the risks that you were running.

The inference I draw from that—and His Honour did not actually say so in so many words—is that the conditions under which prostitutes work in brothels in South Australia are not good. In fact, I would understand that the conditions within which they work are very poor. Certainly, it would be interesting to know, if we did develop occupational health and safety regulations in relation to brothels, whether or not any of the brothels that currently exist in South Australia would meet that standard.

His Honour went on and ordered a sentence of imprisonment, albeit suspended, for a period of six months. Under this proposed amendment, that sentence could not possibly have been six months. It would be highly unlikely that there would have been a period of imprisonment at all.

I know Miss Chandra and I have some sympathy for her position. However, what she did was not for any other purpose—if one accepts the jury's decision—than commercial gain for her own benefit in what I would describe as an exploitative industry. She was sentenced to a period of six months. If we pass this amendment as it is with the existing penalties, with the greatest of respect to the Attorney, I think we are sending a very poor message about our general view of prostitution. It is one—

The Hon. Sandra Kanck: No-one was hurt in that instance. Who was hurt?

The Hon. A.J. REDFORD: That is a very fair question. In that instance, where you have undercover police officers, it is no more than you would get where an undercover police officer was involved in a serious drug transaction. In the practical sense, no-one got hurt. But perhaps if you had taken the same circumstances with a desperate woman who was either addicted to drugs or had serious financial problems, the degree of persuasion to someone who is not under those influences and under those pressures is, with the greatest of respect, significantly less.

The Hon. Sandra Kanck: It might be better than robbing a deli.

The Hon. A.J. REDFORD: With the greatest of respect, I am not sure that that is true. I am not sure that being a prostitute—and, in terms of my practise as a lawyer, I have certainly never met any women who actually wanted to be a prostitute or genuinely said they enjoyed the process of being a prostitute—

The Hon. T.G. Cameron: You've led a sheltered life.

The Hon. A.J. REDFORD: The Hon. Terry Cameron says I have led a sheltered life. In that respect, if he knows women who like to be prostitutes and are so as a career option and a free choice, I would invite him to bring to this parliament evidence that that is the case. Certainly, it has not been my personal experience, particularly when one takes instructions from these women prior to appearing in court on their behalf on prostitution matters.

An honourable member interjecting:

The Hon. A.J. REDFORD: At the end of the day, that is the case. You might know one or two women who think this is a wonderful occupation and it is a career choice, but you do not exactly hear women saying, 'I think that the career options in relation to my 19 year old daughter boil down to whether or not she will become a hairdresser, a schoolteacher or a prostitute.'

It is not exactly brought up at the dinner table when parents are discussing the future of their daughters and, in terms of male prostitution, the future of their sons. That is the reality. If you can produce evidence that women who go into prostitution do so willingly—that they do not have financial difficulties, that they are not addicted to any form of drugs—and that they make this decision in the same way they decide to become schoolteachers, lawyers, doctors, nurses or hairdressers, I will invite the honourable member to bring that information to this debate because it certainly has not been my experience.

Whilst I might have a libertarian attitude to this whole prostitution issue, as I said at the beginning of my speech, it is not a savoury industry, it is not an industry that ought to be encouraged by any means and it is certainly not an industry that could put its hands in the air and say, 'We have a perfect record in terms of occupational health and safety and the wellbeing of those who participate in the industry.'

It is for these reasons that I raise the issue of penalties. It seems to me that if we follow this amendment we send a message to the community that if you procure someone as a prostitute after this legislation is passed—in the past it was a very serious offence—it is no longer a serious offence. It will become a summary offence with a penalty reduced by more than tenfold.

I invite all honourable members to consider whether or not it is appropriate for this parliament to send out that policy message. I know there will be some who will disagree with me and I look forward to hearing their contribution at a later stage. I have to say that I am concerned about that. I will be interested to hear other honourable members' contribution as to why the offence of procuring someone as a prostitute in terms of commercial benefit, exploitative of that person, ought to attract a reduced penalty.

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

OFFSHORE MINERALS BILL

In committee.

Clause 1.

The Hon. K.T. GRIFFIN: This week I placed on the record answers to questions raised by the Hon. Sandra Kanck. Subsequently, she faxed my office with a further question and I want to now address that issue, with a view to subsequently reporting progress and dealing with the committee consideration of this bill next week.

The Hon. Sandra Kanck asked why the government would suspend rather than cancel a licence if a company is creating enormous environmental damage. I refer to my answer already given to the question raised by the Hon. Sandra Kanck with respect to clause 48 in relation to licence suspension. One or more rights in the licence may be frozen by the minister for a period of time in order to determine, for example, whether exploration is having an adverse effect on a newly discovered ecology. This form of licence management enables research in respect of the alleged event to take

place and permits the minister to make a decision at the conclusion of the study as to whether or not the activities under the licence had, indeed, an adverse effect. In the event that the exploration activities have had no impact, the suspension may be lifted by the minister and the licence restored. The minister may cancel a licence if the holder is not performing according to conditions set by the minister.

I wish to address a couple of other remarks on the issue of environmental protection—and I note that there are some amendments on file relating to later clauses. My advice is that the intention is that the environment protection provisions of the offshore minerals legislation will be detailed in the regulations, which are yet to be drafted. It is proposed that the regulations will include provisions that would draw on the experience of protecting and monitoring the environment under existing mining legislation. Under clause 118, the minister grants or renews a licence subject to whatever conditions the minister thinks appropriate. These conditions would be in the regulations, hence regulated extraction/mining activities could not take place without the approval of the minister. An environmental impact assessment process as specified in clause 118(g) and (h) would be detailed in the regulations and, hence, be transparent. Elsewhere in the bill there are ample provisions for ministerial direction with regard to environment protection.

In chapter 4, Administration of the Offshore Minerals Bill 1997, part 4.2 Monitoring and Enforcement addresses inspections, directions, securities, restoration of environment and safety zones. Clause 386 provides that the minister inter alia may give direction in relation to the control of offshore exploration or mining activities, conservation or protection of mineral resources in coastal waters, the remedying of damage caused to the seabed or subsoil in coastal waters by offshore exploration or mining activities or damage caused by the escape of substances as a result of offshore exploration or mining activities and the protection of the environment. Under clause 387, the minister may direct a licence holder to do, or not to do, the thing specified in the direction. Under clause 95, the minister may take action if the holder fails to comply with the direction and, under clause 96, costs and expenses incurred by the minister in taking that action are a debt due to the state by the holder.

Mining operations in the coastal zone are subject to the provisions of the Development Act 1993, which requires that applications for mining production tenements be referred, in certain cases, to the minister of the Crown responsible for the Development Act. Under section 84 of the Development Act 1993, the minister administering the Mining Act must refer an application for a mining tenement to the minister administering the Development Act for advice where the land to be comprised in a tenement is situated in the coast as defined in the Coast Protection Act 1972. The Coast Protection Act 1972 defines 'coast' as 'below and within three nautical miles of the mean low water mark'.

The other point that I would make—and I will deal with it more specifically when we reach the Hon. Sandra Kanck's amendment—is that, if her amendments are successful (and the government will not be supporting them), it will mean that there is one regime for coastal waters and there is another regime for that area of the sea beyond the three mile limit. In the view of the government, it is undesirable to have side by side two different regimes separated by a line at sea.

It is interesting to note that the Queensland Offshore Minerals Bill 1998 has been checked, and the advice I have is that it is identical with the bill before us virtually word for word, and even according to clause numeration. The only difference that could be found was that, in the Queensland legislation, the exploration tenement is called a permit and in the South Australian bill it is called a licence. Any amendments beyond this level would compromise the Offshore Constitutional Settlement 1979, which requires that all legislation be identical as closely as that is practicable to achieve.

I thought that I would place those matters on the record now to give honourable members an opportunity to consider the response that I will be making when we consider the clauses in more detail.

Clause passed.

Clause 2 passed.

Progress reported; committee to sit again.

DIRECTOR OF PUBLIC PROSECUTIONS

The Hon. K.T. GRIFFIN (Attorney-General): I seek leave to make a brief ministerial statement on the subject of the Director of Public Prosecutions.

Leave granted.

The Hon. K.T. GRIFFIN: I have today been informed by the Director of Public Prosecutions that he has this afternoon filed an application for leave to appeal against the sentence imposed on Sabrina Agius. He has indicated that it is not known when the application will be heard by the Court of Criminal Appeal.

I want to reiterate what I have said previously about this and other cases that might be currently before the courts: it is inappropriate to engage in public debate on the outcomes of these cases until we are satisfied that all the appeal rights have been properly exhausted. Certainly, it is inappropriate to debate publicly the issue of the penalty and, now that the Director of Public Prosecutions has made the decision to seek leave to appeal, it is even more important that this issue, which has engendered some comment publicly, not be the subject of further public comment.

There is a very good reason for that, and that is that we believe that an accused person has the right to a fair trial and to be dealt with fairly through the criminal justice system. If we move to comment on the merits of particular decisions before all the processes have been exhausted, it would be my very strong contention that we stand liable to compromise the proper administration of justice.

The Hon. Ian Gilfillan: Does that apply to the media, too?

The Hon. K.T. GRIFFIN: The comment applies to everybody.

The Hon. Ian Gilfillan: It applies to the media?

The Hon. K.T. GRIFFIN: It applies to everybody. Whether it has been provoked, volunteered or initiated, the same rules apply to everybody. I am not trying to gag anybody. I think that sometimes people need to be reminded of the reasons why we seek to ensure that public comment about the merits of a case before all the legal processes have been concluded is likely to compromise the proper administration of justice and the rights which, for such a long time—and quite properly so—we have provided to accused persons.

I also make the point that, whilst people might call for me to intervene and intercede with the Director of Public Prosecutions, I have been particularly conscious of the need, in all these sorts of cases, to ensure that the DPP makes his decision independently of any influence from me as Attorney-General. I am sure members will recognise that the

DPP, in each of his recent annual reports, has indicated quite clearly that no influence has been brought to bear upon those statutory discretions which he, by statute, is required to exercise without that influence.

This case is no different from all those other cases where the DPP considers issues of penalty and makes a decision, based on objective standards, whether or not an appeal should be made. Now we wait to see the outcome of that appeal, according to all the proper and normal processes of the justice system.

STATUTES REPEAL (MINISTER FOR PRIMARY INDUSTRIES AND RESOURCES PORTFOLIO) BILL

Adjourned debate on second reading.

(Continued from 5 April. Page 824.)

The Hon. P. HOLLOWAY: The opposition does not oppose the bill which simply repeals nine acts of this parliament: the Agricultural Holding Act 1981, the Dairy Industry Assistance (Special Provisions) Act 1978, the Fruit and Vegetables (Grading) Act 1934, the Garden Produce (Regulation of Delivery) Act 1967, the Margarine Act 1939, the Marginal Dairy Farms (Agreement) Act 1971, the Rural Industry Adjustment (Ratification of Agreement) Act 1990, the Rural Industry Assistance Act 1985, and the Rural Industry Assistance (Ratification of Agreement) Act 1985. Those nine acts will be repealed if the bill passes.

The reason why the government wishes to repeal these nine acts is fairly obvious: they were not proclaimed, they have been superseded by other legislation or they no longer have effect, and in a lot of cases that would be because the regulations in those acts have expired due to sunset provisions or have just simply been withdrawn. In other words, none of the nine acts has any effect at the moment.

Under the federal government's National Competition Policy, which has been agreed to by all the states and the commonwealth, all legislation in state parliaments, both acts and regulations, must be reviewed by 2001, I think. The objectives of the National Competition Policy are to ensure that legislation complies with competition principles.

Obviously the national competition reviews can be a fairly time consuming process, and I guess that is the reason why this state, and I presume most other states, are well behind in their schedule of reviewing acts of parliament. Clearly, there will be a number of the bigger acts of all Australian parliaments that will come up for review within a fairly short period of time. We have already seen a significant amount of legislation that has come through this parliament in the past year or so which has been the result of that National Competition Policy review. Why do I mention that review process? Obviously repealing an act that is no longer in effect is a much cheaper option for the government than reviewing an act that is obsolete. For this reason we will not oppose the passage of this bill.

Notwithstanding those remarks that I have made, I think I should make some comments about the underlying philosophy behind this act. This is just another example where the Olsen government is deregulating the rural sector. While the reasons underlying that might be sensible enough in terms of the national competition review, I think I should use this opportunity to make a few remarks about this trend towards deregulation within the rural sector. We have, of course, seen deregulation in a number of industries recently. The dairy industry is a case in point. Also we have seen changes to the phase-out of the single desk for barley marketing, and in a number of other areas we have seen this trend towards deregulation, or just the withdrawal of government involvement within the rural sector.

I think the current philosophy that is underlying this government and its federal counterpart is something that needs comment. There is no doubt that the current underlying philosophy of this government and the federal government is laissez-faire, and Minister Kerin, who is administering that policy, is a small 'l' liberal on these matters, which I think is a quite different view than the views traditionally held by the ministers for agriculture within this state where it was always accepted that governments should be involved in primary industry activities. It is a belief in the prevailing philosophy at the moment that it is markets forces and not government intervention which should determine outcomes in the rural sector under this government.

That is a fairly fundamental philosophical difference between the government, and certainly the Labor Party. The ALP does not believe, although some individuals in our party may hold the view, that the market will always deliver better outcomes. While much of Australian industry may have become over-regulated, and this applies to rural industry as much as anything else, and over the 50s, 60s, 70s and 80s the regulation of industries might have reached the point of over-regulation, that is, to the point where the cost of intervention exceeds the benefits of that intervention, the opposition does not believe that the cure is to throw out the baby with the bathwater and necessarily remove all market intervention. There is no doubt that market failure, as it used to be called in the economics of 10 or 20 years ago, still exists in the rural sector, it is still relevant and there is still a role for government to play in relation to regulation.

To refer specifically to the bill, I note that there was some concern in relation to one of those nine acts to be repealed, namely, the Fruit and Vegetables (Grading) Act, and apparently some submissions were made to a discussion paper by a couple of grower based people who were concerned about this act being withdrawn, that even though it had no effect just the fact of its very existence gave some protection, because it could always be invoked if necessary. There was some concern that the withdrawal of that act might leave that industry vulnerable.

The opposition has consulted with the South Australian Farmers Federation and the relevant industry bodies that are affiliated to that organisation, and there is no doubt there is overwhelming support for the repeal of these acts. While there may have been some concern in relation to that one particular act, I think it was considered that they were relatively minor concerns. But it is interesting to consider the view put in debate in the House of Assembly by the member for Schubert. Perhaps he is one of those who represents that old-fashioned philosophy in the Liberal Party I was referring to earlier, of 20 or 30 years ago, when there was an acceptance that governments did have a role to play within primary industries. The member for Schubert expressed the view:

> While I support the bill in principle, why is it necessary to repeal four of these old acts? They could be reactivated in future, particularly when we are experiencing pretty difficult times. The minister knows as much as anyone in this place how difficult it is out there right now. There is a lot of pessimism on the land right now. . . Many of these acts have served us well, and I wonder why they are to be removed from the statutes at this time.

I guess the point that is being expressed there is that, when you have some of these old pieces of legislation still on the statute books, while they may not be in use at a particular time they potentially provide some protection for particular industries should conditions rapidly change. It is obviously a lot more difficult to introduce a new bill to overcome a problem than it is simply to introduce regulations under an existing act. However, given that the major industries that are affected by this legislation support the passage of the bill, the opposition believes that it would be churlish to oppose this matter and, in particular, we do accept that, in terms of the National Competition Policy to which all states are in agreement, I guess it does make sense to try to wind up outdated legislation rather than have to conduct these time consuming and expensive reviews. With those comments, we will support the second reading of this bill.

The Hon. CAROLINE SCHAEFER secured the adjournment of the debate.

PETROLEUM BILL

Adjourned debate on second reading.

(Continued from 4 April. Page 770.)

The Hon. P. HOLLOWAY: I indicate that the opposition will support this bill. This bill was dealt with quite comprehensively in the House of Assembly, where the shadow Minister for Mines and Energy, Annette Hurley, and the minister, Mr Matthew, reside. There was a quite lengthy debate during the committee stage where the opposition asked many questions which were answered in that house. It is therefore unnecessary that we should go through this bill in exhaustive detail here. So I will fairly briefly sum up the opposition's position on the bill.

This bill seeks to replace the Petroleum Act 1940, and it deals with onshore petroleum exploration and development in this state. The Petroleum Act was reviewed as part of the competition policy reform, which I have just referred to in relation to the previous bill we were debating, as well as a recognition of advances in technology and community expectation. Submissions were received from both industry and non-industry stakeholders, and I understand that the consultation was quite extensive.

Of course, the history of the petroleum industry in this state has been to a large extent the history of Santos. For some 41 or 42 years, since the 1950s up until February last year, Santos had under its indentures exclusive right of petroleum activities within the large areas of the Cooper Basin in the north-east of this state. I think they were called Petroleum Exploration Licences 4 and 5.

So, for those 40 years Santos had pretty much a monopoly on activities in that area. With the exception of a little other petroleum exploration activity—for example, some important discoveries that were made in the Katnook fields in the South-East and the isolated case of the offshore drilling at Wild Cat Wells—really the history of petroleum in this state has been about Santos and the Cooper Basin. Of course, as Santos's right to those petroleum exploration licences expired last year, that area was opened up to other explorers. So it is quite a different environment for the petroleum industry in this state. The Cooper Basin is Australia's most important onshore oil and gas field, and it is important that we have modern streamlined legislation that reflects that new situation.

It is stated that the aim of this bill is to minimise the possibility of environmental damage through key sections of the bill which deal with the environmental impact of exploration. Again, one would obviously require that in a modern drafting of the bill. We all know that, when Santos was first exploring in the Cooper Basin many years ago, it used fairly primitive methods, particularly those used in cutting seismic lines. Nowadays technology has improved dramatically, and exploration and even development activities can now have much less impact on the environment than they had 30 or 40 years ago when the first commercial wells were being developed in the Cooper Basin. So, we would expect the legislation to reflect that fact. Further, this bill sets up a consultative process involving people affected by the provisions, especially in the area of environmental impact.

I want to deal more specifically with a number of other features of the bill. The opposition is pleased that geothermal energy rights are now legislated for. This is an environmentally friendly form of energy and it is an important step forward. The licensing process has been updated to allow for more flexibility, and some licences have been created to deal with specific kinds of activities; for example, the preliminary survey licence which has been introduced here allows a licensee to carry out a survey, environmental evaluation or assessment of the land to be explored. The speculative survey licence allows for speculative surveys to be carried out in order to obtain information which may be sold to other parties. Again, these new developments really reflect the changing situation we have in the Cooper Basin, where we are encouraging some of the smaller players to be involved.

The bill also deals with environmental and safety outcomes. It sets out the requirement for a statement of environmental objective to be prepared for the minister for approval. Once approved, this will be a public document. This statement will include the environmental objectives that must be achieved by the regulated activities and the criteria to be used to measure the achievement of those objectives. The minister is then given the power to determine the level of environmental significance of a particular activity, and there are three types of activity that the minister can determine. The first is a low impact activity, where broader stakeholder consultation will not be required. This is because the activities to be carried out will occur in areas where the environmental consequences are understood. A medium impact activity allows for a public consultation process, where there will be a 30 business day public review and submission period, which is similar to a public environment report (PER) under the Development Act.

Finally, an activity deemed to be of high impact will be referred to the Department of Transport and Urban Planning for an EIS assessment under the Development Act. So, in other words there are these different levels of environmental significance that can more readily and more effectively reflect particular activities being undertaken and, in principle, we would support that change.

The change process of dealing with these types of activities was raised as an issue during committee in the House of Assembly. There was some amendment to the preparation of the statement of environmental objectives, and the issue of referring only a high impact activity to the Department of Transport and Urban Planning was raised. However, this new process was ultimately supported by the opposition. Finally, regarding the issues that my colleague the

shadow minister raised in another place, the minister gave an undertaking that he would introduce an amendment in this place. We will deal with that matter in committee. In principle, I indicate that the opposition supports this Petroleum Bill as a worthy and necessary update of our legislation governing an industry that is most important for South Australia.

The Hon. J.S.L. DAWKINS secured the adjournment of the debate.

ADJOURNMENT

At 4.22 p.m. the Council adjourned until Tuesday 11 April at 2.15 p.m.