LEGISLATIVE COUNCIL

Thursday 26 October 2000

The PRESIDENT (Hon. J.C. Irwin) took the chair at 11 a.m. and read prayers.

STANDING ORDERS SUSPENSION

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

That standing orders be so far suspended as to enable petitions, the tabling of papers and question time to be taken into consideration at 2.15 p.m.

Motion carried.

PROSTITUTION (REGULATION) BILL

Adjourned debate on second reading.
(Continued from 25 October. Page 235.)

The Hon. J.F. STEFANI: I will make a very brief contribution to this debate, and I must say that it is a very difficult conscience issue to deal with legislation that has been before this Council on a number of occasions and in this session. I think the issue has been made even more difficult because we have had a number of proposals that are somewhat confusing in addressing the issues that I believe ought to be addressed in the long run. It is very much a conscience issue and we have all had literally hundreds of letters sent to us, and I have certainly received my share of letters, both through email and also in written form.

I would suggest that over the years there has been a difficult problem in that women generally have been abused in a system, in an industry, if you like, if it is called an industry, whereby they have been taken advantage of, over many years, and they have been the victims, I guess, in what may be termed an engagement of a process, and they have been the victims because they are the only ones who have been fined. Over a number of years the police have suggested some change to the law; however, we as a parliament have not been able to come to terms with what should be the best process to address this issue.

As I said, the legislation before parliament does confuse the issue considerably. I am a firm believer that there should be some way of addressing the problem. I find it difficult in the circumstances to really see how we can advance a system that protects women particularly, and perhaps also young people who, by their own circumstances, may be led into an engagement of an industry that may not be particularly conducive to their long-term life as citizens and as people within our society. I have to say that, having given consideration to the matter as I have, I am not supporting the second reading. I feel that I am compelled to do this because we as a parliament have not come up with a proposal that would address the issue more precisely and in a better manner.

The Hon. Diana Laidlaw interjecting:

The Hon. J.F. STEFANI: The minister has interjected and said that I would not give it a chance. I think this is a conscience issue, and I do consider that I am speaking very much from a particular point of view of my own conscience. I have come to terms with the issue by grappling with the problem and I feel sufficiently strong to say that I could not support the second reading. I have great sympathy for the women, particularly women because they are the predominant victims in this industry, and they are being abused and are being used in a very indiscriminate manner. However, I feel that I cannot support the second reading, and it is with some strong feelings that I say that of conscience, but at the same time I want to restate that I have great sympathy for a process that would perhaps redress the injustices. Parliament has a responsibility in the end, if we are going to do something about this issue, to come up with a system or a law that will give better results and better protection. With those few words I indicate that I will not support the second reading. I will follow the debate with interest and certainly take into consideration the other points of view of my colleagues and we will see what the result will be.

The Hon. T.G. ROBERTS: I indicate that I will be supporting the second reading, and I will also be supporting the progress of the bill and some of the amendments. I indicate that I certainly will not take any high moral ground in relation to taking that position, as others have done in defending theirs. I think that people on both sides of the debate have got, I would think, good reasons for defending their position, but unfortunately it has turned into a them and us discussion and debate. The real issue of whether we accept what is happening now without any legislative protection for those who work in the industry and for the protection of the community and allow what is happening out there now to operate unregulated and without any planning at all is, I think, the debate.

The debate is whether we accept the conditions in which brothels and bawdy houses operate now by closing our eyes and saying that they do not really exist, and this relates to the problems that are created in relation to procurement, in relation to drug inducements for young women to enter the industry, in relation to potential health problems that exist through not having regulations within the industry, in relation to problems associated with child abuse, particularly young girls and young women being introduced into prostitution via their home environment, or lack of a home environment, and in relation to whether we intervene within the degradation trail that leads people into the industry, as opposed to those who go into it of their own free will, in which case we would be negating our responsibilities as legislators if we did not differentiate between the two.

I think there are certain circumstances that lead people into a life of crime and prostitution that they would certainly like to avoid: poverty is one, and another is the impact and effects of child abuse within the family home. I believe a lot of faith is placed in the family home as a form of protection against young people entering the trail that, in a lot of cases, starts with drug and alcohol abuse or personal abuse within the home. A number of people do end up in circumstances where they do not place any value on their life; they see themselves as chattels to be used in an industry that does nothing to lift their self image.

If we admit that there is nothing we can do and leave the industry unregulated, what will become of the people who would like to have a choice as to whether or not they enter the industry? I think that is where legislators need to intervene to allow people to have a choice. As I said, I am not being moralistic and saying that, in many cases, people make a choice to go into the industry and do it of their own free will. However, we need to ensure that we can intervene to stream away from the industry those people—particularly the young—who find themselves in circumstances where they have to prostitute themselves to exist.

There are children—young women—as young as 12 or 14 years who find themselves in homeless circumstances. They are forced out of their homes through circumstances beyond their control and, in many cases, because of physical abuse find themselves on the streets and, in order to live, they begin a downward spiral that, in many cases, ends up in them prostituting themselves in order to exist. To at least intervene, to prevent that trail leading into the industry, governments need to have reliable figures in relation to the social events that lead to entry into prostitution.

As I have said, many people make a conscience decision, as an adult or a mature young person, to enter the industry, and they do it as free thinking adults. I will not be moralistic and make decisions in relation to any proposed legislation which impacts on them. However, we should at least allow for choices to be made. I believe it is paramount that we have legislation to intervene at an early stage to recognise the signs that lead people down that path. I do not understand people who do not want legislation to protect young people in particular who find their way into the industry.

Many people in society do not see the seamier side of life; they go through life in a protective cocoon and do not understand the lack of social skills of many young people who are abandoned to fight for survival within a set of circumstances, where the people who are put in a position to protect them from exposure to entry into such a life are the people who actually drive them into it.

I believe a lot of work has to be done to arrest those circumstances, and that means intervening in the abusive families of young people to try to find the source and the core for the alienation and abuse. That requires the use of more reliable information than we have now. A lot of work has been done in a number of other countries in identifying why and how young people find themselves in those circumstances. As I have said, drug and alcohol abuse is only one reason; family abuse is another. Canada and other countries have had debate and discussion and have legislated to be as interventionist as possible without becoming Big Brother or Big Sister in relation to directing people's lives in the whole of this process.

In Third World countries, young women particularly are prostituted at a very early age and, in many cases, sold into prostitution by family members who one would expect are there to protect them from those sorts of dangers. However, in a lot of cases, they do not have a lot of alternatives in relation to their own existence so there is a temptation to sell young daughters and young sons into the industry. Fortunately, in Australia we do not have those sort of circumstances to contend with but we do have an immigration strategy that has been set up by unscrupulous brothel owners, particularly in the eastern states, who target young migrant women from countries. They are introduced to prostitution at a very early age and are then brought to Australia via the normal immigration processes—in some cases, on temporary visas—and used and abused in brothels within this country.

I am not sure whether Adelaide falls into that category, but I am sure that there are some. South Australia cannot escape the national statistics. If there are some people being brought into Australia via visas, temporary immigration permits, or even via permanent immigration programs, we would have perhaps 7 per cent or 8 per cent of those in this state.

Regarding illegal immigrants or immigrants who have been guided into the industry via those processes, if we police the industry and provide a better network of information via the legislative process we can try to stop the worst aspects of those programs which are currently being run and which allow this exploitation and slavery to occur. We can close our eyes to it and say that it does not happen, or we can open the newspapers and read about it and view it as a statistic, but, in terms of human suffering, I think we have an obligation to intervene to make sure that those sorts of things do not occur.

There may be ways under the current system that would allow us to do that. There may be ways through using the immigration processes at the commonwealth level, as they stand, without further legislation. There may be ways, through the policing of brothels, bawdy houses and the prostitution industry, that those sorts of immigration rorts can be policed. But it has not stopped. In fact, without having any figures to use to measure the problem—and that is one of the difficulties—I would say that the problem is increasing. I say that because of some of the publicity that has been given to some young women's circumstances that have been brought to light, more so by journalists than police reports. I am referring to young women in particularly the eastern states (between Cairns and Sydney), and I suspect that Melbourne would also have a fairly large percentage.

The broad parameters that I am advocating for regulation and legislation within the industry involve our having an interventionary policy which identifies the social problems of recruitment. On the statute book we already have fines for procurement but, as this is a conscience issue, I think the area that needs regulation and intervention is the trail that leads young people into the industry when they do not have the maturity to make consenting decisions based on a mature, adult understanding of what a life actually means.

I hope that does not insult those people in the industry who are happy and well-adjusted and have a balanced view of their own life. I am certainly not moralising on their behalf, but as legislators it is up to us to protect. In cases of child sexual abuse, the child's rights are paramount. All legislators take the view that, where a child is in danger, all other rights are waived and we should legislate to protect the interests of these young people.

Yet, in the case of prostitution, we try to believe that it is not happening. Again, only through investigative, journalistic incursions into homeless squats and centres do we hear the stories of young people (male and female) prostituting themselves at a very early age to try to survive on the streets without making contact with either their parents, the police or social security, because they know that, as soon as they get caught up in that web, they will go back to their abusive homes and the cycle will continue.

There are other reasons why I support the regulation of the industry. A lot of comments have been made in the Council about this matter. There must be some regulation of the siting of brothels. I am not convinced by the arguments put forward by some members who have contributed to this debate that, if we do not regulate or bring in legislation, by non-recognition we give it a de facto thumbs up. I suspect that, if we do regulate, we will not change the status of prostitution, but we will say that it does exist, that there are problems within the industry and always will be, but that, without regulation, the industry will take a form and structure that impacts adversely on those people whom we have an obligation to protect.

The changing nature of prostitution in this country also needs to be considered. I understand that the police have a lot of trouble policing the industry at the top end of town—the escort agencies. The police have trouble getting evidence to convict those who operate as individual escorts either through escort agencies, advertising or by word of mouth. Rarely do

individual escorts at the top end of town end up being harassed by police or in the courts being charged, but in many cases they end up in hospital as victims of aggressive clients, because they do not have the ability to screen their clients.

I am told that, now, rather than individual escorts setting the rules and the pricing mechanisms for transactions, brothel owners or those who control prostitutes actually lease rooms to them and, therefore, ownership and control by these individuals is left out of the web. This is a classic economic rationalist view of contracting out and being able to be at arm's length from the transaction and therefore at arm's length from any fear of prosecution.

However, those who work in brothels where there is constant harassment from the police for the purpose of upholding the law or obtaining information—this occurs a lot in the industry where detectives, in particular, harass brothels and brothel owners to get information about clients (basically, it is blackmail)—are constantly under pressure and being threatened or taken to court about the arrangements that they have. So, there is not an even playing field in relation to how the industry is policed; there is not a level playing field in relation to the prosecution process; and there are certainly a lot of people in the industry who are connected to crime, and particularly the movement of drugs within our community.

I think South Australia escapes a lot of the worst aspects of the criteria I have just outlined. I think Sydney, Melbourne and Brisbane certainly fit into that category. They have brought in legislation in an attempt to bring about change within the industry. I am told that there are varying results in relation to the regulations and, as one set of regulations appears, prostitution takes another form to get around the regulations, to get around the policing to avoid the impact of the regulations and the legislation.

That is probably so for a percentage of operators within the industry—it always has been and probably always will be—who will operate under, and within, any laws that are set up; and there will always be people who work outside the laws. If you look at how the taxation laws work, you will see that people in the self-employed industry work the same way: many of them work within the law, pay their taxes regularly, and are subject to all the regulations that governments have in relation to how their industry is regulated; but there are others who will work for black cash and avoid their responsibilities. The prostitution and sex industry is no different: there will always be a renegade or rogue section which, in an organised way, will avoid its responsibilities to the workers—

The Hon. R.K. Sneath interjecting:

The Hon. T.G. ROBERTS: It was promised that the GST would get them, but I would say that there will be a lot working black who will not have a number—

The Hon. Diana Laidlaw interjecting:

The Hon. T.G. ROBERTS: That is right—the taxi industry almost came to a halt. I think many will avoid their responsibilities, but the point I am making is that the industry itself, regardless of what regulations or legislation exist, will continue in a form that allows it to survive. As I said, the worst aspects of its survival are in relation to procurement and the entry of, in particular, young people into the industry. I think that, regardless of how the industry finally organises itself, we have to make sure that young people are protected from early entry into the industry at the behest of other people, where they are held in virtual slavery, captivity and in circumstances of continual degradation of their own moral standards.

The industry, as I said, will survive. It will, if we bring in regulation, conform and it will have a respectable front. However, that is not to say that through legislation we will give legitimacy to entry into the industry. We are not encouraging any change in community moral standards by bringing regulations in. We are not making it compulsory. I would certainly hope that, by bringing in regulations, or legislation, we are able to monitor and assess exactly what is going on in the industry and that that will bring about some change that, hopefully through intervention, will enable us to protect those people who are not able to protect themselves from the wiles of those who would try to manoeuvre them into a position where their lives are destroyed by the time they reach 30 years of age.

With those few words I would hope that, for those people who oppose any regulation or legislation in this area and who do not want official recognition of the problems out there, they have some sympathy with the position that I have adopted. I certainly have a sympathy with their position, which to all intents and purposes would be reasonable if people want to get around with their eyes closed. That position is that it exists, but we should not legislate for it or regulate it; rather we should make out that it does not occur. Because it does not impact on their life directly, they would not bother to introduce legislation or look at the problems associated with procurement and abuse, and the health problems that may or may not go with it. They deny reality.

I do not have any problem with people like that because I do not want to upset their lives. They have already built a protective cocoon around themselves and I do not want to impact on that. However, I do want to protect people who may be put at risk and, if we can minimise the potential harm of transmittable diseases and abuse, let us do so through a bill that covers many of the issues which I have raised and which are problems in the industry as it stands today.

The Hon. P. HOLLOWAY: I will not support the second reading of this bill. While opposing this measure I accept that prostitution has always been and will always be present within society. I accept that our present laws on prostitution are in many ways archaic, hypocritical, inconsistent and unworkable and that these features reflect the attitude of many in our society towards prostitution. I have received letters and petitions from many hundreds of citizens opposing this bill and only three supporting it, yet I accept that, in the past, public opinion polls have indicated that a substantial majority of the population supports legalised prostitution, so my opposition to this bill is not based on public opinion.

I also indicate that I do not share the enthusiasm of some of the people who have written to me opposing this bill that police should launch some kind of holy war or jihad against prostitution. Gaoling large numbers of prostitutes or their clients is not, in my view, the best way to deal with prostitution in our community. For me, the key question in this debate is not whether legalisation or prohibition will best deal with health issues, planning issues, safety issues, corruption or drug use associated with prostitution; rather, I see the threshold question as what moral judgment our society should pass on prostitution. If we cross that threshold and legitimise prostitution, what impact will that have on our society in 10 or 20 years?

Whatever benefits the legalisation of prostitution may have in addressing some of the less desirable consequences associated with that activity, I have always held the view that the loss to society as a whole from legalisation would more

than outweigh any such benefits. It is for that reason that I will oppose the bill at the second reading stage.

The Hon. Diana Laidlaw: You oppose the second reading?

The Hon. P. HOLLOWAY: Yes.

The Hon. Diana Laidlaw: But you started your speech by saying that you will support the second reading.

The Hon. P. HOLLOWAY: No, I said that I will not support the second reading. Should this bill pass the second reading, we will have no option but to address the practical issues of prostitution management during the committee stage, and I will address those issues then. What are the consequences that will inevitably flow from the legitimisation of prostitution? If prostitution becomes a job like any other form of legal employment (and this bill in its original form at least seeks to apply employment provisions such as WorkCover), why would not the principles of mutual obligation, currently espoused by the federal government, apply to prostitution? If an unemployed person failed to accept a job offer as a prostitute, would they risk losing unemployment benefits?

I challenge those who support this bill to indicate whether they believe prostitution should be treated similarly to any other form of legal employment as far as requirements for social security, workers' compensation, unfair dismissal, equal opportunity and other workplace relations issues are concerned. If they believe prostitution should be exempted from some or all of these provisions, on what basis do they justify this different treatment? After all, the central purpose of this bill is to legalise prostitution and therefore treat prostitution as any other legal form of employment.

How many times in the past has parliament heard from proponents that a new piece of social legislation introduced with fairly restrictive and limited scope will not set precedents when time has shown that the opposite has occurred? This is foot-in-the-door legislation and anyone who believes otherwise is, in my view, deluding themselves. If prostitution is legalised then it will inevitably become in the eyes of our society the same as any other form of employment.

Many of the interjections that have been made against all the speakers who have opposed this bill are of the form that amendments are to be moved or can be moved later in debate, but that illustrates the point that what we could end up with is the case of the camel being the horse designed by a committee, and I think that is exactly what has happened with this bill as it has reached us from the House of Assembly.

There should not be the slightest doubt in anyone's mind that the legalisation of prostitution will lead to greater levels of prostitution within the community. If prostitution is given the moral approval of society by this parliament, and if the threat of any sanction, shame or embarrassment from involvement in prostitution for either client or provider is removed, the levels of prostitution must inevitably increase. Those who justify their support for this bill on the basis that regulation will reduce the undesirable side effects of prostitution must accept that the price to be paid will be an overall increase in the level of prostitution and in the number of people practising or using prostitution within our community. The fundamental question in this debate then becomes, 'Will that improve society?' In my view it will not. Other speakers in this debate have pointed out the impact of the legalisation of prostitution in other states, where the underground, illegal prostitution trade has continued to flourish alongside the new legal brothels.

The Hon. Sandra Kanck interjecting:

The Hon. P. HOLLOWAY: The nature of the legislation in those states has led to a two-tiered system of prostitution and in my view it is inevitable that it will happen here. I know that some people believe we can legislate for a perfect system that will eliminate illegal activity. I just do not believe that that is possible. In fact, arguably I would say—

The Hon. Diana Laidlaw: Would you rather have what we have now?

The Hon. P. HOLLOWAY: Yes, basically, because at least it is technically illegal. At least society passes a moral judgment on it, and it is for that reason—

The Hon. Sandra Kanck: But prostitution is not illegal.

The Hon. P. HOLLOWAY: In answer to the Hon. Sandra Kanck, I was hoping not to get into the legal matters. I know that the Hon. Robert Lawson in his speech the other day went through all the legal debate on prostitution and the honourable member outlined all the laws that relate to soliciting, running brothels, and so on. As I said at the beginning of my speech, many of them are archaic; nevertheless the net effect of all that legislation is that, within the community, there is a moral disapproval of prostitution. It might be hypocritical but that is the stance that society takes and it is a moral threshold that I am not prepared to cross.

I make the point that arguably it is easier for illegal brothels to exist in an environment where legal brothels are permitted. In a system where legal brothels operate, as there are in Melbourne and Sydney, with all the advertising and other functions, people know they are there, and I argue that, in that environment, it is inevitable that illegal brothels will also exist because the people who have always been connected with illegal brothels are not likely to go out of business on the day this legislation is proclaimed.

The Hon. R.R. Roberts: Or become law-abiding citizens.

The Hon. P. HOLLOWAY: They will not go away or become law-abiding citizens. They will simply shift the nature of their business elsewhere. My view is that, unless legalisation was to substitute legal brothels for illegal brothels, what benefit could legalisation possibly bring in terms of harm minimisation?

In giving my views on prostitution, I wish to say that, like so many human issues, I do not believe that the question of prostitution is one that is entirely black or white: there are shades of grey in this. I certainly do not wish to pass judgment on those who are involved in the prostitution trade. I recall reading an article some years ago, I think in a disability journal, about the sexual needs and problems of those unfortunate people with a disability and an inability to, for one reason or another, find a suitable partner. I would not wish to pass judgment in any way on the prostitutes who provide services to such clients. Such activities exist within our community within the current law and I guess they will continue to do so. So there are shades of grey in this debate but, in my view, we have to balance the overall good to society if we, through this parliament, give a moral approval to the activity in all cases.

I am of the view that there are many social issues where we cannot solve all the problems with law. I remember once reading about some law student who believed he could solve world poverty by passing laws. Of course, he could not, and in my view we have discovered that passing laws on many social issues does not really solve the problem as we think it will. A classic case of that would be drug use. Indeed, in talking on that subject, I conclude by saying that my approach towards prostitution is similar to that which I take on the issue of so-called soft drugs such as cannabis. I believe the

activity should remain illegal and I support laws that do that. But I also believe that penalties which apply should not be as severe as those for more harmful drugs. So to complete the analogy with prostitution, I believe that heavy penalties should apply for pimping and other criminal activities associated with the prostitution trade. However, I would support lighter, non-criminal sanctions in relation to prostitutes and their clients.

In conclusion, I say that, however inevitable, archaic and problematic our existing laws may be, I am not prepared to cross the threshold and support the legalisation of prostitution. For that reason I will oppose the bill at its second reading.

The Hon. NICK XENOPHON secured the adjournment of the debate.

CASINO (MISCELLANEOUS) AMENDMENT BILL

In Committee.

Clause 1.

The Hon. NICK XENOPHON: As I understand it, we must start from the beginning, in a sense, in the committee stage: I think that is what the standing orders allow for. I thought it may be useful to give members a quick summary of what stage we reached in the debate during the last session. At the outset I acknowledge that I have had discussions in recent days with the Treasurer and, notwithstanding the fundamental differences we have on issues of gambling, I express my gratitude for the time he has taken to discuss these issues with me and his willingness to provide his views other than in the committee stage, because it has been quite useful in terms of considering amendments that have been circulated. So I express my thanks to him for his approach to this bill.

I will stand corrected, but my understanding is that clause 1, which is simply the title, was passed on the last occasion. Clause 2 was to be taken into consideration after other clauses had been dealt with, and I will formally move that shortly. Clause 3 was defeated. The record indicates that clause 4 was passed and we were still undertaking a debate with respect to clause 5. I circulated some amendments which I understand have been recirculated this morning. So I hope that is of assistance to honourable members.

The Hon. R.I. LUCAS: Can I suggest a course of action, because the Hon. Mr Xenophon has indicated that we have been having a series of discussions but, quite erroneously, the Hon. Mr Xenophon and I were assuming we were going to pick up where we left off, which was the debate we were having about interactive gambling. I admit that in relation to the honourable member's amendments to clause 2, and I think some amendments that I was going to have drafted to clause 2, I am not in a position to debate those clauses.

An honourable member interjecting:

The Hon. R.I. LUCAS: We can do all that. I was going to suggest that we might allow clauses 1 to 3 to pass as they are.

The Hon. Nick Xenophon: Clause 3 was defeated.

The Hon. R.I. LUCAS: So is that out of the bill now?

An honourable member: The whole bill has been reinstated.

The Hon. R.I. LUCAS: But it has been reinstated with clause 3 back in again. I suggest that we pass clauses 1 and 2 and defeat clause 3—the Hon. Mr Xenophon will not defeat it, but the rest of us might defeat clause 3. Clause 4 was passed and we are to debate clause 5. So we then commence the debate at clause 5.

We have an understanding that the Hon. Mr Xenophon will recommit clause 2 with his amendments. If we go through the committee stage this week and whenever we next debate, at the end of that he can recommit clause 2 for the purposes of having a debate about his amendment. As I said, I might have an alternative amendment, which we are looking at, and I need to have further discussion with the Hon. Mr Xenophon about that. We may be able to come to an understanding or we may not, but we have not had that discussion yet. But he will still have that capacity so he does not lose anything.

So, as a course of action, I wonder whether there is a nod of heads around the chamber that we would pass clauses 1, 2 and 4 and defeat clause 3 very quickly and recommence the debate on clause 5.

The Hon. Nick Xenophon interjecting:

The Hon. R.I. LUCAS: If you consider clause 2 later it has the same import as postponing the debate. I am relaxed about that. We could defeat clause 3, and clause 4 would be passed: we could then recommence the debate on clause 5.

The Hon. Nick Xenophon: Yes.

The Hon. P. HOLLOWAY: I indicate that the opposition will cooperate with that strategy to speed up consideration of this bill, given that we spent quite a few hours on the first five clauses in the last session.

Clause passed.

Clause 2.

The Hon. NICK XENOPHON: I move:

> That consideration of this clause be postponed until after clause 9.

Motion carried.

Clause 3 negatived.

Clause 4 passed.

Clause 5.

The Hon. NICK XENOPHON: I move:

> Page 4, lines 8 to 31—Leave out proposed section 41A and insert:
>
> Prohibition of interactive gambling games
>
> 41A(1) It is a condition of the casino licence that the licensee must not make an interactive gambling game available pursuant to the licence.
>
> (2) This section does not prevent the licensee from allowing another person, who is authorised by law to do so, to make an interactive gambling game available to persons present at the casino.
>
> (3) In this section—
>
> 'interactive gambling game' means a game in which persons at the casino may participate by means of a computer, television receiver, telephone or other electronic device for communicating at a distance.

This provision relates to the prohibition of interactive gambling without, in a sense, parliamentary approval for the Casino to offer interactive gambling games. In the course of the committee stage there was quite a useful debate and discussion: the Treasurer outlined a number of concerns, as did other members. As a consequence of that, I asked Parliamentary Counsel to redraft the provision, and I propose to speak briefly to that and, hopefully, it will address the concerns of members. Proposed new section 41A(1) provides:

> It is a condition of the casino licence that the licensee must not make an interactive gambling game available pursuant to the licence.

That is somewhat different from the original provision in the bill which provided that such a game could not be made 'available in the casino unless authorised to do so by resolution passed by both houses of parliament'.

It has been redrafted for a number of reasons. First, it is a more direct provision in terms of requiring this matter to go back before parliament for an amendment to the act rather than being dealt with by way of resolution of both houses because, potentially, there is a greater degree of room for ambiguity in respect of that; and also I took on board the Treasurer's concerns that the original section 41A(1) in the bill did allow some ambiguity with respect to games that may have been offered within the Casino that are authorised by the laws of this state, for instance, Keno and other games offered by the TAB and the Lotteries Commission. This brings me to proposed new subsection (2), which provides:

> This section does not prevent the licensee from allowing another person, who is authorised by law to do so, to make an interactive gambling game available to persons present at the Casino.

That simply makes it clear that, if there is a game that is interactive and it has been authorised by law, that is, in this case, in practical terms, it would be the TAB or the Lotteries Commission, the Casino is not precluded from offering that game, otherwise there could be, some would say, an absurd situation of Keno being offered in a newsagent—and I am not endorsing the offering of Keno in a newsagent—while it was illegal at the Casino. Some in the community would say that that is anomalous.

Proposed new subsection (3) relates to the definition of 'interactive gambling game'. It is a simpler and some would say much clearer definition than the definition that appeared in subsection (2) of the bill. Proposed new subsection (3) provides:

> 'interactive gambling game' means a game in which persons not present at the casino may participate by means of a computer, television receiver, telephone or other electronic device for communicating at a distance.

It is envisaged that it would make it clear that the Casino could not offer an online gambling game that is authorised in Antigua, for instance, and beam it into the Casino's premises. The argument would also be that proposed new subsection (2) would cover that.

The definition does not include persons present at the Casino with respect to those games that have been authorised by the laws of this state. I believe that this amendment clears up those ambiguities. I wish to emphasise to members that, whether an honourable member is for or against online gambling, this provision does not give the green light to the Adelaide Casino offering online gambling games or online gambling outside the Casino without parliamentary approval. So, for those members who may have a view that they are in favour of a so-called regulated system of online gambling, they will still have the opportunity to debate this matter down the track rather than leaving a degree of ambiguity with respect to the current arrangements where it seems that it may be feasible under the current licensing agreement for the Casino to offer online games in the absence of parliamentary approval.

The Hon. M.J. ELLIOTT: I am not absolutely clear whether or not this achieves what the Hon. Nick Xenophon intends. The definition of 'interactive gambling game', which is what is prohibited within subsection 41A(1), relates to persons not present at the Casino participating. I suppose it is a question of what 'participation' means. Is it a matter of a game which, if you like, perhaps physically resides at the Casino, but a person elsewhere is participating in that game? That is the way that I tend to read it. What about a game being offered at the Casino where the participant in the way we would normally think of it is in the Casino and using a machine but the game is located elsewhere, which is the way Keno works now? Unless the word 'participate' can cover both the Keno operators and the individual members of the public, this seems like it handles only one end of the equation.

The Hon. NICK XENOPHON: I am grateful to the Hon. Mike Elliott for his question, and hopefully this response will deal with it. The key is the issue of the licence. The Adelaide Casino licence allows certain games to be played at the Casino. At this stage it does not allow games to be played outside the Casino. The Hon. Mike Elliott raises the issue of whether this provision will prevent the Adelaide Casino offering interactive gambling games in another jurisdiction.

The Hon. M.J. Elliott: That is what I feel that it does stop for sure, because the participant is not at the Casino itself.

The Hon. NICK XENOPHON: It is intended to stop South Australians being offered online gambling games by the Casino. Under the terms of the Adelaide Casino's licensing agreement, it would need to get parliamentary approval to offer online games elsewhere, because the nature of the Casino licence is directly related to the conduct of the operations of the Adelaide Casino. If the Adelaide Casino wanted to offer online gambling games to persons in another jurisdiction, in other words, if the Adelaide Casino wanted to set up a site in Antigua, it would have to comply with the laws of that jurisdiction. In order for those games to be offered to South Australians you would need to get parliamentary approval.

The Hon. M.J. ELLIOTT: The final meaning of this clause very much hinges around the interpretation of the word 'participate', because this whole provision prohibits games being offered where the persons participating are not present at the Casino.

Presumably, our law will go further than that. This clause is stopping people from outside the Casino participating in a game being offered in the Casino. Is that what it is meant to do, as distinct from people who are present in the Casino participating in a game the source of which is perhaps outside South Australia but certainly outside the Casino even though there is a terminal, or whatever else, within the Casino itself? This clause does not appear to be affecting that situation: it is affecting only those persons who are not present and participating.

The Hon. NICK XENOPHON: The Adelaide Casino, in the absence of parliamentary approval, cannot offer on-line gambling games to those people outside the Casino. Subclause (2) does not prevent the licensee of the Adelaide Casino from allowing another person, who is authorised by law, to make an interactive gambling game available to persons present at the Casino. Keno, Lotto and those sorts of products that are already authorised by another law, whether it be under the lotteries or the TAB legislation, can be offered within the Casino, because some would say it is anomalous not to allow that.

The intention of the clause is to stipulate that the Adelaide Casino cannot be a participant in on-line gambling activities in the absence of parliamentary approval. This clause purports to make that absolutely clear. If there is a degree of ambiguity in the current licensing agreement, it cannot try, through a back-door method, in a sense, to offer on-line gambling services.

The Hon. M.J. ELLIOTT: I did not quite follow the explanation the Hon. Nick Xenophon gave earlier in relation to an operator in, perhaps, Antigua who was offering a game into the Casino. This clause in itself would not pick up that

operator but, presumably, that would be covered by the licence in some way. This clause would not seem to pick that up.

The Hon. NICK XENOPHON: The clause would pick it up, on my understanding, with respect to the definition of 'interactive gambling game', which refers to a game in which persons not present at the Casino may participate by means of a computer. An Antiguan on-line casino operator's game is available to the world, in a sense, and it would be caught by the provisions of an interactive gambling game under those circumstances.

The Hon. M.J. Elliott: In other words, the casino operator is participating?

The Hon. NICK XENOPHON: That is right, and others can participate in that game. The purpose of the clause is to make clear that, in the absence of specific parliamentary approval, the Adelaide Casino cannot offer on-line gambling games to those people in the Casino pursuant to the operation of its licence. Leaving aside the question of the physical location where those games may emanate from, the terms of the Casino's licence are quite clear in respect of what can be offered. The other aspect is that it prevents on-line gambling games from being offered within the Casino unless authorised by law to do so, and that covers the TAB and Keno situation.

The Hon. M.J. Elliott: Does that come under South Australian law?

The Hon. NICK XENOPHON: I raised that question specifically with Parliamentary Counsel this morning. 'Authorised by law' would be the clear interpretation of that section because we are talking about a state statute. 'Authorised by law', in terms of statutory interpretation, would be interpreted as South Australian law. That is a fair enough question from the Hon. Mike Elliott and that is what I raised specifically this morning.

The Hon. R.I. LUCAS: This clause, as we discussed previously, is a bit of a conundrum. I will just comment on the last debate. These issues were canvassed when last we met and I believe that the amendment moved by the honourable member, on my advice, anyway, seems to resolve most of those issues I was raising in relation to the Casino being able to continue to provide Keno and other interactive-type games that are already available at the Casino. Whilst that was important in itself, there is the substantive issue, that is, the whole purpose and nature of the clause. It is a dilemma for people like me because, as the honourable member knows, I support interactive gambling on the basis of the appropriate regulatory framework having been agreed and approved by the parliament.

It is possible, as the honourable member has said, to portray the passage of this clause in this form or a different form in a way that says, to someone from my position, that the substantive debate will be conducted on legislation relating to interactive gambling. I guess that presumes that there is enough support from within the government party room to allow that legislation to be introduced, or that some other honourable member, for example, might introduce—

The Hon. Nick Xenophon interjecting:

The Hon. R.I. LUCAS: —a novel thought, yes—private members' legislation to introduce an interactive gambling framework. I have said previously that we need to have the debate and, therefore, I would be very hopeful that, in some way or another, we could introduce some legislation for interactive gambling so that we can debate the threshold question of whether or not we are going to allow it and, if we do, under what terms and conditions. I have said now for two years that we are not going to be able to get away from that debate. We seem to have had three or four debates on euthanasia, prostitution and a variety of other matters: we have not yet tackled the issue of interactive gambling by way of a substantive piece of legislation, and I think that we will not be able to avoid that debate for too much longer. Certainly, my view is that we need to have that debate one way or another to establish whether we are going to allow it and, if we do, under what conditions we allow it.

That is a part of the dilemma in relation to this clause. I believe that it is possible to see the clause passed in this or a different form and still allow people like me to say, 'We will have this debate on interactive gambling and we will leave our positions for that debate.' It is equally possible for this clause, I suppose, to be passed and for those who take an anti-interactive gambling position to proclaim proudly from the rooftops that the parliament has rejected the position of interactive gambling for the Casino—

The Hon. Nick Xenophon: The clause is simply saying that there is a hurdle: we cannot offer on-line gambling unless parliament specifically debates it. That is all the clause is saying.

The Hon. R.I. LUCAS: But it is a hurdle that is not there at the moment. So, by way of this clause, a hurdle is being constructed which does not exist at the moment. I have taken a position—which I think is a reasonable position given the diversity of views in this parliament—not to authorise an interactive gaming licence as the minister responsible for the Casino. It was not something that I had come to the parliament on—

The Hon. Nick Xenophon interjecting:

The Hon. R.I. LUCAS: It is hypothetical. I am just saying that I have not done it and, therefore, it is not an issue. I have adopted an approach which I think most members, irrespective of their views, can live with. I have not gone the next step, which I am entitled to do, in terms of issuing an interactive gambling licence. It is possible therefore for the opponents of interactive gambling, should this clause be passed, to proclaim proudly from the rooftops that there is now a new provision that prevents interactive gambling from the Casino. That is not an issue about which I seek assurances from anyone because no-one can give assurances from people outside this chamber, anyway. I am saying that it is part of the dilemma for people like me as we contemplate our position on this clause.

The Hon. Nick Xenophon interjecting:

The Hon. R.I. LUCAS: The honourable member will proclaim it from the basement rather than the rooftops. I am, surprisingly, not necessarily comforted by that assurance from the Hon. Mr Xenophon.

The third issue I want to raise in relation to this provision is that part of the approved licensing agreement, which the government agreed with the new operators of the Casino, basically says that we did not have to issue an interactive gambling licence but that, if the government was to issue to a casino an interactive gambling licence which covered the sorts of games that casinos offer to someone else, we would give the Casino an equivalent interactive gambling licence.

It was a competitive neutrality position, I suppose, which said, 'Okay, you haven't got one, but if, for whatever reason, we give an interactive gambling licence for casinos to somebody else, which would therefore weaken the Casino's competitive position, we would give them an interactive gambling licence as well.' That is part of the licensing agreement we have with them. As I have highlighted to the

Hon. Mr Xenophon in the discussion we had before this debate commenced, I am looking at having an amendment drafted which would seek to reflect the provisions of the licensing agreement.

The Hon. A.J. Redford: When was the licensing agreement?

The Hon. R.I. LUCAS: I would need to get the date for you—obviously just before we sold the Casino to the new operators. Therefore, the potential amendment to this clause would mean it would still leave the position of the parliament making a decision about interactive gambling, generally, and interactive gambling for casino products, but it would potentially seek approval to say that, should the parliament give interactive gambling licences and approve them for casino product for others, the provisions of the licensing agreement would, in essence, be respected. That is not the legal framework but, in essence, if someone else gets—

The Hon. A.J. Redford: Retrospective parliamentary endorsement.

The Hon. R.I. LUCAS: No, it would not be retrospective; it would be prospective.

The Hon. A.J. Redford: No, but the endorsement would be retrospective.

The Hon. R.I. LUCAS: No, I would not use the word retrospective. It would be a decision the parliament will take in the future, which would be consistent with the provisions of the licensing agreement. That would then be a decision for the parliament to take potentially in the future, as to whether it allowed any interactive gambling product at all, but it would in some way protect the position of people who have entered into an agreement with the government in relation to the operations of the Casino. It does not absolutely protect it, because, even if the provision goes into the legislation in this debate, and anything to do with the past in this Council and the other house through the years, it does not prevent a future parliament removing the provisions from—

The Hon. Nick Xenophon interjecting:

The Hon. R.I. LUCAS: Yes. It would be an indication that, whilst this chamber and maybe another chamber supported this provision, they were prepared to support legislation along the lines that was flagged in this particular amendment. So with that, as I said, it is an on balance view that I have, and I am prepared at this stage personally not to divide on this clause, but I do so on the understanding and the discussion I had with the Hon. Mr Xenophon that I still have some concerns about the provision. I will have an amendment drafted and, with his agreement, when we recommit clause 2 to consider his amendment we will recommit clause 5 to consider the clause again and also my foreshadowed amendment in relation to this area. Without wishing to put words into the—

The Hon. A.J. Redford interjecting:

The Hon. R.I. LUCAS: The frank answer to the question at this stage is no. I would have to take advice. I am happy to take legal advice. I have thought about the issue myself but I have discussed it with the Hon. Mr Xenophon only in the past hour, so I need to take some considered legal advice from my friend and colleague the Hon. Mr Griffin.

The Hon. A.J. REDFORD: I do not know which way I will vote on such a thing, and I think it is important that we have the consequences either way in front of us.

The Hon. R.I. LUCAS: It is a reasonable question from the honourable member and I can give him a reasonable response, and that is that at this stage I cannot give him the answer. I am happy to take advice and discuss it with him, and the Hon. Mr Xenophon, and anybody else, for that matter, before we next debate this. But I thought it sensible to flag the issue, so that members would at least contemplate the respective position in a conscience vote for all members. Rather than it coming out of the blue on the next Wednesday of sitting, let us at least flag it, people can think about it, and I will try to have the amendment circulated well prior to the next Wednesday of sitting, and if members want a discussion with me about it—

The Hon. Nick Xenophon interjecting:

The Hon. R.I. LUCAS: Maybe next week sometime, but I should not presume that. The lawyers may well tell me that it is a complicated issue. So let me take legal advice, and as soon as I can have it drafted I will be happy to circulate it to all members, and, in turn, have that discussion with the Hon. Mr Redford and the Hon. Mr Xenophon.

The Hon. A.J. REDFORD: Do you want those discussions to take place outside of this place or will it be done within the confines of the committee debate, in the sense that we have an officer available, because I do not know what questions might arise from any answer to whatever issues are raised?

The Hon. R.I. LUCAS: As I indicated, if you want to expedite the consideration of this, it would seem to make sense to have the discussions prior to the next Wednesday of sitting. Given that I do not handle the bill, I cannot have an officer sitting here, anyway.

An honourable member interjecting:

The Hon. R.I. LUCAS: Well, maybe, but they are the standing orders. So I think we need to have the discussion beforehand and I will endeavour to have the amendment circulated as soon as Parliamentary Counsel can come up with something sensible that, hopefully, reflects what I have just flagged to the committee, and, of course, the discussions we have outside the forum of the committee will be repeated in part or in whole and can be continued when next we meet. I am just trying to assist the Hon. Mr Xenophon in his passionate desire to have one of his pieces of legislation concluded before we get up—

The Hon. Nick Xenophon: Before I die!

The Hon. R.I. LUCAS: Before he dies or before we get up in four weeks—whichever occurs first!

The Hon. P. HOLLOWAY: We debated this clause back on 6 July this year. I indicated then that it was, of course, a conscience vote for all members of parliament. When I made my comments the select committee on internet and interactive gambling had not completed its report. That has now been done and so, as one of the members who supported the majority of the committee in that report, I guess my views on interactive gambling are set out within that report. But what I indicated when we debated this clause last time was that I certainly supported the principle that parliamentary approval should be granted before we permitted the Casino, or anybody else for that matter, to become involved in internet gambling. So I indicated at the time that I was prepared, with some caveats, to support the clause, in as much as it gave effect to that principle of ensuring that there be some parliamentary approval given before the Casino was permitted to become involved in this sort of gambling.

I also indicated at the time that, of course, the commonwealth government had imposed a moratorium on internet gambling. That moratorium was to be for 12 months, from 19 May this year. I understand that subsequently within the Senate that legislation proposing the moratorium was defeated, so, of course—

The Hon. Nick Xenophon interjecting:

The Hon. P. HOLLOWAY: As the Hon. Nick Xenophon says, that debate may well not be over yet. The commonwealth may well try to reintroduce it. But certainly at this stage of the debate as I understand it that really puts it back to the states as to what they may care to do with this issue. But if the commonwealth is still intending to impose its will then maybe it would be commonsense to let the dust settle on that matter before proceeding further. Certainly in principle I have had no problem with the idea of ensuring that parliamentary approval be necessary before the Casino, or anyone else, becomes involved in interactive gambling, even though, as I said earlier, my view is that a regulatory model for internet gambling is the way that we should go. Therefore, I indicate that, should such legislation come through, I will support it subject, of course, to the appropriate regulatory model being put in place.

During the debate in July I also indicated that I was concerned; I think at the time we had received correspondence from the Casino expressing some doubts about the impact of the definition of 'interactive gambling', and I think the Hon. Mike Elliott referred to that in some of his questions earlier. I have doubts as to whether the clause will achieve what it sets out to do in terms of ensuring that parliamentary approval is required before interactive gambling takes place, and there may be some doubt about whether this definition of 'interactive gambling' unnecessarily captures some forms of gambling currently taking place.

We have had the problem of the definition of 'interactive gambling' whenever we talk about television or telephone betting, and we have to be careful to consider whether or not TAB-type betting, which currently takes place, would unwittingly be caught within such definitions. It may not be the case here, but I think it is a definition that we need to look at very carefully.

The Treasurer indicated in his contribution that agreement has been reached with the Adelaide Casino, upon its sale, that it will be treated no less favourably than any other internet gambling provider should the government decide to go down that path. I have no problem with that agreement. Although the opposition does not have a formal position, I believe that we would not want to see the Adelaide Casino placed in an unfavourable or unfair competitive position.

Given that the Treasurer has given an undertaking that he will bring back amendments that will reflect that within the legislation and the guarantee that the Casino will not be treated any less favourably than any other provider then, without having seen the detail of it, at least in principle I would support legislation along those lines. I indicate that should such amendments be moved I will be inclined to support them, at least in principle.

That is my view on this matter; other opposition members will give their view. At this stage, I am prepared to let the clause pass and, if it is recommitted, and the undertaking is accepted by all honourable member in this place, I would look favourably at any amendment which clarifies the position as far as the Casino is concerned.

Amendment carried.

The Hon. R.I. LUCAS: I move:

Page 4—Delete all words in lines 32 to 35.

This amendment seeks to delete section 41B. I thank members for their willingness to go down this path. This was the way we discussed it last time: that is, there were two substantive issues in this clause, and it did not make sense for us to vote on them together, because some members might be prepared to vote one way on interactive gambling but have a different vote on coins, note acceptors and smart cards.

If the Hon. Nick Xenophon wants to achieve a particular aim, the simple thing would be for us to have a debate now and for him to report progress before we vote on it while other members are still contemplating various matters, and we could vote on it first thing on the next Wednesday of sitting. My personal view on this matter is that I oppose the provision. Obviously, therefore, I have sought to delete it, and I have done so for several reasons. I will go through a number of those reasons this afternoon.

When I last checked—and I must admit it was a few months ago—the current arrangement at the Casino was that there are at least 15 to 20 what they call note changers in the gaming machines area. Note changers are used by people who insert, say, a $20 note and in return the machine dispenses dollar coins with which to play the gaming machines. A good number of hotels with gaming machines also have note changers, which can stand right next to each and every gaming machine—it is just a question of the dollar cost of the note changer. There is nothing to prevent those note changers from existing. They do exist in large numbers within the Casino and also in a number of our hotels.

So, as I said, at the moment it is legally possible for people to go into gaming areas and place a $20 bill into a note changer machine and receive change. It is legally possible for that note changer to be right next to a gaming machine and for a gambler to have a $20 bill changed into coins so that he or she can continue playing.

There is a grey area in relation to whether it is legal or not for a gaming machine to have a note accepter on it. At this stage we do not have gaming machines in South Australia with note accepters. I think we are the only state in that category, but I will not swear to that. Certainly, in most other states the gaming machines do have provision—

The Hon. Nick Xenophon interjecting:

The Hon. R.I. LUCAS: Well, I am not even sure about that; I think there is a grey area in relation to that. I am not sure whether it is an issue of the commissioner's discretion. But I guess the bottom line is: whatever the legal position actually is, we do not currently have them in South Australia. In fact, gaming machines are manufactured for the eastern states, and then different gaming machines need to be manufactured for South Australia, without the note accepter on them. That is obviously a problem for the manufacturers and others. I would not expect that there would be a huge amount of sympathy within the chamber, other than from perhaps one or two of us, about the potential problems for the manufacturers in all this.

My substantive point is that the objection that people have towards note accepters is that this in some way, through a $20 note being put in as part of a note accepter arrangement, encourages more gambling on gaming machines. As I said, I think part of the contrary argument is that that can already exist with a note changer, which actually sits next to the gaming machine and the $20 bills can go into the note changer, coins can come out and one can continue to play. So, in essence, at the moment it is already being subverted, if I can put it that way, or 'gotten round' if you want to use a colloquial expression, within the Casino and within the gaming establishments in hotels.

I accept that my view is not shared by all members. I do not have a problem with gaming machines, and I do not have a problem with gambling. If somebody wants to bet $20, they

will do so whether they put it into a note changer or a note accepter, or whether they have it changed at the cashier's counter. In particular, if you are a problem gambler, the notion of having to put a note into a note changer rather than directly into a machine with a note accepter, in my view (and I accept that it is not the view of all), is not a significant issue for me.

As I said, I accept that there are many others outside the chamber as well who do take a different view. From the viewpoint of the convenience of the 98 to 99 per cent of people who can gamble without a problem, who can control their gambling, the notion of not having to go off to convert notes into coins is an issue of convenience. Those issues have been well canvassed and people have firm views one way or another in relation to note acceptors.

The issue that I want to place on the record is the provision in this clause which, in essence, would prevent groundbreaking research and the implementation of a mechanism that possibly might be capable of being supported by the vast majority of members who want to see problem gambling tackled in a serious way through the use of smart card technology. Before I address my comments on this issue, I will read into the *Hansard* record a recent article in the *Australian* of Tuesday 24 October under the heading, 'Cards may cut pokie problems'. The story, which is about smart cards, reads:

> Gaming club patrons will soon be using smart cards instead of spare change to play the pokies if a trial in Sydney is successful.
>
> The New South Wales Liquor Administration Board has given local company eBet the green light for live trials of its magnetic stripe cashless gaming cards at three Sydney venues. Similar approval for a smart card solution is expected shortly.
>
> Gaming machines at the Cheers Bar in Sydney's CBD, Canterbury Leagues Club and the Wentworthville Leagues Club would be fitted out with eBet's technology for the 12-week trial, eBet managing director Keith Cullen said.
>
> The cashless gaming system used magnetic strip cards or smart cards to track a patron's spending on poker machines, Mr Cullen said.
>
> The cards would replace the membership cards that most clubs provide. . . Initially they will be targeted at NSW clubs. NSW was the second-largest provincial poker machine market in the world behind Nevada, Mr Cullen said.
>
> 'The card enables people to set up an account which they put cash into. Then they use that to move money from one machine to another. . . They put their card in, it opens the account, loads the money, they pull the card out and move on to the next machine.'
>
> Wins would be progressively credited to a gamer's account as they played the machines. . . Aside from being a convenient way for gamers to move between machines, the cashless system could limit spending by problem gamblers, Mr Cullen said.
>
> A recent government report showed almost half of all revenues from poker machines come from problem gamblers.
>
> 'The critical thing is, it becomes a betting account rather than just people feeding money into slot machines. . . They can limit the card to a certain amount each month. Once they have spent that, it is all over until the following month,' he said.
>
> A spokesperson for New South Wales Gaming and Racing Minister Richard Face said one of the major benefits of cashless betting was harm minimisation.
>
> 'Clubs and hotels would be able to tell exactly how much a person is investing,' the spokesperson said.
>
> Either the club or the gamer could impose a maximum investment to reduce the amount of money gambled, he said. The cashless system meant venues also would be able to monitor games and record problem gamblers more easily and intervene where necessary.

That is one of a number of recent articles in the IT journals and feature pages of newspapers that have talked about this opportunity. I have been having discussions with the Liquor and Gaming Commissioner in South Australia for some time on this issue because it has been raised by commission staff in South Australia for a number of months. The issue is whether or not governments, ultimately parliaments, are prepared to contemplate the use of this technology for a variety of reasons, one of which seeks to minimise the extent of harm from the small percentage of problem gamblers.

A degree of work will need to ensue. I understand that the 12-week trial has already commenced in Sydney, so we are not talking about technology that is still at the conceptual stage: we are talking about reality. Its implementation in the pilot system in New South Wales has been supported by the gaming minister in New South Wales, who has been proudly telling everybody that it is the toughest and most responsible government of all when it comes to harm minimisation.

The Hon. A.J. Redford interjecting:

The Hon. R.I. LUCAS: A lot more.

The Hon. A.J. Redford: That is responsible, is it?

The Hon. R.I. LUCAS: I suppose that the current minister's argument would be that that is something that has built up over decades in New South Wales.

The Hon. A.J. Redford: They have responsibly built it up over decades. Is there no end to the twist?

The Hon. R.I. LUCAS: They would argue that they are not wholly responsible for the build-up. For all the complaints that we hear in South Australia about gambling expenditure per head of population, South Australia is either the lowest or second lowest.

The Hon. Caroline Schaefer: The second lowest.

The Hon. R.I. LUCAS: The Hon. Caroline Schaefer reminds me that we are the second lowest of all the states in terms of gambling expenditure per head of population. Given the public debate in the community and the media, that figure would surprise, I suspect—

The Hon. T.G. Roberts: Second lowest disposable income.

The Hon. Caroline Schaefer: And second lowest population.

The Hon. R.I. LUCAS: And second lowest population. That is that not highlighted often by the opponents of gambling in South Australia and I am not surprised about that. It is something that those of us who support the provision of gambling choice within the state need to—

The Hon. Nick Xenophon: Shout from the rooftops.

The Hon. R.I. Lucas: —shout proudly, as the Hon. Mr Xenophon shouts about his issues. With respect to this provision, I have already expressed my views on note acceptors and, in essence, we are locking out the potential that many independent people believe may well be a means for doing something about problem gamblers. That is not just a view that has been expressed in that article in the *Australian* because one other minister has already indicated that view. As I said, I know, at least in concept anyway, that commission staff in South Australia have flagged it as being worthy of further investigation by jurisdictions, rather than blocking out the capacity to do so.

I know that the Hon. Mr Xenophon has circulated an expert's view on smart cards from Dr Paul Delfabbro of the Department of Psychology at the University of Adelaide and, as one would expect, he is caustic in his criticism of smart cards and certainly does not accept the view that smart card technology could be used in the way that has been canvassed to be a mechanism for assisting harm minimisation programs as opposed to a mechanism, as he would put it, of creating further problems for problem gamblers.

For all those reasons when next we discuss this issue, I will be supporting the deletion of this provision and, even if members do not agree with my first reason for deleting it, I

urge them to at least contemplate the possible use of smart cards and machines as part of a harm minimisation strategy.

The Hon. NICK XENOPHON: I will deal with the matters raised by the Treasurer in relation to this part of the debate. I have already provided honourable members with, and extensively referred in *Hansard* to, the views of Dr Paul Delfabbro and Mr Barry Tolchard. Dr Delfabbro works at the Flinders University and, I understand, at the University of Adelaide and is an expert on gambling disorders. Mr Barry Tolchard works at the centre for Anxiety Disorders at the Flinders Medical Centre which provides specialist services particularly for people with severe gambling problems. It is the only inpatient facility in South Australia that deals specifically with gambling addiction.

With respect to this clause, I think we need to distinguish some of the matters raised by the Treasurer in relation to the current position. It is true that there are note changers at a number of gambling venues, and I think that ought to be debated down the track, in light of the move by various gambling codes for responsible gambling codes of practice, particularly in the context of venue staff being aware whether a person has a gambling problem. I would think that, with the move in this state and other states towards greater degrees of care and responsibility on the part of venues and venue staff, the provision of note changers in some venues would in some respects be inconsistent with that, given that the staff who handle cash and provide change are probably in a much better position to see whether a person has a gambling problem, than simply having numerous note changers being available in a venue. I think that ought to be debated further.

In terms of allowing gaming machines, whether in the casino or in hotels and clubs, to take either note acceptors, cards, smart cards or anything other than coins, we need to bear in mind the remarks of Dr Delfabbro. In my contribution on 29 September 1999 I quoted extensively from the letters of both Mr Delfabbro and Mr Barry Tolchard. The overall conclusion of Dr Delfabbro was:

> . . . the introduction of such cards is that it would add extra burden to gamblers and without doubt increase the total number of gamblers experiencing serious problems.

In respect of note changers, I understand that in most other states note changers are available. I think in New South Wales clubs you can put $100 notes in them. Mr Haw, a presenter at a conference of the National Association of Gambling Studies that I attended in November 1997, provided preliminary findings in relation to a study that he undertook on note changers, and he found that the turnover of machines would go up significantly—in the order of 60 plus percent: that is, if you had a machine with a note changer compared to a machine without a note changer, there was a significant increase in turnover. I approached this researcher at a more recent gambling conference and, as I understand it, he is currently undertaking some work for one of the major gambling providers and was not able to provide me with the details of his research. However, I think on the basis of that sort of discussion, and the information I have obtained from gambling councillors, there appears to be to be a level of genuine concern with a significant basis that, once you allow gaming machines to start taking notes, there is a potential for increased levels of harm.

In relation to the issue of smart cards that the Treasurer has raised, and in particular the reference he made to the article in the IT section of the *Australian* of 24 October, it is true that there are various discussions on smart cards that could potentially reduce levels of problem gambling, but these are cards that are still developing. There is a trial in New South Wales. I know that the Liquor and Gaming Commissioner, Bill Pryor, has flagged the use of these cards in a general sense, without endorsing their use, at gambling conferences. I understand that at a conference last year he talked about the potential for these cards to make a very positive contribution in reducing levels of problem gambling. If that is the case, and if there are cards which provide for genuine levels of precommitment and which would in effect reduce the problem gambling rate, I am more than willing to consider them, but I think we need to consider the fact that many of these cards, as I understand it, are being driven by the industry and, if we have them, ought to be controlled by a central regulatory authority—by the commissioner—so that we have some input into them to ensure that they do what they are supposed to do.

At the moment, the cards that are being used in venues are jackpot cards that are not directly used to play the machines. My understanding from a source in the poker machine industry to whom I spoke recently is that, once you get jackpot cards into a venue or a venue becomes part of a jackpot scheme, you see a very dramatic increase in turnover. It is like Frequent Flyer points schemes that are used by airlines: it is there to encourage business. In this case, the business carries with it a significant degree of harm. Again, I draw the attention of members to the findings of the productivity commission that found that 42.3 per cent of losses on gaming machines come from problem gamblers and 33 per cent of those losses overall come from severe problem gamblers.

So if the Treasurer is talking about a system of cards that could potentially reduce problem gambling, then let us consider that when cards are available which do what they are supposed to do and which are regulated by way of the commissioner's office or through the parliament. At the moment smart cards could be used by the industry and industry operators could put in cards that have the potential to increase their turnover and have the effect that Barry Tolchard and Dr Delfabbro alluded to—that there could be a very significant increase in gambling.

If it was the sort of smart card that the Liquor and Gaming Commissioner, Mr Pryor, referred to at at least one conference that I am aware of, that could have the desired effect in reducing levels of problem gambling, but I urge honourable members to support this clause so that we do not see the industry introducing cards, note acceptors or other mechanisms of playing other than by coins that could well increase the turnover of machines and, with it, the level of problem gambling. If there are smart cards on the horizon, we can debate that issue in parliament and, if it has a track record of reducing levels of problem gambling, I will be prepared to look at it.

However, at the moment if the smart card is simply one that allows a precommitment but it still allows players to use coins on a poker machine, any benefits it would have with respect to problem gambling would be illusory. It would not make sense. If you are going to have a smart card system, controlled by a central authority, with the aim of reducing levels of problem gambling, for those cards to be truly effective, all machines would have to operate in this state by use of such a card so that players simply cannot use coins or use somebody else's card to keep playing if they have a gambling problem.

So I think those precommitment strategies have potential. I think the Treasurer is right in saying that cards in some

circumstances, if properly supervised and if the technology exists to do what it is supposed to, can reduce problems. But let us not be fooled by that. In the context of this debate, if honourable members do not vote for this clause, the consequence will be that we have a situation where the industry can bring in its own cards and note acceptors and a whole range of features that will increase the level of problem gambling, and the predictions of Barry Tolchard and Dr Delfabbro, those at the front line of dealing with problem gambling, will be realised, and with it there will be a significant degree of additional social cost to the community.

So I urge honourable members to support this clause. If there is technology on the horizon that is going to reduce levels of problem gambling, we can deal with that and perhaps look at a system of dealing with precommitment. But in terms of what the Liquor and Gaming Commissioner said at at least one conference that I am aware of, my understanding is that all machines would have to operate by a card system, and that card system would probably need to be supervised by the appropriate authority. So I take on board what the Treasurer said but I urge honourable members to consider the position now and, if honourable members do not support this clause, they are effectively writing an open cheque to members of the industry to increase levels of problem gambling, levels of exploitation in the community—

The Hon. R.D. Lawson: Rubbish!

The Hon. NICK XENOPHON: —by allowing note takers. I should put on the record that the Hon. Robert Lawson says, 'Rubbish.' I might assist the Hon. Robert Lawson by sending him further material that he can read before this debate resumes.

Progress reported; committee to sit again.

[Sitting suspended from 1 to 2.15 p.m.]

PROSTITUTION

Petitions signed by 562 residents of South Australia 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 J.S.L. Dawkins, K.T. Griffin, P. Holloway, R.D. Lawson, Caroline Schaefer and Carmel Zollo.

Petitions received.

WALLAROO MARINA

A petition signed by 410 residents of South Australia concerning the Wallaroo marina project and praying that this Council will ensure the relevant government departments, in their capacity as planning authorities for the Wallaroo marina project, protect the best interests of the residents, ensuring that the Wallaroo marina project proceeds to completion without impact to the residents' health, the environment and the economy of the community, was presented by the Hon. Carmel Zollo.

Petition received.

QUESTION TIME

ARMITAGE, Hon. M.H.

The Hon. CAROLYN PICKLES (Leader of the Opposition): I seek leave to make a brief explanation before asking the Attorney-General a question about ministerial conflict of interest.

Leave granted.

The Hon. CAROLYN PICKLES: I understand that my colleague the Hon. Paul Holloway asked a question on this topic in this place last week. I refer in part to that question and to the *Australian* newspaper story of 12 October which revealed that the Minister for Government Enterprises had been granted approval by cabinet to negotiate an $18 million deal with Optus to provide mobile phones across government, in spite of the fact that the minister and his wife own shares in Optus.

The *Australian* also revealed that the minister and his wife, since he became the minister responsible for information technology, had bought up information technology shares in more than 13 other companies, including Optus. This is a practice that, according to the cabinet handbook, a minister of the Crown is not allowed to do. The handbook quite clearly states that ministers are required to 'divest themselves of shares in any company in respect of which a conflict of interest exists as a result of their portfolio responsibilities or could reasonably be expected to exist'.

Furthermore, if the minister or his family wish to hold onto those shares, it could only be by way of a trust that is conducted at arm's length from the minister and his or her family in order to remove the conflict. Indeed, the Hon. Anne Levy, in her farewell speech to the Council in July 1997, said:

> . . . when Premier Arnold made me Minister of Consumer Affairs in 1992, I immediately sold my few shares in SA Brewing (as it was then called) as there was a potential for conflict of interest between those shares and my new responsibility for the Liquor Licensing Commissioner.

The former Attorney-General was, as the current Attorney-General would know, scrupulous about—

The Hon. L.H. Davis interjecting:

The Hon. CAROLYN PICKLES: I am not a minister of the Crown.

The PRESIDENT: Order!

The Hon. CAROLYN PICKLES: The former Attorney-General was, as the current Attorney-General would know—

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. CAROLYN PICKLES: —scrupulous about such matters and had been insistent that those shares be divested when Ms Levy sought cabinet's advice on her shares. Now it has been revealed that the Minister for Government Enterprises is also responsible for a telecommunications contract worth more than $100 million, and that there is a strong possibility that he owns shares in at least one of the companies bidding for that contract. Certainly, we have been informed that the minister and his wife own a total of about $28 000 worth of shares in Optus and a significant number of shares in Telstra. My questions are:

1. Will the Attorney explain how a conflict of interest does not exist with the Minister for Government Enterprises in dealing with his telecommunication's contract, and why he was given cabinet approval to manage the contract as minister?

2. Is it now the case that, as long as the minister declares his interest to cabinet, the cabinet handbook guidelines can be ignored?

3. Did the minister absent himself from cabinet when approving the industry assistance packages granted to Optus for its call centre in Adelaide in October 1999 and again in April 2000, and was any confidential information about Optus not available to the general public made known in those cabinet discussions?

4. Is the Attorney-General concerned about the risk to the integrity of the contract process for the $100 million plus telecommunications contract and the risk this potential conflict of interest poses to those bidding companies in which the minister owns substantial shares?

The Hon. L.H. Davis interjecting:

The Hon. CAROLYN PICKLES: Yes, the honourable member had a few when he was a member of the IDC, too.

The Hon. L.H. Davis: And I declared them.

Members interjecting:

The PRESIDENT: Order!

Members interjecting:

The PRESIDENT: Order! I have called for order, the Hon. Mr Davis.

Members interjecting:

The PRESIDENT: Order! I have called for order.

The Hon. CAROLYN PICKLES: The cabinet handbook is quite clear what you do with them if you are a minister.

Members interjecting:

The PRESIDENT: Order! One person is on their feet.

The Hon. CAROLYN PICKLES: I continue:

5. Will the Attorney-General explain exactly what the guideline means when it says that ministers must divest themselves of shareholdings in any company in respect of which a conflict of interest exists or reasonably be expected to exist as a result of their portfolio responsibilities, and why this particular guideline does not apply to the Minister for Government Enterprises?

The Hon. L.H. Davis interjecting:

The Hon. CAROLYN PICKLES: I am very glad to see that the Hon. Terry Cameron has brought back his bill on pecuniary interests.

Members interjecting:

The PRESIDENT: The honourable Attorney-General.

The Hon. L.H. Davis: What about Mick Doyle and his conflict yesterday? That is not a conflict? Come on. He should step down from one or the other on your theory.

The Hon. K.T. GRIFFIN (Attorney-General): Probably both, on my theory.

The Hon. T.G. Roberts: You are comparing pineapples with grapes.

The Hon. K.T. GRIFFIN: It is a good blend, pineapples and grapes. There are a number of questions, some of which require a considered response. Rather than running through the whole five or six questions, I will deal with the issue broadly. I will then take the questions on notice and bring back a considered response. It is important for members opposite to recognise that the ministerial code of conduct, as a set of guidelines for the way in which ministers should operate, must be read as a whole. One cannot pick out one small part and say, 'Well, it means this', without taking into consideration what other parts say.

It is fairly important to recognise that one part frequently is dependent upon another. I think the other issue to realise is that the whole area of conflict of interest is a particularly complex area of both public behaviour and the law. The guidelines say:

> A minister shall be taken to have an interest in any matter on which a decision is to be made or other action taken by the minister in the exercise of his or her responsibilities of office if—

and note this—

> the possible decision or action could reasonably be capable of conferring a pecuniary or other personal advantage on the minister or his or her spouse or children.

I just go back to 1992, because in 1992 the then Attorney-General, to whom the Leader of the Opposition has already referred, provided a report. The introduction to that states:

> This report has been prepared by me with the assistance of Crown Law Officers to enable Cabinet to consider the principles relating to conflict of interest which should apply in dealing with the report of Mr Worthington QC on the inquiry concerning the Minister of Tourism.

And I recollect that it was the Hon. Barbara Wiese at that stage. The relevant part of the report states:

> 6.1.2 Indirect Pecuniary Benefit
>
> Indirect pecuniary benefits can give rise to a conflict but require judgments of a degree. A minor shareholding in a major company which benefits from a decision in which the minister participated may not be such as to give rise to a substantial possibility of conflict of interest. A major shareholding would do so.

Then there is a footnote which draws attention to the bank nationalisation case and says:

> In the bank nationalisation case several judges held minor shareholdings in the banks. They held that they could continue to sit on the matter.

This is the High Court, remember. It continues:

> Similarly, a minor financial benefit by reason of minor shareholding by a spouse where the minister received an indirect benefit from, for example, dividends (either through the operation of joint bank accounts or because the spouse's income benefited a joint lifestyle) may not give rise to a substantial possibility of conflict. This is an issue of degree.

Those issues are further explored in the City of London Electric Lighting Company and the London Corporation (1903) Appeal Cases 403; and Transvaal Lands Co. and New Belgium (Transvaal) Land & Development Co. (1914) 2 Chancery 488. As the report does state, it is a matter of degree as to whether or not there is a conflict of interest. One has to look at the market capitalisation of a company like Cable and Wireless Optus. My recollection is that it has a market capitalisation of something like $15 billion or $16 billion, and in the most recent financial year Cable and Wireless Optus had a net profit, as I recollect, of something over $4 billion. The number of shares on issue is something like 3 775 million shares, held by the public at large.

The Hon. T.G. Cameron: What does that matter?

The Hon. K.T. GRIFFIN: It is relevant because if you have a small shareholding there cannot possibly be—

The Hon. T.G. Cameron: $5 000 might be a significant investment.

The Hon. K.T. GRIFFIN: Not in terms of the issue of conflict of interest. It is not. It cannot possibly be; because when we make a decision here about a rating system, for example, all the members here will have a conflict of interest, if they go by the principle which the Leader of the Opposition is espousing. It cannot possibly be—

The Hon. P. Holloway: Are you saying that ministers can own any amount of shares in any big company? Is that what you are saying?

The Hon. K.T. GRIFFIN: No, not any amount; it is a matter of degree. Why don't you listen? Why don't honour-

able members opposite listen to what the former Attorney-General had to say?

The Hon. P. Holloway interjecting:

The Hon. K.T. GRIFFIN: Well, it is a question of whether or not you could influence the market value—that is what it is. If you hold 10 per cent of Cable and Wireless Optus, perhaps you have a better prospect of benefiting than if you have 1 000 shares.

An honourable member interjecting:

The Hon. K.T. GRIFFIN: That is irrelevant. That is not an issue of conflict; it has nothing at all to do with the issue of conflict.

The Hon. T.G. Roberts interjecting:

The Hon. K.T. GRIFFIN: As I understand it, the contract with Cable and Wireless Optus was only worth about $18 million. You cannot tell me that, on the basis of all the cases, a very small shareholder in a publicly listed company can bring you a pecuniary benefit or be reasonably regarded as being capable of conferring a personal advantage or pecuniary benefit in the way in which the minister may have dealt with the issue. I think that the opposition has to do some fundamental thinking about what is a conflict of interest and take advice because—

The Hon. P. Holloway interjecting:

The Hon. K.T. GRIFFIN: No, I do not need to do anything. I have thought about it and I am giving honourable members examples of considered decisions in this area, and some of them were referred to by a former Labor Attorney-General, a person who the Leader of the Opposition says I should know was absolutely scrupulous about the way in which conflicts of interest were dealt with.

An honourable member interjecting:

The Hon. K.T. GRIFFIN: Yes, and that was referred to in the report he made in relation to the conflict of interest by a former Labor Minister for Tourism, the Hon. Barbara Wiese. You cannot have it both ways. It has to be either a steady course is charted or you throw the whole system into chaos.

There are other issues in the Leader of the Opposition's questions and I will take them on notice. I will not answer in respect of what was and was not discussed in cabinet—I think that might have been the third question—but I will endeavour to provide some enlightenment to the Council about conflict of interest when I answer the questions.

POSTGRADUATE RESEARCH

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

Leave granted.

The Hon. P. HOLLOWAY: It was reported recently that an Adelaide academic spoke out about the brain drain of university graduates to the eastern states. He warned that a cut in government funding for postgraduate research added to lucrative interstate scholarships could create an exodus of students leaving South Australia. Professor Michael Miller, the Professor of Telecommunications at the University of South Australia, stated that a recent federal white paper on knowledge and innovation changed the research formula to emphasise industry rather than government funding. He stated that this change would disadvantage universities in smaller states which had a smaller base of high tech industries to supply the funding. My questions are:

1. Does the Treasurer agree that any emphasis on industry funding rather than government funding for post-graduate research would disadvantage South Australia?

2. What action has the government taken to lobby the federal government to ensure that South Australia is not adversely impacted by any proposals to change funding for postgraduate research?

3. Given this government's highly publicised program to bring back young skilled professionals to South Australia, does the Treasurer agree that any cut in federal government funding for postgraduate research would make a mockery of any attempt to lure young South Australians back to this state?

The Hon. R.I. LUCAS (Treasurer): I will take advice in relation to aspects of the honourable member's question. It may well be that I will need to consult other ministers as well, such as the Minister for Education and the Minister for Employment and Training.

The only other comment I make is that many of us are hoping that the federal government in its response to the Innovation Summit and the report of the Chief Scientist will take up a number of the recommendations made by both those reports which will, in significant part, meet aspects of the requests made by the honourable member. I have indicated publicly my support, if at all possible, for the commonwealth government's expansion of ARC grant funding quantums. That is an important vehicle through which research and development is encouraged and post-graduate students, research fellows and others are able to continue their work in areas of productive importance for the state. So, I will take some advice from other ministers if required. As I said, I think a significant part of the response to the honourable member's question hopefully might be met by the commonwealth government's response to the recommendations of the Innovation Summit and the Chief Scientist.

POLICE DIVERSION STRATEGY

The Hon. T.G. ROBERTS: I seek leave to make a brief explanation before asking the Attorney-General questions about the police diversion strategy.

Leave granted.

The Hon. T.G. ROBERTS: On 18 November 1999, the Prime Minister put out a press release headed 'Tough on drugs diversion program'. In part, it states:

> I am pleased to announce that agreement has been reached between the Commonwealth and the states on the framework for the new Tough on Drugs Diversion Program.

It goes on to say:

> The introduction of a national diversion initiative, for which the federal government will provide over $110 million, delivers on the commitment I made together with premiers and chief ministers on 9 April. In addition, around $110 million has also been allocated by the commonwealth for a range of related support measures, including schools and community initiatives. State and territory governments have committed to take complementary action, including in regard to prisoners.

The document states further:

> The aim of the program is to prevent people entering into long-term drug abuse, where the consequences are serious health problems, financial destitution, social dysfunction, a criminal record and, in some cases, acts of violence and property crime.

South Australia made a commitment to setting up an initiative of the drug court—a diversionary program away from the justice system. However, the framework that was agreed to by COAG as an initiative to develop programs included a

wider range of recommendations for diversion. I have a copy of a draft agreement, which states, in part:

8. The scheme must acknowledge an ongoing commitment to the training education needs of all stakeholders included in the diversionary process, including police.

9. Consistent and coordinated police diversion, more active role for police within jurisdictions is dependent upon an agreed understanding of key concepts, e.g. criteria for decision making, administration and monitoring of the scheme, process, terminology and evaluation.

The framework goes on to describe a lot more initiatives that need to be taken as a collective approach to the diversionary program. My questions to the Attorney-General are:

1. What is the allocation of this funding available to South Australia and has South Australia or any other state or territory initiated the diversion strategy; and, if so, which ones?

2. What is the government's community information strategy and what are the costings and expenditure?

3. Where are people being or going to be diverted to in metropolitan, rural and remote areas?

4. Will the Attorney-General provide details of specific Aboriginal rehabilitation centres, and what assessment system has been or will be employed?

5. Given that this strategy crosses departmental boundaries (Human Services and Justice), which department has or will have the responsibility for its administration and implementation?

The Hon. K.T. GRIFFIN (Attorney-General): I am delighted that the honourable member has raised this question, because it is the subject of legislation currently before us to amend the Controlled Substances Act. It is the legislation which will facilitate entering into the arrangements with the commonwealth to enable us to establish police drug diversion programs in accordance with the COAG agreement. That is the legislation which both the opposition and the Democrats at the last session were reluctant to pass.

Since that time I have sent out more information to members and hopefully we will get to debate that legislation the week after next. The legislation is important because it seeks to make more flexible the approach to diversion. It does not give to police the responsibility for determining what treatment should be made but requires police at the point of arrest to offer the opportunity to a defendant who is a drug offender of being referred to an appointment service and then, subject to the assessment, being referred to an appropriate treatment provider.

That treatment provision, and even the assessment service, will be required to be accredited by the Department of Human Services and will not be just centrally located in the city but hopefully will be in a variety of regional locations as well. The difficulty is that, until we can amend the Controlled Substances Act, it is legally impossible to adopt the proposed strategy to which the honourable member has referred.

The commonwealth funds that are available amount to approximately $9.6 million. They include a significant amount of training, particularly for police but also for others in the system, and it is intended that facilities should be available to both Aboriginal and non-Aboriginal people, recognising that, with respect to drug abuse among Aboriginal people, frequently it is important to have a specialised service to deal with those who are of Aboriginal descent.

So far as the location of the responsibility for this measure is concerned, because of the overlapping involvement of the Department of Human Services and Department of Justice, it is important to recognise that the assessment and treatment will be the responsibility of Human Services. The actual administration of the diversion program at the street level will be in the hands of police and ultimately under the umbrella of Justice. In relation to the pilot drug court, for example, there has had to be a significant level of cooperation between a number of agencies both within the justice portfolio and the human services portfolio. That has settled down to be a quite significantly cooperative body of work with those who might be admitted to the drug court program.

I made some statements about the drug court yesterday, indicating that, since its inception about five months ago, about 170 people have been assessed and, of those, a bit less than half have been assessed as acceptable to meet the conditions of the program and therefore quite a significant number are currently in the program. That program goes for two years and it is to be evaluated on a continuing basis and, if it provides significant benefits to offenders particularly and the broader community, I hope that the government might be persuaded to continue having the drug court operating in the Magistrates Court.

There is a commitment to training. There is a commitment to get this diversion program up and running. I would like to think that, after the period of time we have had since the issue was last debated in the Council, a matter of three months, with the information that has been provided and the opportunities that have been available for members to at least reflect upon the proposal, we might have a better prospect of getting it through. In the light of the honourable member's question I would hope that that reflects a change in the attitude of the opposition to this legislation.

The Hon. T.G. ROBERTS: I have a supplementary question. Is there any possible chance of releasing funds using current facilities that does not require legislative change?

The Hon. K.T. GRIFFIN: I did not deal with the Drug Aid and Assessment Panel. Under the Controlled Substances Act it is mandatory for those who are arrested or charged with minor drug offences, such as possession and use, to be referred to the Drug Aid and Assessment Panel. There has been a review and I know that there has been a request for the evaluation, which is an interim evaluation, to be released, and that is currently being considered.

The Hon. M.J. Elliott interjecting:

The Hon. K.T. GRIFFIN: I understand the point that you make. Do not get uptight because I understand the point that you make about it. Hopefully we can address that issue in the next few days. The difficulty with the Drug Aid and Assessment Panel, which has been in operation for 13 years, is that it is now recognised as being inflexible and that more flexibility needs to be built into the system. That is something which I hope we can do with the amendments before us, recognising that in terms of assessment and in terms of the provision of services ultimately they are required to be accredited by the Minister for Human Services. I will check the rest of the questions and if I have not answered them all I will bring back some additional replies.

ALICE SPRINGS TO DARWIN RAILWAY

The Hon. J.S.L. DAWKINS: I seek leave to make a brief explanation before asking the Minister for Transport and Urban Planning a question about the Alice Springs to Darwin rail link.

Leave granted.

The Hon. J.S.L. DAWKINS: I understand the Great Southern Railway, owner of the world renowned tourist train the Ghan, has reconfirmed its commitment to extending the legendary train service to Darwin following the announcement that the construction of the $1.2 billion Alice Springs to Darwin rail link is to proceed. GSR's Chief Executive Officer, Stephen Bradford, has said that his company is very excited about extending the service to Darwin once the new line is operational. He also apparently commented in the following terms:

> Since it was mooted that the rail link was finally going to come to fruition we have been inundated with calls from Australian and international holiday makers wanting to book their cabin aboard the Ghan service to Darwin.

My question is: can the minister inform the Council about the potential benefits for South Australia of the Alice Springs to Darwin line being used for passenger trains in addition to freight?

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): I am very pleased to receive this question because, as most honourable members would know, all of the focus to date on the success in gaining the Adelaide to Darwin railway has been on freight issues, and I think that it has been most unfortunate that we have not been able to put as much emphasis as we should be, and increasingly I hope we will, on the benefits for passenger journeys and tourism.

There is enormous potential to focus tourism on Central Australia, Northern Territory and South Australia arising from this very exciting rail project. I have been advised by GSR that it will be commencing the refurbishment of carriages next year in anticipation of the opening of the railway and increased business. These will be tendered, but two South Australian refurbishers have won all GSR work to date on the Indian Pacific, the Overland, the Bluebird at Islington and Edrail at Port Augusta.

It is expected that customers will combine either Melbourne-Adelaide, up to Alice Springs and Darwin, or just Adelaide-Darwin and return. I am told that GSR is planning stopping places at Tennant Creek and Katherine, which would also provide for helicopter and coach tours as part of the rail journey, and possibly at Adelaide River. That would be in addition to Alice Springs and Adelaide. It has already undertaken work on the timetable for afternoon departure from Alice Springs, early arrival in Darwin in the evening and a return service that would leave Darwin in the morning and arrive at Alice Springs the next morning.

Apparently, because of the enormous interest that this railway has generated even before the project has started—and we are waiting for financial sign-off in about five weeks—there have been so many calls around the nation, internationally and from South Australian rail enthusiasts inquiring about travel on this trip that in the next few weeks Great Southern Rail will be launching a preliminary booking service for these services. That will enable people who are interested in undertaking the trip to leave their contact details and then, when timetables and schedules are confirmed, these customers will have a priority booking window to services departing in the first year. So, I think it is really thrilling that we are talking about wide-spread interest in this trip from overseas and nationally, for trips that will be available in year 2004-5.

SCHOOLING, POST-COMPULSORY

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Treasurer, representing the Minister for Education, questions in relation to post-compulsory schooling in South Australia.

Leave granted.

The Hon. M.J. ELLIOTT: The 1988 Gilding Inquiry into immediate post-compulsory schooling in South Australia found that the final years of secondary schooling must equally prepare students who do not wish to go to university as well as those who do. In doing so, it aimed to make post-compulsory schooling work for a group of students for whom it traditionally had not worked. It was from the beginnings of this inquiry that the existing South Australian Certificate of Education was created.

The Gilding Inquiry report called for a major review of progress after two years, but to my knowledge the first major review of post-compulsory schooling was released only on 12 October this year. The report, titled 'Early School Leaving in South Australian Secondary Schools', was released by DETE, SSABSA and the Flinders Institute for the Study of Teaching, and it lifted a veil over post-compulsory schooling in South Australia to reveal that our public education system in those latter years, in particular, was failing quite a number of young South Australians. Interestingly, no media release was issued for the study's launch, nor did the Minister for Education or the CEO of DETE attend the launch. I find this odd since the public is concerned about school retention rates and post-compulsory schooling in this state, and the state government itself, I understand, invested at least $300 000 in this study.

The question that has been put to me is, 'Why was the release of this study so low-key?', also noting that it fell within days of the government's announcement that it was to lift the compulsory school leaving age from 15 to 16 years—and I note that the Labor Party, not to be outdone, has now announced that it will introduce a private member's bill to increase—

The Hon. Carolyn Pickles interjecting:

The Hon. M.J. ELLIOTT: Just a second: let me finish. I am not asking you the question, anyway. The Labor Party has announced that it will introduce legislation to lift the compulsory leaving age from 15 to 16 years. At the time, some people observed that, given the stories of the participants involved in the 'Early School Leaving in South Australian Secondary Schools' study, it really was disturbing. The findings were so critical of the post-compulsory schooling situation in South Australia that perhaps it is not surprising that the media were not told about the release of that study.

The minister responded to my comments with claims that raising the leaving age would better equip our young people for the future and that Partnerships 21 will give local schools the ability to meet students' needs. Others have observed to me that the real problem with P21 for these kids is that schools will be competing for students to secure additional funding and will not seek to attract and keep students who are resource intensive and not likely to succeed.

It is also worth noting that a week ago the Australian Centre for Education Research issued a press release announcing the release of its report 'Non-completion of school in Australia: The changing patterns of participation and outcomes'. The Deputy Head of Policy Research at ACER, Dr Phillip McKenzie, went into quite an extensive

analysis of why young people are leaving school early. Perhaps not worrying too much about the numbers, which all justify the claim he makes, he states:

> It is also important to ensure that young people are not just participating in education and training to occupy their time but are engaged in programs that are appealing, relevant to their futures, and which promote skills and knowledge which will ensure their long-term employability and active participation in society.

Given these comments and the contents of the Early School Leaving in South Australian Secondary Schools report, which shows that those latter years are failing many students at this stage, will the minister explain why that report was not given more public airing than it was, particularly in the light of the government's intention to raise the school leaving age, which means that students who are finding that school is not working for them will be forced to stay at school without any change in the school system itself?

Can the minister inform this place what changes will be made to ensure that these students who are being forced to stay at school longer will get an education that is relevant and useful to them, rather than simply staying at school, which will be a waste of their time and probably will be destructive for other students who have to share classes with them?

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

HENDER, Mr B.

The Hon. A.J. REDFORD: I seek leave to make a brief explanation before asking the Treasurer, representing the Premier, a question about Bill Hender.

Leave granted.

The Hon. A.J. REDFORD: I have known Bill Hender—

The Hon. R.R. Roberts interjecting:

The Hon. A.J. REDFORD: It's the Muppet Show, isn't it, Ron?

The Hon. R.R. Roberts interjecting:

The Hon. A.J. REDFORD: Here he goes again. He is like the old man in the back row.

The Hon. R.R. Roberts interjecting:

The PRESIDENT: Order, the Hon. Ron Roberts!

The Hon. A.J. REDFORD: I have known Bill Hender, a prominent ALP member and many times candidate for the ALP for various parliaments, for over five years now. He was a capable, thoughtful and well-respected mayor of Tatiara for many years. Indeed, I had quite a number of dealings with him. The economic success of his region was in no small measure due to his stewardship when mayor of the Tatiara region. I knew him to be trustworthy, honest and diligent and often wondered why he was in the ALP, and in some respects mused about what we had done wrong, as he would have been an adornment to our party—a decent and thoughtful man.

Mr Hender was a prominent figure in the centre left of the ALP faction; as I said, he ran a number of times. He was the inaugural President of Country Labor (recently launched with some 300 delegates) and had the endorsement of the federal Leader of the Opposition, Mr Beazley. I understand that he was doomed by the fact that he was not in the machine, which I understand is led by the member for Elder, who last night ran out of questions and is, on my understanding, totally afraid of anyone with any ability or talent entering the ALP caucus.

I also notice that today's *Border Watch* refers to Mr Hender as follows:

> In a savage attack yesterday the influential Mr Hender claimed Labor was not an alternative at upcoming elections because it is incompetent and full of rhetoric with little else for country people . . . Labor is not interested and does not care.

He is a fifth generation farmer who joined the Labor Party two decades ago.

The Hon. R.R. Roberts interjecting:

The Hon. A.J. REDFORD: I understand why the Hon. Ron Roberts would be upset about this, because he was the only source of intelligent policy direction that the Hon. Ron Roberts had access to. Mr Hender said:

> Just look at the lot we have got as our state Labor political decision makers. I do not think they care about anything other than their own egos, ambition and a ride on the taxpayer-funded gravy train.

The article further states:

> '(Labor's) SA state conference was held two weeks ago—it was full of dirty tricks and I just don't subscribe to that sort of thing', Mr Hender said yesterday.

That is obviously a reference to the member for Elder. Mr Hender was also on radio this morning. It is interesting to note that, whilst Mr Bracks might have become Premier on the backs of country seats, there appears, on the basis of this resignation, no opportunity for Labor to get there.

The Hon. Diana Laidlaw: He has resigned from the Labor Party?

The Hon. A.J. REDFORD: He has resigned from the Labor Party; he is gone. I am told that there is a real opportunity here for SA First to grab a former adornment to the ALP. I have heard rumours that talks are happening—

The PRESIDENT: Order! The honourable member will get on with his explanation.

Members interjecting:

The PRESIDENT: Order!

The Hon. A.J. REDFORD: My questions to the Attorney are:

1. Has the Premier heard Mr Hender's comments?
2. Has the Premier lost confidence in ALP country policy, and does he agree with the sentiments expressed by Mr Hender?
3. Is this the first example of SA Labor's losing a prominent ALP figure, particularly one who has been involved in policy development?

An honourable member interjecting:

The Hon. A.J. REDFORD: And did I hear yours squeak!

The PRESIDENT: Order! The explanation has concluded. The Treasurer.

The Hon. A.J. Redford interjecting:

The PRESIDENT: Order! The honourable member has had his five minutes' worth.

The Hon. R.I. LUCAS (Treasurer): I will be happy to refer the honourable member's questions to the Premier, but I suspect that the answer, certainly, to the first question is 'Yes'; and the Premier's views with respect to the second question will certainly be that, if he had any confidence in the capacity of the Labor Party, under the leadership of Mike Rann, Kevin Foley and Pat Conlon, to offer anything of substance to country people in South Australia, that would have disappeared long before the comments made by Mr Hender. Mr Hender's comments, certainly, are an insider's testimony to the facade that has been put up by Mike Rann and the shadow ministry for the Labor Party that they truly care about country people.

When they have the first opportunity to preselect someone who, it can be argued, truly represents country people, such as Mr Hender, they crush him, just as the left and the right have done with many other worthy contenders in the Labor Party. If they are not part of the deal, if they are not part of the faction, they are crushed and discarded.

The Hon. T.G. Cameron: It looks like we will have another Independent in MacKillop.

The Hon. R.I. LUCAS: In MacKillop? I see. I thought he might have been a candidate for SA First in MacKillop, but I am not privy to any discussions. Certainly, Mr Hender in his comments has shown himself to be a fine judge of character and talent in describing the Labor Party in South Australia as incompetent and basically driven by ego and self-serving needs. This is from a senior office holder within the Labor Party—

The Hon. L.H. Davis: A president of Country Labor.

The Hon. R.I. LUCAS: A president of Country Labor, touted by—

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: The Hon. Terry Roberts and the Hon. Paul Holloway at a number of public functions in the South-East have waxed lyrical about the virtues of Mr Hender and his capacity. Yes, the Hon. Terry Roberts at least has the good grace to nod. The Hon. Mr Holloway will not, I am sure. He will not have the good grace to nod.

Members interjecting:

The Hon. R.I. LUCAS: He is a decent bloke—

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: On many occasions senior Labor Party people, including the Hon. Terry Roberts and the Hon. Paul Holloway, have indicated to the South-East country people that here is a man of talent, capacity and good judgment. Let the people of the South-East now listen to Mr Hender's good judgment about Mike Rann and the front bench of the Labor Party in South Australia.

As I said, their pretence that in any way they are genuinely interested in the country really is and has been a facade put up by Mike Rann as a political stunt, leading into the next election, in a vain endeavour to try to garner some extra support for Labor in the Legislative Council and other prospective seats.

GAMBLERS REHABILITATION FUND

The Hon. NICK XENOPHON: I seek leave to make a brief explanation before asking the Minister for Transport, representing the Minister for Human Services, a question about the Gamblers Rehabilitation Fund, known as the GRF.

Leave granted.

The Hon. NICK XENOPHON: On 18 February 1998 I asked a question in this place on the effectiveness of the GRF, which funds Breakeven Gambling Services, and I referred to a survey finding that only 5 per cent of the public were aware of the existence of Breakeven Gambling Services, after $226 000 was spent on a public awareness campaign by the GRF. On 10 September 1998 I asked the minister whether the GRF Advisory Board would be restructured following one of 26 recommendations made by an independent consultancy of Elliott Stanford & Associates, commissioned by the department, that expressed concern over the composition and need for greater independence of gambling service providers and researchers away from the government and the gambling industry. On 17 November 1999 I asked the minister again what steps were being taken to implement the recommendations of the independent consultancy referred to, including the composition of the GRF board and a three year funding agreement. My questions to the minister are:

1. When will the recommendations of Elliott Stanford & Associates be implemented, particularly in respect of broadening the composition of the GRF Advisory Board to more broadly reflect community interests, rather than the interests of Treasury and the industry that predominate the board at the moment?

2. Given the dismal level of public awareness of Breakeven Gambling Services, as evidenced by the 1998 survey results referred to, what further surveys have been undertaken on the level of awareness of services to assist problem gamblers and their families in this state?

3. What publicity campaigns are planned by the department to raise public awareness of the services available to problem gamblers, together with a community education campaign aimed at reducing levels of problem gambling in South Australia?

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): I will refer the honourable member's question to the minister and bring back a reply.

LAND AGENTS

The Hon. CAROLINE SCHAEFER: I seek leave to make a brief explanation before asking the Attorney-General a question on the subject of lawyers registering as land agents.

Leave granted.

The Hon. CAROLINE SCHAEFER: Most members of parliament have been contacted recently by the Real Estate Institute regarding its concerns about lawyers being able to register as land agents. Some members have received letters from the Real Estate Institute's Chief Executive Officer, Mrs Joyce Woody. One such letter says, in part:

> . . . our members. . . will be disappointed to learn that you do not support the real estate industry. We are aware of what the government is doing in regard to providing a loophole for solicitors to increase their income. Our members, their staff, families and your constituents do not support the changes the government is proposing to implement. The institute and its members do not require bureaucratic 'support' to be duchessed.

The Real Estate Institute has embarked on its campaign against lawyers being able to register as lands agents, despite, I understand, a competition policy review of the Land Agents Act. My questions are:

1. What consultation has the Attorney-General had with the Real Estate Institute and the Law Society, and what has been the outcome of that consultation?

2. Have the Real Estate Institute members been provided with sufficient information on this issue?

3. What effects would there be if the recommendations of the competition policy review into the Land Agents Act were not allowed to be put in place?

4. Has the Attorney-General or any member 'duchessed' the real estate industry?

The Hon. K.T. GRIFFIN (Attorney-General): All honourable members would know that, under the Competition Principles Agreement entered into by all states, territories and the commonwealth at the time of the Keating government, we are required as a government to review all occupational licensing legislation with a view to addressing anything that might be of an anti-competitive nature. If we do not review

it or we do review it and do not have a reason that falls within a very narrow range under the competition policy agreement then the state may lose part of what is called its competition payments.

We have undertaken a review of all occupational licensing under the responsibility of the Commissioner for Consumer Affairs, as well as the legal profession, and I expect that there will be a report in the not too distant future, following the review of the Legal Practitioners Act.

In relation to land agents, a competition policy review was undertaken over a period of about 12 months and a discussion paper was issued. The Real Estate Institute responded to that, as did others, and then a draft report was published and, again, the Real Estate Institute responded. A final report, which was basically consistent with the draft report, was then concluded and released.

A question was considered by the Competition Policy Review body about lawyers and their qualifications and whether or not their qualifications were adequate to enable them to be registered as land agents. That issue was the subject of a response from the Real Estate Institute. It forms an important part of the context and states as follows:

> REASA maintain that legal practitioners do not have the appropriate credentials to appraise and market property for sale. Aside from this issue, REASA believes that legal practitioners' qualifications would otherwise provide adequate consumer protection. Unless the issue of credentials for appraisal and marketing of a property can be properly addressed, REASA cannot agree the qualifications held by legal practitioners are sufficient for registration as an agent.

In effect, it is saying that if the appraisal and marketing issues are properly addressed then the qualifications that lawyers have as a result of their study to get a legal degree is adequate to enable registration to occur.

I have seen the letter from the Chief Executive Officer of the Real Estate Institute and I have had some meetings with her and her officers and with both the immediate past president and the current president of the Real Estate Institute. I think that the letter that has probably been circulated to most members of parliament is offensive, it is wrong in several respects—as has been a lot of the information that has been communicated by the officers of the REI to its members—and I also think that it can be regarded as defamatory. I could not quite—

An honourable member interjecting:

The Hon. K.T. GRIFFIN: Well, it is defamatory with respect to those it has targeted. With respect to the word 'duchessed', I was somewhat intrigued by the reference to 'bureaucratic duchessing of the institute' and I could not understand what that meant. I have found that to duchess is 'to treat in an obsequious fashion in order to improve one's social or political standing'. The word 'obsequious' is defined as 'servilely compliant or deferential and characterised or showing servile complaisance or deference'. I have never sought to be obsequious towards the Real Estate Institute and I do not think anyone else has, either. I think it just happened to be a convenient word that was slipped into the letter.

I agree that some aspects of what the Law Society has been promoting—the one-stop shop—are inappropriate because it is not legally possible to do so, and I have told it that. I have told it that it must accept that the law will prevent a legal firm that also seeks to be registered as a land agent from also doing conveyancing work. It cannot do so; the law is clear. Issues of conflict of interest raised with me by the Real Estate Institute are currently addressed in the real estate regulations.

Remembering that if a person with legal qualifications satisfies the requirement for proper appraisal qualifications then that person, if registered by the Commissioner for Consumer Affairs, will have to comply with all the provisions not only in the Legal Practitioners Act but also in the Land Agents Act and the Land and Business Sale and Conveyancing Act, which contains all the constraints against operating in a way that raises issues of conflict. There are some other issues in the questions which I have not touched on. If I feel a further answer is required, I will bring back a reply.

COUNTRY BUS ASSOCIATION

The Hon. R.R. ROBERTS: I seek leave to make a brief explanation before asking the Minister for Transport a question about the Country Bus Association.

Leave granted.

The Hon. R.R. ROBERTS: On 11 October, I asked some questions of the Minister for Transport about providing some relief for bus and coach operators operating in South Australia.

Members interjecting:

The PRESIDENT: Order!

The Hon. R.R. ROBERTS: I pointed out on that occasion that some $220 million had been spent on assisting bus services in South Australia of which $2.2 million was spent on country bus services. The minister said that she had announced that there was money for projects for country buses. I passed that information on to the Country Bus Association on behalf of the minister and received a reply recently. The association said that it had received correspondence from the minister and Ms Heather Webster, the Passenger Transport Executive Director.

In those letters, both the minister and Ms Webster commented about arranging a special meeting and said that they would contact the Country Bus Association again shortly to provide the details. This correspondence has been tabled at every Country Bus Association monthly board meeting and Bus Advisory Panel meetings on a continuous basis since their receipt in July while they await details of this special meeting. They have attempted to arrange the meeting unsuccessfully on a number of occasions. In late September, they met with Ms Webster and were told that Ms Webster and the operators should be scheduling a meeting in the near future.

Further attempts were made, and they were then advised that Ms Webster was unavailable in the short-term and would be absent from mid-October to mid-November. So, on 18 July they were going to get some relief, but now because Ms Webster is away that relief is not able to be given. It appears that the minister has funds, but trying to get a meeting with her officers seems to be another matter indeed. My questions are:

1. Will the Minister provide Ms Webster with additional staff and give her a wage rise so that we can get on and do the job that the Passenger Transport Board is supposed to be doing?

2. Will the Minister herself give me any indication of when a meeting, such as the one that has been promised to the Bus and Tram Association in country areas for some time, will take place?

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): I do not think that this has anything

to do with wage rises or extra staff for Ms Webster. I spoke with the President, Mr Gary Fraser, in Murray Bridge just a few weeks ago, and he acknowledged to me that he had all the documents and all the issues were on his desk but that he just had not had time to deal with them and he would get back to me. I do not know who wrote the letter to Mr Roberts. Who signed it?

The Hon. R.R. Roberts: The Executive Director, on behalf of the—

The Hon. DIANA LAIDLAW: As I said, I spoke to the President two weeks ago, and he acknowledged that the issues were on his desk, that he had to address them, but that he had not had time, and that he would get back to me shortly. I do not accept the fact that, because Ms Webster is away, that should be any reason for these issues not to be advanced, and my office will contact Ms Webster and the Bus and Coach Association this afternoon or tomorrow and we will get these matters under way.

As I say, the money was announced in the budget so it has been there since 30 June and, as of two weeks ago, the chair acknowledged that the issues were on his desk and that it was in the Bus and Coach Association's court, not ours. That is why, if the letter was signed by Mr Curetan, I suggest that Mr Curetan might be creating mischief for some ends of his own, which I would not understand because it would be at odds with what his president has personally told me.

MURRAY RIVER

The Hon. K.T. GRIFFIN (Attorney-General): I seek leave to table a ministerial statement made this day in another place by the Premier in relation to the Council of Australian Governments meeting.

Leave granted.

MINERALS INDUSTRY DEVELOPMENT BOARD

The Hon. K.T. GRIFFIN (Attorney-General): I seek leave to table a ministerial statement made this day in another place by the Hon. Wayne Matthew in relation to the Minerals Industry Development Board.

Leave granted.

ADDRESS IN REPLY

Adjourned debate on motion for adoption.

(Continued from 24 October. Page 207.)

The Hon. CAROLYN PICKLES (Leader of the Opposition): I rise to support the motion and I pay tribute to the Governor and Lady Neal for their ongoing work and commitment to South Australia, particularly in the area of the arts, where I mostly come into contact with the Governor and Lady Neal. They have opened up Government House to the public in a very generous way and they give a lot of their time and effort to ensuring that many arts projects are supported. I have always been very impressed with Sir Eric because of his particular interest in young people in this state.

Members would be aware that I will retiring at the next election and I would like to look back on the record of the parliament in some respects since I have been a member. It is interesting to look at the impact of the government's legacy when it takes hold and it is very disappointing in many ways. When one looks at the legislative program, one notes that, particularly in the Legislative Council, we seem to have large numbers of bills that are brought in daily and inadequate time and an inadequate number of sitting days to deal with them.

By way of cooperation, we have extended government business time on Thursday morning for two hours, but I am quite sure that, as we get to the weeks before Christmas, the government will expect us to sit all hours of the day and night in order to fulfil its legislative program. It would be better in my view to spread out the sitting days a bit more. I know that a private member's bill is before the parliament to legislate for the number of sitting days. The Labor Party caucus has not dealt with that new bill, but we did not support the previous one because it is my view that the government of the day should have a say in how many days it sits and it is for the public to judge whether or not they think it is adequate. Those of us who believe in parliamentary reform and that we should have sensible sitting hours of parliament would prefer to have more sitting days and fewer late nights.

The ACTING PRESIDENT (Hon. J.S.L. Dawkins): Order! I ask that the conversations in the chamber be lowered.

The Hon. CAROLYN PICKLES: Shortly after I commenced my parliamentary career in 1985 I decided that I would take what was a fairly bold step, I suppose, for a new member of parliament and try to reform the prostitution industry. It is interesting that some 15 years later we are still struggling with this issue. When I introduced a private member's bill on 28 August 1986 I said that perhaps a little more Christian charity and less bigotry and hypocrisy is required to deal with this situation, meaning prostitution.

Certainly I was the recipient of some very disgraceful behaviour when I introduced that legislation. It probably would have been enough to deter even the bravest person from ever putting their head above the trenches again. There were telephone calls to my home and threats to me and my family. I must say it was a bit of a shock, because many of the people who were most vocal in their condemnation of me as a person and my morals were so-called Christians. So it is very disappointing that it has taken us so long, and in fact it is even longer than 15 years because, of course, Robin Millhouse introduced a bill into the House of Assembly in 1978. So we are looking at 22 years, and we still cannot tackle what is, after all, a difficult piece of social legislation but not so difficult that sensible men and women in this place can handle it.

The same indecision and controversy applies to the marijuana debate. I am very disappointed in the Minister for Police who has been mischievously trying to use this issue to distract the community from some of the government's festering sores. He has put out some very misleading press reports saying that this is Labor Party policy. I think that shows contempt for the whole concept of a conscience vote in this place where members of my party have a conscience vote on a number of social issues—we certainly have a party vote on most issues but there are social issues where we all have a conscience vote. Certainly in this place in the last session the motion that I put forward on the regulation relating to marijuana was supported by the Australian Democrats; SA First; I believe the Hon. Trevor Crothers supported it; a member of the Liberal Party, the Hon. Angus Redford; and the Hon. Nick Xenophon from the No Pokies party.

So it is very wrong to say that it is the Australian Labor Party's policy. Two members of my party did not support the motion that I put forward and I respect their views, as I respect the views of people who use the conscience vote—I respect their views but obviously I do not agree with them at times and will make my disagreement known. So I think the Minister for Police has been very mischievous and, in fact, downright deceitful in his approach to this issue, I suppose in order to try to deflect public criticism of his party at this time.

The Auditor-General's Report, which we have discussed previously in this place, has been very critical of some of the practices of government: the defection of yet another member of the Liberal Party; the ongoing share controversy surrounding the Minister for Information Economy; and the controversy surrounding the recent sacking of the Chief Executive Officer of SA Water. These are some of the undesirable effects from this government that we know about, and one wonders what else lurks beneath the surface. In 15 years of parliament I cannot recall such a litany of disgraceful and consistently scandalous behaviour.

Yesterday in this place the Hon. Mr Davis, in a Dorothy Dix question to the Treasurer, in his usual coward's castle manner, sought to impugn the reputation of Mr Mick Doyle, the Secretary of the United Firefighters Union of South Australia. Mr Doyle was very interested when I informed him that his name had been raised in parliament, and I understand that he has had some ongoing controversial discussions with the Treasurer on this issue, but for the record I would like to correct the statements that were made by the Treasurer in this place yesterday. In a memo to me, Mr Mick Doyle states:

> I note with interest comments made by [the] Treasurer [the Hon.] Mr Lucas in the Legislative Council yesterday. [The Treasurer] puts a very interesting spin on my ability to restrict access of Treasury officials to the [South Australian] Metropolitan Fire Service Superannuation Fund's Actuary. It is true that the trustees of the Superannuation Fund have expressed concern over the right of Treasury officials to have unrestricted access to the fund's Actuary and this is a matter that has been supported unanimously by trustees. It is not true, nor is it fair, to point the finger at me on this particular point.
>
> [The Treasurer] states that we have refused permission for the Actuary to discuss the issue with the superannuation experts within Treasury and Finance. This is not so. In late July Mr Deane Prior, Director of Superannuation Policy with the Department of Treasury and Finance, approached Mr Bob Tidswell, Chairman of the [South Australian] Metropolitan Fire Service Superannuation Fund, to have access to the fund's Actuary prior to meetings of a working party which had been established to resolve outstanding differences with respect to the distribution of the actuarial surplus. Mr Prior was granted a private meeting with the fund's Actuary on Thursday 27 July 2000. This was prior to the working party's first meeting on 2 August 2000.

At the meeting of the working party held on 9 August 2000, the parties agreed to a frank and open exchange of information relating to costings and assumption of proposals that were being considered by the working party at that time. The trustee representatives on the working party had agreed that the fund's actuary would attend the next scheduled meeting of the working party, to be held on 16 August 2000, provided that relevant information could be provided to the trustee in a timely fashion in order that the information could be analysed by the trustee in conjunction with the fund's actuary. It turns out that Mr Prior failed to meet the agreed deadline, claiming that they had difficulty within their own department in putting together the relevant information sought by the trustees.

Because Mr Prior was unable to provide the information sought by the trustees, it was not necessary for the actuary to attend as previously agreed. As it turned out, a one page summary was handed to trustee representatives by Mr Prior at the meeting on 16 August, which on further analysis proved to be irrelevant and incorrectly costed. When further information was finally and belatedly provided by the Treasurer's advisers, the trustees agreed to have the fund's actuary attend a meeting of the working party held on Friday, 25 August. It turns out that the advice offered by the actuary on that occasion sounded the death knell to an inappropriate proposal promoted by Mr Prior on behalf of the Treasurer.

Despite the fact that we honoured our commitment to have the actuary attend the meeting, Mr Prior did not pursue any questions with the actuary beyond the advice that was offered to him that his proposal was unrealistic in the extreme. Every request for information from the fund's actuary by Mr Prior was met and on at least two occasions, at expense to the fund, the trustees made their actuary available. It is interesting that in the letter from the Treasurer to the trustee he proposes that discussions continue on the basis of consideration of the very proposal that was determined and agreed as being unrealistic and not viable. We question the commitment of the Treasurer in ensuring that appropriate benefits be made to firefighters which reflect the hazardous nature of their occupation.

I think it is important that, when members of the public are maligned in this place, they have an opportunity to have their views put forward. I make no comment in relation to what have been the ongoing differences between the Treasurer and Mr Mick Doyle. All I can say is that in the many years I have known him he has been a tireless fighter for his members. And I think that the comments made the Treasurer yesterday were quite disgraceful, in as much as I think it is very obvious that Mr Doyle is quite capable of separating his role as the President of the Australian Labor Party from his role as the Secretary of the union. At all times he behaves very appropriately in his two roles. I have more to do with him in his role as President of the Labor Party; obviously, I do not have a great deal to do with him in his role as secretary of his union, but I know that he is well thought of.

I now turn to the transport area. I will look at some of the issues relating to the privatisation of the government's bus operations earlier this year. The impact of competitive tendering has had a devastating impact at many levels. The provision of reliable, accessible and affordable public transport is extremely important in making society and the economy function well and run smoothly. We are all aware that it is difficult for public transport to compete with the motor vehicle, and we know that Australia has one of the worst records for individual preference for and reliance on cars.

Modern lives today are extremely complex and time sensitive, so I have some sympathy for the efforts of successive governments to increase public transport patronage. However, instead of attempting creative and even lateral solutions to improve public transport, such as keeping fare increases to a minimum, the minister has stormed through with the competitive tendering process which resulted in the immediate loss of hundreds of jobs and the decimation of TransAdelaide.

At an individual level we are faced with hundreds of older workers, mostly men, who have been with TransAdelaide for a long time and who are now without work. Without wanting to detract from the important work that bus drivers do, I know that there is very little scope for unemployed bus drivers to

be absorbed meaningfully into what is left of the public sector. At the macro level the government has taken this opportunity to shed hundreds of jobs permanently from the public sector. These jobs are gone forever, as are the employment opportunities that might have flowed on to other South Australians.

Since the commencement of the private operators my office and those of others have been inundated with complaints from commuters. Some examples include buses not arriving, buses taking the wrong routes, services arriving late and drivers being unaware of where they are supposed to be going. It is true that some might argue that these problems are bound to happen in any changeover, but what concerns me is that we are dealing with a system that is run by private operators and that this significantly reduces the scope for accountability and intervention.

I consistently receive anonymous phone calls from drivers—and I do not normally deal with anonymous phone messages, but these people work with the private companies and fear for their jobs if they state their name—who say that they are concerned about the inadequate level of training they receive in relation to new routes and services. The minister insists that privatisation will create annual savings of $7 million over 10 years. However, we know, according to the Auditor-General's Report, that separation packages for the 935 employees totalled $37.8 million. We also know that it cost TransAdelaide $2.3 million to disengage itself from the bus business. It would seem to me that this was not the best use of taxpayers' money.

The government's method of a crackdown on fare evasion is another important matter I wish to discuss. No-one in the parliament would argue against the need to ensure that commuters use public transport lawfully. However, what we are witnessing in this latest crackdown—and the minister has acknowledged in response to a question I asked yesterday that there are some problems with the system—is that a number of innocent victims are being caught in the net and that people are hurting. Talk-back radio is running hot with this issue—and why not, because we are not dealing in every case with fare evaders but with students who have lost their concession card or have innocently left it at home? I ask the question: does this warrant a fine of $167?

The minister has indicated that she will look at the whole situation, and I welcome that move and look forward to a more sensible outcome than what we have seen recently. I refer to recent comments of Dr Paul Mees about the state of public transport in South Australia, as follows:

> These days Adelaide is the worst performing, especially in terms of patronage trends in Australia.

The Hon. Diana Laidlaw: Did you see what he said about Sydney and Melbourne as well?

The Hon. CAROLYN PICKLES: Sure. He continues:

> Under Don Dunstan it would have been at the top of the class but it is now in the remedial section, sadly.

Referring to the government's beat-up on patronage figures, Dr Mees said:

> Public transport patronage has been increasing at good rates everywhere in Australia.

But the fact that the government is congratulating itself on a tiny increase following many years of decline I think is premature.

On a more positive note, I think that in the area of the arts there is a lot of room to support some of the government's moves. I was pleased to see that finally there has been some acknowledgment of and relief for some companies from the impact of the GST. However, what we have is the top end of town, such as the opera, being looked after. I am a fan of the opera, I am a patron of the opera and a subscriber, and a friend of the opera: I love it dearly and go regularly and have done so long before I was shadow minister. But I wonder who is looking after the community arts groups that are hurting as much, if not more, than the big performing arts companies.

I acknowledge that my representations to the minister in relation to Junction Theatre did result in the minister putting more money into that company, for which I thank her. The theatre company, to me at least, was very grateful for that breathing space. I will be doing all I can, as I am sure the minister will, to ensure that Junction Theatre, which is a well-respected community theatre in South Australia, continues to flourish. I think that the GST will continue to have a devastating impact on the arts and the community at large.

In closing, I cannot let the advent of the Olympic Games pass without comment. Although South Australia's role obviously was not as vital as that of Sydney, I think it was fascinating to note the way in which the whole of Australia responded to the Olympic Games. There was that wonderful opening, some of which was choreographed by Meryl Tankard—and what a great loss she has been to South Australia—the lighting of the flame, which was very moving, and the terrific efforts of the athletes. Probably for the first time I was glued to my television screen and I was very annoyed if I had to go out on an evening when I knew something particularly exciting was on. In fact, I was running around with a radio and rushing to find the nearest television so that I could watch what was going on.

The closing ceremony was fantastic. I think the Paralympics is an inspiration for those of us who are able-bodied to watch some of these athletes, who obviously have to struggle in their daily lives, putting in an effort that would put most of us to shame. I congratulate the organisers, the people of Sydney, the people of Australia and the—

The Hon. R.I. Lucas: Michael Knight.

The Hon. CAROLYN PICKLES: Yes, Michael Knight, who I think certainly—

The Hon. Diana Laidlaw: Sandy Holloway.

The Hon. CAROLYN PICKLES: Yes, indeed. I think they all put in a lot of effort. One of the things my colleague in another place, Michael Wright, said when he came back from the Olympic Games was that he thought the volunteers were fantastic. It just goes to show that we can be very proud of people who give up their time and go to occasions such as this. Everyone said how wonderfully friendly and helpful they were and how they were an absolute credit to Australia.

It was a very inspirational games and the best games ever, according to Mr Samaranch. Clearly, it would be very difficult for Athens to top Sydney. It has been a wonderful occasion. Certainly, when we scored the success for Sydney, we all thought, 'I hope that we can present something out of the box.' I think that we did right from day one, from the opening ceremony to the closing ceremony, and all through the Paralympic Games. It was great to have the parade in South Australia and to get a glimpse of the athletes. We did not talk to any of them because there were such crowds of people, but just to see these young people who look so healthy and so full of pride for their country and their achievements was an inspiration to each and every one of us and particularly to young people in Australia.

The Hon. IAN GILFILLAN secured the adjournment of the debate.

ROAD TRAFFIC (ALCOHOL INTERLOCK SCHEME) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 24 October. Page 194.)

The Hon. CAROLYN PICKLES (Leader of the Opposition): The opposition supports the second reading. The bill currently before the Council is quite a significant piece of legislation and I am more than prepared to acknowledge that. I believe that there is no room for partisan politics when it comes to drink driving. This is not a naive view of the world but simply one that recognises that the need for road safety is bigger and far more important than any one single person or party in this place. The culture we face in today's society is a lot different from that in which we all grew up, or most of us (I am speaking for myself), where heavy drinking and driving and getting away with it was once a badge of honour. We now have a culture that is no longer tolerant.

It was interesting to note, in a meeting I attended this morning with the road safety select committee, that a police officer said that he was concerned that that cultural change is not the same for speeding as it is for drink driving. Successive governments' pursuit of broader road safety measures, including the use of seat belts and fatigue management, has seen a reduction in the number of road traumas and fatalities. The development of clever and hard-hitting advertising has helped to sell the message. The campaign has been so successful in the past decade because there are very few of us who have not been touched by a friend, colleague or relative coming to some grief on the road.

Despite this, however, there is always an element in our society, for one reason or another, that remains hard core and unwilling to alter their behaviour. It is this group in particular that is being targeted by the introduction of this bill, and it is a move that I support. The current figures on the level of drink driving offences remain quite astonishing. In her second reading speech the minister noted that over 10 years, from 1985 to 1995, an average of 7 000 persons a year were convicted of such offences. In addition, the cost of alcohol-related crashes in terms of avoidable human tragedy and suffering, diversion of health care resources, particularly for long-term rehabilitation, and loss of production is increasing.

The minister reported that 30 per cent of all crashes still involve alcohol, and it does indicate a level of collective failure on the part of the authorities—and I include myself and the parliament in that category. The other fact that amazes me is that one in five repeat drink drivers are unlicensed. They have had their licence revoked, yet they continue to drink and drive while they have had a licence restriction. Having said that, it is obvious that a more creative and innovative approach is warranted, such as the alcohol interlock scheme. While this scheme is new to Australia, it is commonplace in parts of the United States, Canada and Sweden.

It is comforting to note that the research does indicate a successful modification of recidivist behaviour. I appreciate that the scheme was trialled in the Riverland. I understand that the trial experienced some problems in that participants became frustrated with the technology and dropped out of the trial—perhaps the minister could make a comment about that. The minister organised a session for members of parliament to try the technology and it was a pity that it was not widely attended: perhaps the minister might agree to organise another trial. I certainly found the technology frustrating, and I was stone cold sober. I am advised that I am not alone. I am advised that this settles down once the driver gets used to the techniques and technology gets used to the driver.

A positive aspect is that it makes it very difficult for a recidivist drink driver to get around the interlock and, of course, that is its intention. The interlock scheme is not, in my view, a soft option for drink drivers. Yes, drivers will be allowed on the road much sooner but under very strict conditions and, in fact, they will have a longer period of suspension. For example, if you have been given a six-month suspension you will be able to drive again after three months, but you will still have a further six months. It is nine months altogether: three months of not driving and six months with the interlock.

Some of my colleagues had queries about the financial costs of the scheme that will be borne by the offender. I understand that the government has proposed a set of arrangements that will seek to assist those who are struggling financially. Perhaps the minister could indicate the costs of the interlock devices in terms of the leasing arrangements. If persons are purchasing the interlock scheme what are the costs and will the minister talk about how we will deal with those people who are struggling financially. I would not want it to be said that this legislation enables the haves in our society to get back on the road a bit more quickly. It will be impossible, hopefully, for people to drink and drive but it could be argued in some sections that people who are struggling financially would not use this as an option.

In my discussions with officers from Transport SA I had ample opportunity to discuss the application of the technology. After much struggle with the interlock device myself, I am advised that the technology is individually suited to a person's breathing style or any other issues. In other words, if you are an asthmatic and cannot hold your breath quite as readily as a person with a good set of lungs, the device can be calibrated to suit that.

My other question to the minister relates to fitting the device on a family vehicle. My understanding is that it stays on the vehicle; it cannot just be removed for, say, a partner or a child to use the vehicle. Has the minister any evidence, following the Riverland trial, that it provides some kind of disincentive for younger people using a vehicle in this way when they are not the drink driver—it might be their parent. Is it a disincentive for them to drink and drive? Can the minister provide any technical results from other countries. I understand that in her recent overseas study tour the minister visited Sweden. Did the minister look at the particular interlock devices, how they work there and how it has changed behaviour in that nation?

Are there any other moves in any other states to introduce such a device? I have had correspondence from the RAA which is strongly supporting this bill. The South Australian Taxi Association has indicated its support, and the Transport Workers Union has expressed its support for the bill. I understand that following promulgation of the act the scheme will be reviewed after two years of operation, with presumably a report to parliament on its operation. So I welcome the introduction of this measure. I think we should give it a go. I think we should hope that it does somewhat lower those shocking figures that I quoted in the context of my speech, and maybe it will bring drink driving offences down to a level

which is more acceptable, and certainly I would like to see that figure of 30 per cent of all injury crashes involving alcohol brought down.

The Hon. T.G. CAMERON: This bill is being introduced to counter the number of repeat drink driving offenders. There are, on average, 7 000 convicted drink drivers per year. A trial scheme was implemented in Berri, with 24 drivers participating over a six month period. Permanent schemes have been in place in the United States, Canada and Sweden. Such schemes have shown a two-thirds decrease in the rate of reoffending. The aim of the program is to stop drink drivers from driving while they have a blood alcohol concentration over a pre-set limit. Obviously, its purpose is to stop drink drivers reoffending and causing accidents or danger to others.

The bill seeks to implement a scheme whereby convicted drink drivers, after half their disqualification sentence has been served, would be permitted an interlock licence, if they have an alcohol lock engine immobiliser on their car, for a period equal to the sentence. Participation in the scheme is voluntary and will be funded by the offender. It is pleasing to see that taxpayers' money will not be spent on this. A person who is already serving a suspension period or who has been disqualified after receiving an interlock licence will not be permitted to participate in the scheme. However, a person convicted after this bill is proclaimed will be eligible, even if the offence occurred before proclamation. A person who is convicted of drink driving during the interlock licence period will not be permitted to participate in the interlock licence scheme during the period of disqualification. All of these provisions SA First supports.

I do have some concerns. Would a person who has been disqualified after participating in the scheme, once they have served their period of total disqualification, be able to participate in the scheme again if they reoffend and are convicted? The bill does not make mention of this. I do not know whether the minister understood that: if a person goes through the system and then reoffends can that person participate again? I would have thought, in the absence of the bill making any mention of it, it would be the case that you could re-participate. But the bill does not seem to make that clear. Perhaps the minister could clarify it. The bill does not make mention of it, only that they cannot re-participate during the period they are suspended for breaching the interlock scheme.

The minister states that it is almost impossible for a person who is not the driver to start an alcohol interlock car, because it requires a rolling retest and you cannot pump air into the lock, but I would like to see some details and figures from overseas tests about how common this is.

The Hon. Carolyn Pickles: Did you have a go at trying to start it? Did you look at the tests and try it out yourself? It is very difficult to start.

The Hon. T.G. CAMERON: No, I didn't go and have a look at it, but my staff got me a lot of documentary information, including some information from overseas and, as I understand it, it is almost impossible for another person to start a car once this device has been attached to it. I was concerned about that, but all of the information I got indicated that it is virtually impossible. I see the honourable member is nodding in agreement with that comment.

The RAA believes it should be mandatory and is concerned that the government did not allow enough time for it to have a look at the legislation. I normally agree with the RAA, but as I understand what the government is doing here, and I fully support the scheme, it is being introduced on a voluntary basis. I guess the government has plenty of time down the track to have a look at whether or not the scheme should be mandatory, and I guess a decision on that will be based upon how many drink drivers avail themselves of the scheme. I must say I do not quite understand the RAA's view when it says that it should be mandatory.

The Hon. Carolyn Pickles: They've changed their mind.

The Hon. T.G. CAMERON: Oh, right, the RAA has changed its mind on that, and that is pleasing to see. I also understand that PADD (People Against Drink Driving) support the concept but are seeking to have some of the safeguards more fully explained. SA First supports the bill at this stage. We will be supporting the second reading. We are not committed to the third reading at this stage. We just need an explanation of and information on the safeguards and on a couple of those points that I put to the minister. Notwithstanding not being prepared to commit to the bill at this stage, I do commend the government and I do commend the minister for the time taken to develop this scheme. I commend the government for the inclusive process of consultation in which the government has engaged. I also commend the government for the direction that it is taking some of the law and order issues in. I was particularly pleased with the bill that I spoke on yesterday regarding shopping theft. I can recall being a young lad myself coming from the wrong side of town and getting pinged for shoplifting when I was very young.

An honourable member: What else did you do?

The Hon. T.G. CAMERON: I won't go into that at this stage.

The Hon. L.H. Davis: What about Brian Dawe, what did you do with him?

The Hon. T.G. CAMERON: No, I don't think I ever went shoplifting with Brian Dawe; I would not lay that accusation at Brian Dawe's feet. We got up to a bit of other mischief from time to time but it was never shoplifting. But I am pleased to see that the government is looking at new and innovative ways of dealing with some of the problems that have plagued our society. I do not accept the view that three strikes you're out, mandatory sentencing, and I think that the thrust of the bill yesterday, and this bill, goes a long way towards trying to deal with the real problems and seeking solutions to overcome these problem areas, rather than dealing with the offenders with a baseball bat and locking them up. So if the minister could answer those questions that I have raised during the committee stage it would be appreciated. SA First supports the second reading.

The Hon. NICK XENOPHON: I rise to indicate that I support the second reading of this bill. I commend the minister for introducing the bill and the general thrust of the bill. It is innovative. In some respects it is novel, but, hopefully, it will have the intended consequence of reducing the damage caused to the community by drink driving. I do have a number of queries with respect to the bill that I will raise in the committee stage.

My concern is that, if someone is seeking to override the alcohol interlock system, I think there ought to be some more severe penalties for that. If someone is going to be that reckless to override the interlock, I believe that the penalties ought to be more severe than the penalties foreshadowed in the bill with respect to the general scheme of the bill and the intent of the bill. I believe that if someone has participated in

the scheme, and the government has taken them on face value and in good faith, given the intent of the bill, then for someone to attempt to override it by any means the penalties should be much more severe and there ought to be a greater deterrent.

The Hon. Diana Laidlaw: Are you going to move an amendment to that effect?

The Hon. NICK XENOPHON: I think that is a very good idea.

The Hon. T.G. Cameron interjecting:

The Hon. NICK XENOPHON: The Hon. Terry Cameron cautions me.

Members interjecting:

The Hon. NICK XENOPHON: I am grateful for the interjections of the Hon. Diana Laidlaw and the Hon. Terry Cameron. It is a concern that I have and I will speak to the minister's advisers with respect to that issue before I decide whether to file an amendment. I think the bill is good in its intent and I hope that it will be effective and that it will not be abused by those who it is intended to assist. I look forward to the committee deliberations of the bill and I support the second reading.

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): I will seek to provide answers to the questions asked earlier today by the Hon. Mr Cameron and now raised by the Hon. Mr Xenophon in relation to the issue of penalties. I will also make an officer from my department available to talk to the Hon. Mr Xenophon in relation to the issue of offences.

Clause 53 provides that, for the offence of contravening the conditions attached to the installation of an alcohol interlock device, there is a flat penalty of $1 250. Other penalties are provided if you lose the interlock and have to go back onto the original sentence.

I refer to the Hon. Mr Cameron's question about a person who goes through the interlock scheme and then offends again. He asked whether, through the court process, they would be able to participate in the interlock scheme again. I will take that question on notice. My suspicion is that that is not possible because, at the time the matter is before the court, the court must make an order in terms of the interlock and I suspect that in the making of that order the court could determine that the interlock scheme was not an option for the driver in those circumstances. However, I will seek clarification on that. I will also seek further advice with respect to the other questions asked by the Hon. Mr Cameron.

With respect to the issues raised by the Hon. Carolyn Pickles, I have a fair bit of advice about the costs and I seek leave to have it inserted in *Hansard* without my reading it. It is of a statistical nature.

Leave granted.

Months leased	Installation service	Rental	Removal	Total	Average monthly cost
6	125	570	25	720	120
12	125	1 140	25	1 290	107
18	125	1 710	25	1 860	103
27	125	2 565	25	2 715	100

Monthly rental is estimated to be $95 per month.
A comparison with overseas costs is attached.

The Hon. DIANA LAIDLAW: I highlight that the information is based on real time and costs. Experience overseas indicates that these costs may be packaged differently by suppliers, for example, by charging a single installation fee that includes removal, or by rolling costs into a single monthly charge. The charge is on an average monthly basis: for a six month lease, $120; for a 12 month lease, $107; for an 18 month lease, $103; and for a 27 month lease, $100.

The Hon. Carolyn Pickles interjecting:

The Hon. DIANA LAIDLAW: That is the average cost, which includes installation, removal and rental, the collection and entry of the required data, and half an hour of training on how to operate the interlock device. In my experience, you would need all of half an hour to deal with it properly. The monthly rental is estimated to be $95. I can provide a comparison with overseas costs in table form. I seek leave to insert in *Hansard* this table, which is purely statistical.

Leave granted.

Comparison of typical interlock charges in Canada and the United States of America
Note: Conversion from Canadian and US dollars as at 25 October 2000

	Canada		USA—Virginia		USA—Maryland	
Item	$CAN	$AUS	$US	$AUS	$US	$AUS
Application and administrative fee	C$50	A$63	$US5	A$9	US$15	$A28
Installation and removal cost	C$125	A$157	US$50	A$95	US$50	A$95
Rental and service	C$95 per month	A$119	US$55 per month	A$104	US$55 per month	A$104
Counselling	C$80 per session (first time offenders)	A$100				
	C$190 per session (multiple time offenders)	A$239				

Different overseas schemes also charge a range of other fees. For example, for missed appointments (US$20), violation reset (US$50) or service call out (US$30 per hour).

The Hon. DIANA LAIDLAW: There are some administration cost issues for Transport SA (estimated to be about $220 000) and some counselling costs. If the counselling of the person who is to have the interlock fitted to their car is undertaken by the Drug and Alcohol Services Council, for instance, the estimated cost is $50 per hour—and that includes travelling costs for counselling provided anywhere in this state. It may be possible, or even necessary, to allow participants to attend counselling with other providers, such as the local health centre, and that would mean that the cost would be lower.

I highlight the importance of counselling as part of this project because, particularly with repeat offenders, we are dealing with not only a road safety issue but a health problem, and we very much want to counsel people about the seriousness of their actions, the issue of alcohol in general, and the implications when they drive for not only themselves but other people who use the road. So, the only part of this

scheme that is compulsory, in a sense, is that there must be counselling.

I advise the honourable member that, in terms of people who do not have the income but who wish to participate in this scheme, we have received a lot of advice from the United States about, in particular, various options for members of the community with less disposable income. For instance, in Maryland, I understand that the costs that I have outlined for leasing are increased. So, that increase is used to help fund these devices for people with a lower income. Therefore, there is no cost to the government through such an arrangement.

I have asked Transport SA, if this legislation goes through and tenders are called, that the tenders incorporate a provision whereby the government is keen to see what the suppliers of these devices can suggest and offer in terms of schemes to support people on a lower income. So, the company itself would be operating the cost support scheme and not the government paying for and operating the scheme. That would reduce our administration costs overall as well as the up-front cost for the government of paying the subsidy to people on a lower income.

It is important that Transport SA is involved in these assessments, particularly with the Fines Enforcement Unit. There have been discussions with the Attorney's officers, because we would not want a person who is on a lower income and who may also be part of a fines enforcement repayment scheme to find that they are also getting themselves involved in a repayment scheme for an alcohol ignition interlock, that their whole financial world is collapsing around them and that they cannot meet any of their obligations and are getting into a bigger fix than they are facing now. So, we would do this with great care for people on a lower income and also, as I said, I am keen to see that the private sector company that wins the contract here also, in terms of their social responsibilities, offers a scheme to subsidise those on a lower income.

What is also interesting in Maryland is that it was estimated that they would have to provide subsidy schemes for 15 per cent of lower income people. The reality was that the schemes only need to be provided for 2 per cent of offenders, because most people who are drinking in the category of offending and driving are spending about $15 a day on their habit, and once they get into these schemes and become part of the counselling process they find that they can afford one of these interlock devices if they do not drink as they have. Instead of spending money on their alcohol consumption, they can now spend it on the interlock device.

So, we have a fair bit of work to do and a fair bit of experience to gain in an Australian context because, apart from the trial in Berri in 1998, we are relying on the experience of an increasing number of states in the United States, Canada and more recently Sweden. I did not see these devices or speak to officers in Sweden this year, but last year I did so in Portland, Oregon, which was the first state in the United States to advance the interlock scheme, and our scheme is modelled on their opportunity to refine their original scheme. We have learnt much from Portland, Oregon's experience in relation to these interlock devices. However, as I have said, we still have to build up our own experience here.

I highlight to the honourable member that this week I learnt that the Queensland government is very interested in introducing legislation shortly, and I understand that recommendations have gone to the New South Wales minister for transport recommending a scheme modelled on our approach.

Regarding family vehicles, it is correct that the interlock will be fitted to a vehicle nominated by the offender. So, that could easily be the vehicle that other family members must use. We know from our experience in the Riverland trial that some young members of the family were cross that mum and dad had volunteered for this trial and they saw it as an imposition. However, after a little while, the kids as well as the parents and the younger people's friends (particularly young country people) found it a really good basis for talking about drink driving issues and death, whereas when it was talked about in general terms the message was not reaching younger people.

However, once they could talk about this interlock trial and actually take their breath alcohol measurement, it was their first real experience of knowing how much alcohol they could drink before they reached .05 or .08. As a family and in the wider circle of their friends they found it a particularly positive experience. What was seen as a negative experience for a family turned into a positive experience, and I hope that will be the case more broadly.

Over time, many safeguards have been built into these schemes regarding the integrity of the operation and, as the Hon. Carolyn Pickles said, it is particularly hard to breathe at different rates, hum, blow out and suck in and do all these novel things even to get the car to register so that you can start it. At random periods after the vehicle has started there is a beep and the driver is alerted that, within two minutes, the car will cut out, and the driver must go over to the left-hand side and go through the breathing technique again. These measures have been proven in the United States, Canada and Sweden as important devices to prevent someone else breathing in the device and allowing a drink-driving offender to proceed.

I am delighted to see united support in this chamber for this measure. It is a difficult way of dealing with a complex issue. It is a smart way of doing so because we are targeting the people who have the problem rather than applying broad brush measures such as fines, imprisonment or loss of licence. We are also targeting the health aspect in terms of counselling. This is novel in Australia in road safety.

Road safety will become increasingly challenging for members of parliament over the next decade. I have before me now a national road safety strategy for the next 10 years. It is proposed across Australia that we should aim for a 40 per cent drop in the number of deaths per 10 000 vehicles. Considering that the number of deaths on our roads this year has increased by 10 to about 131 deaths compared with the same period last year, a 40 per cent drop will bring us back by about 50 deaths a year.

The Hon. T.G. Cameron: It is 140, which is 14 up on last year.

The Hon. DIANA LAIDLAW: Thank you. The proposal that ministers consider next month in Launceston is that we aim for a 40 per cent drop over the next 10 years. On our current figures, that will mean about 50 deaths per year. As legislators, we will have some very big issues to address and all of them will have civil liberty implications but, if we really mean to decrease the number of deaths on our roads, I believe it is a challenge that we should accept, but it is not necessarily going to be an easy challenge to advance.

The Hon. T.G. Cameron: You will have to do something about some of the death traps around the place.

The Hon. DIANA LAIDLAW: It will involve more money in terms of black spots and roads and it will involve issues that no parliament in South Australia has ever wanted

to address about road worthiness of motor vehicles. It may well involve issues of licence, age, retesting and retraining. The Joint Committee of Transport Safety has been established to address such issues and in my view we will have to consider making that a standing committee of the parliament, not just a select committee, given the research, effort and nature of the measures that parliament will have to consider. In addition, the implications for the community are enormous. Members must also consider that, for every death, the cost across the community is $1.5 million. There is a lot involved.

The Hon. Carolyn Pickles: To say nothing of the injuries.

The Hon. DIANA LAIDLAW: That is exactly right, and the family trauma and loss. There are some very big challenges in road safety. I could have backed out and said that South Australia would not advance this new road safety target but how could I possibly condone that we could even contemplate having anything more than 60 or 70 deaths a year. It is intolerable to consider that there should be any deaths on the roads. As I keep saying, every year South Australia has almost three times the deaths of all the South Australians and Australians who died in Vietnam. We commemorate Vietnam but we do not recognise what is happening on our roads. That is the challenge for the parliament.

The type of approach that South Australia is pioneering will be the start of many more innovative approaches that we will have to take on board and that is why I applaud this chamber for the united stance that it has taken in adopting this measure, and I thank members for their support and goodwill.

Bill read a second time.

STATUTES AMENDMENT (TRANSPORT PORTFOLIO) BILL

Adjourned debate on second reading.

(Continued from 25 October. Page 231.)

The Hon. T.G. CAMERON: This bill seeks to amend the definition of a motor vehicle in the Goods Securities Act and to make four other unrelated amendments to the Motor Vehicles Act. My reading of the bill is that it seeks to amend the definition of a motor vehicle to include a trailer as defined in the Interstate Road Transport Act of the commonwealth, and SA First supports that change to the Goods Securities Act. Of the four amendments to the Motor Vehicles Act, SA First supports unreservedly the first three amendments but it has some reservations about the fourth.

The first amendment provides that the criteria for reduced registration fees for incapacitated ex-service personnel is amended from 75 per cent mobility to 70 per cent mobility, and that brings us into line with New South Wales and Queensland. The second amendment provides that a driver of a heavy vehicle must produce their licence to an inspector on request and I am surprised that they were not already required to do that. However, I support that amendment. The third amendment provides that it is punishable by a fine of up to $5 000 to use information obtained in the administration of the Motor Vehicles Act for purposes other than for which it was disclosed. SA First supports that amendment.

SA First will naturally be supporting the second reading and the bill, but I do have some queries in relation to the fourth amendment, which provides that it is an offence for an inspector to address offensive language against a person or, without lawful authority or belief as to lawful authority, to hinder, obstruct or threaten to use force against a person. I want to separate the two because I consider that these inspectors must be subject to some conditions in relation to the way in which they conduct themselves.

On a number of occasions I have run up against inspectors who, in my opinion, have acted like autocratic little dictators and, quite clearly, were abusing their inspectorial authority. However, I would support a clause which provides that an inspector cannot lawfully hinder, obstruct or threaten to use force against a person. I am not sure that I like the terminology that has been used in clause 139G(b) under 'Offences by Inspectors'. I might look at a rewording of that.

I am also a little concerned about subclause (a), which addresses offensive language used towards any person. I am concerned that situations might develop where somebody who has been lawfully pinged by an inspector will resent it and be angry about it, although the inspector conducts himself quite reasonably, and after the inspector has gone they say, 'Well, all I have to do is accuse the inspector of having used offensive language against me and I might get out of this problem.' As I understand it, and I seek guidance from the minister, most of the situations in which an inspector would be stopping a driver—and I stand to be corrected—would probably be where only the inspector and the driver were present, so we enter this difficult area of one person making an accusation and the other person denying it. Where do you take it? Where does it go from there? So I can see a potential problem.

It must be said that inspectors should not use offensive language and should not address members of the public in an offensive manner. I know, for example, that I get my back up fairly quickly if I am dealing with the public service and I do not get good service. I pay their salary; they are paid by the public. It annoys me no end to ring up local, state or federal government departments and be treated almost as if I am some kind of a leper who is interrupting them.

I noted in the Hon. Sandra Kanck's contribution on this matter that the Democrats have also expressed concern about the fourth amendment. I understand that the minister claims that there are similar provisions that apply to inspectors in 20 other acts, including the Local Government Act. I have not had the opportunity of perusing the Local Government Act but, as I understand from the Hon. Sandra Kanck's contribution, the Local Government Act requires employees to act honestly and with reasonable care and diligence and to comply with each council's code of conduct. I understand that the act itself does not contain any reference to specific offences of offensive language or obstruction.

The Hon. Diana Laidlaw: Yes, it does.

The Hon. T.G. CAMERON: As I said, I am only quoting the Hon. Sandra Kanck. I have not perused it myself. So before I come to a final conclusion or a decision in relation to this amendment and, whilst I have concerns, I am not saying I will not support it: it is just that I would like further information. Some of the information I would request from the minister, whether it be provided in this Council or privately to my office, is the terminology that is used particularly in the Local Government Act and, if similar terminology is expressed in the Statutes Amendment (Transport Portfolio) Bill in clause 139G, then I think I would be persuaded to support the clause. But I would like to see what is in the Local Government Act.

I notice that the Hon. Sandra Kanck suggests that the government ought to develop a code of conduct for inspectors. I am not quite sure whether the same code of conduct

would be applicable across the board to inspectors who perform their official duties under the other 20 acts that have been referred to. I indicate at this stage that SA First supports the second reading of the bill, supports the three amendments and requires further information and clarification in respect of the fourth amendment in relation to inspectors. SA First supports the second reading.

The Hon. DIANA LAIDLAW (Minister for Transport and Urban Planning): In commencing my summing up I would like to ask a question of the Hon. Terry Cameron. If I can refer him to the relevant provision in the Local Government Act and it is identical to the provision here, would that satisfy him or would he prefer to adjourn the committee stage to the next week of sitting? I am happy to do that. I do not want to put the honourable member on the spot. On the basis of the question, I can provide the Local Government Act reference at this second.

The Hon. T.G. Cameron: I am supporting the second reading, anyway, but I am unaware of the intentions—

The Hon. DIANA LAIDLAW: Mr President, on the basis of the question and the answer across the floor, I will sum up and then not proceed with the committee stage today, so that gives some time to think through the issues. In terms of the considered assessment by the Hon. Mr Cameron, I can understand the misgivings he has about the term 'offensive language' notwithstanding the fact that the same provision is in 20 other acts of parliament.

It was brought to my attention the other day that 'offensive' is a subjective thing. I have received two letters from people who attended the public transport forum that I attended a few weeks ago. Apparently they are very religious people and twice I must have used the expression 'Jesus' or 'Jesus Christ' in my early remarks. They have written to the Premier and are very upset with me for having offended the Son of God and a range of things. I would not have thought that that expression was offensive. It was said with a bit of a smile when I was exasperated whilst answering a question from a train zealot. It was interesting, because the facts did not matter and I must have said—and I did not mean to offend—'Jesus Christ! Look at these things.'

The Hon. T.G. Cameron: Some people are offensive and they are not aware of it.

The Hon. DIANA LAIDLAW: Yes. So I suppose when the honourable member was reflecting on the provision I would not have been troubled about it a few weeks ago, but now that I have received these letters I am quite conscious that offensive language is a very subjective issue. I would not mind thinking this through myself. I know that that is an odd thing to say when it is my bill, but why should one of our road inspectors be subject to a maximum penalty of $1 250 when every truck driver in Australia who travels through South Australia may be a religious zealot and will find any expression like that offensive and go for the maximum penalty of $1 250? I think I would be doing a disservice to the trucking industry. That is why, on reflection, I would like to think about the amendment, anyway, notwithstanding the fact that it is in other acts and notwithstanding the goodwill Mr Cameron has shown so far in this debate.

Briefly, instead of reflecting, I will get back to business. I wanted to advise the Hon. Carolyn Pickles that, in terms of her concerns about the Returned Services League and its issues, I wrote to it yesterday and I have given a copy of my letter sent to Mr John Spencer to the Hon. Carolyn Pickles. Its concerns are not part of the legislation and have no legal effect: it had in fact been reading the second reading speech and not the explanation of the clauses, and the bill itself. When it got the full picture, its concerns had no substance. I have written to the RSL to confirm that that is so.

I think that is the only other matter, and I am very pleased to note that, with the support of all honourable members in this place, the state's crewing committee may well have a woman member for the first time in its history. It will be one big breakthrough. Essentially, I will be thrilled if my cabinet colleagues are no longer nasty to me every time I bring up membership of this committee, and it is always men. As Minister for the Status of Women, I have felt very vulnerable about that committee for some time and I thank honourable members for their enlightened approach.

The Hon. Carolyn Pickles: I asked a question about the disclosure of—

The Hon. DIANA LAIDLAW: Can I answer that under clause 1 because I do not have advice on that?

The Hon. Carolyn Pickles: Sure.

The Hon. DIANA LAIDLAW: I should also let honourable members know that the reference by the Hon. Sandra Kanck to the fact that the Local Government Act does not contain the same provision as in this act in terms of offences by inspectors is not correct. The Local Government Act 1999, section 261 (10), has exactly the same wording as is provided in this bill.

Bill read a second time.

RETAIL AND COMMERCIAL LEASES (GST) AMENDMENT BILL

Adjourned debate on second reading
(Continued from 10 October. Page 83)

The Hon. IAN GILFILLAN: I intend to raise a number of issues, some of which we believe are undesirable and others which I am yet to be convinced are needed, and to indicate that the Democrats will not be supporting the second reading of the bill. I would like to deal with the bill in three parts: firstly, the proposed arrangements that seek to validate the GST recovery clause, as the Attorney-General describes it, that is found in some leases; secondly, the matter of amending section 24 (1) (j) of the act, regarding calculation of turnover rent as it relates to the GST; and, finally, the matter of outgoings and whether it is appropriate for GST liability to be included in this section.

As I have stated, we will not be supporting the second reading of the bill, and there is no particular need for me to comment on the definitions put forward for GST, GST law or GST liability. But I will speak to the proposed amendment to the definition of 'outgoings' when I address the matter a little later in my contribution.

I refer to confirming the validity of agreements entered into for GST to be passed on from landlords to tenants. This bill is targeted at a particular group of leases entered into prior to the commencement of the commonwealth's GST legislation (this being before 8 July 1999 and, in some cases, 2 December 1998), further narrowing the group of landlords and tenants that will be affected by the proposed amendment. It is specifically aimed at those leases that have had the so-called GST recovery clause inserted into the existing lease.

Current legislation would prevent such GST recovery clauses from being enforceable. I believe that we need to be clear on this point. Although this would have no effect on leases signed after the commencement of the common-

wealth's GST legislation, it could affect every lease signed prior to this date. The Attorney-General suggests:

> The proposed amendments will not impose on tenants anything other than what they have agreed to by way of an adjustment of their lease agreements to account for the introduction of the GST.

It is very hard to see how this rings true. Aside from the fact that such agreements between landlords and tenants are unenforceable, one is led to ask two questions. First, just how widespread are these GST recovery clauses; and why would a tenant who already has a lease agreement agree to insert such a clause? The GST recovery clause is clearly an imposition on the tenant and really only benefits the landlord.

Secondly, to look to the future implications of the bill, it is conceivable that, by entrenching such provisions in legislation, we could see that as endorsing such a clause being inserted into other existing leases and, hence, increasing the pressure on other small retailers to agree to such measures. It is for these reasons, plus the retrospective nature of this amendment, that we will not support it.

To turn to the matter of turnover rent, it is true that some rent arrangements are based on the turnover of the lessee, and naturally taxes are not included in the calculation of turnover. The amendment proposed in this regard seeks to further clarify that the GST is also not included in the calculation of turnover. The current section provides:

> Turnover does not include the net amount paid or payable by the lessee on account of any purchase tax, receipt tax or other similar tax imposed at the point of retail sale or hire of goods or services.

This current definition, it seems to me, would include the goods and services tax, and the Attorney-General himself has stated that to change this would merely be a clarification. Therefore, I ask whether this change is really needed at all. Having said that, the Democrats are yet to be convinced that this change is necessary and will not support it unless a more convincing argument of its necessity is presented.

On the matter of outgoings, I make two points. First, that the measures proposed are not cost neutral to retailers. Secondly, this amendment, it seems, is an alternative attempt to allow landlords to pass on their GST liability to tenants who have leases that were signed before the commencement of the commonwealth's legislation. To point out that the amendment would not be cost neutral to retailers, outgoings are essentially an estimate by the lessor of 'expenses of operating, repairing or maintaining the retail shop or a retail shopping centre in which the retail shop is located'. This estimate is billed to the lessee.

At a time three months hence, the bill and any reimbursement the lessee has made is reviewed. By including the GST liability in this estimate, the cash flow burden on the small retailer is increased. This would be even more of a burden for the retailer who does not collect GST on their goods, as their cash flow, in a relative sense, would be smaller. The bill, if passed, would affect only those leases—leases that will, in time, be brought into line with the new commonwealth legislation when it is reviewed or renewed.

The Democrats see no need to accelerate this process and would seek to give small retailers in this situation the time to adjust to the GST as was intended by the commonwealth's legislation. I repeat that the bill raises some important questions about the government's commitment to small retailers. We have worked hard to improve the business environment for small business in South Australia and, as we see this measure as detrimental rather than assisting that, we do not intend to support the second reading.

The Hon. L.H. DAVIS secured the adjournment of the debate.

FIRST HOME OWNER GRANT (NEW ZEALAND CITIZENS) AMENDMENT BILL

The House of Assembly agreed to the bill without any amendment.

ADJOURNMENT

At 4.57 p.m. the Council adjourned until Tuesday 7 November at 2.15 p.m.