

HOUSE OF ASSEMBLY

Wednesday 21 September 1988

ESTIMATES COMMITTEE A

Chairman:

Mr D.M. Ferguson

Members:

Mr H. Becker
 The Hon. T. Chapman
 Mr S.G. Evans
 The Hon. R.G. Payne
 Mr K.H. Plunkett
 Mr D. J. Robertson

The Committee met at 11 a.m.

Housing and Construction, \$90 353 000

Witness:

The Hon. T.H. Hemmings, Minister of Housing and Construction.

Departmental Advisers:

Mr P.B. Edwards, General Manager, South Australian Housing Trust.

Mr G.D. Storkey, Manager, Office of Housing.

Mr S.B. Curtis, Acting Manager, Office of Government Employee Housing.

Ms C.J. Dayman, Acting Senior Housing Officer, Office of Housing.

The CHAIRMAN: I declare the proposed expenditure open for examination.**Mr BECKER:** What action is the Government taking to provide access to affordable home ownership provided by the private sector and what changes are envisaged to the HOME program referred to on page 311 of the Program Estimates under '1988-89 specific targets/objectives (significant initiatives/improvements/results sought)'?

I understand that the current waiting list for concessional loans from the State Bank is some 16 months, that it takes the bank anything from two to four months to process the loan once accepted and, depending on the weather, availability of materials, etc., it can take four to six months to get the house built. This means that some applicants will have to wait up to two years for a home that they can afford now but, because of inflation in that period, the purchase of the home could be beyond their means.

The Hon. T.H. Hemmings: The question of home ownership is a fairly important one. One should look at what is happening interstate. In a report on last night's ABC news the HIA stated that the one way not to address problems with overheating occurring in the Eastern States is to increase interest rates. That has been our view in this State for a long time.

Housing affordability and availability must be determined on a regional basis, rather than waiting to deal with it on a national basis. I am sure that the Committee would not disagree with that view. The waiting list for the concessional loan program is causing some concern, although not enough to have us make drastic changes. We monitor the HOME program at all times. The lending conditions are monitored continuously and they are adjusted accordingly.

Income criteria are fixed and indexed quarterly. The maximum loan is \$48 000, the maximum house price is \$72 000, the average bank loan is \$45 000, and the median house price is \$78 500.

In some areas of Adelaide one can get a reasonable home for that price. Some fine homes are available in the Salisbury and Elizabeth area, and anyone seeking a concessional loan under our HOME program would be able to get into home ownership there. We will continue with the monitoring program and with speaking with the Federal Government concerning its making more money available under this scheme—not only to this State but to all the other State Governments.

Mr BECKER: It concerns me to read statements in the financial papers that housing interest rates may have to be increased to take the heat off building new homes. That really concerns me when, in South Australia, we can do with the work, and we should be looking at ways and means of encouraging it and of encouraging young people to obtain a home. What is in the budget for this financial year for the South Australian Housing Trust? When was it approved by the board? What is the estimated result? I am wondering whether a copy of that budget could be made available to the Committee.

The Housing Trust forms a very large and important part of government. The result for last financial year was a surplus of \$1.7 million, compared with a deficit of \$6.7 million previously, and about the same figure for the year before that. In its 52 year history the Housing Trust has had two bad periods of running into a deficit, but it now looks as though it may be turning the corner with a surplus. What is the current situation and what is the budget likely to be this financial year? Further, could we not be given a copy of the budget in advance?

The Hon. T.H. Hemmings: Dealing with the latter part of the question first, as to the member for Hanson's requesting a copy of the South Australian budget in terms of a different procedure to that which applies now, of course, the member for Elizabeth has been saying this for some time. My reply is the same as it has always been, namely, why should the South Australian Housing Trust, a statutory authority—and this applies to ETSA or any other statutory authority—be required to provide its budget in advance? We have the South Australian Housing Trust annual report, which is tabled as soon as possible and which clearly shows how money was raised and was spent.

For a couple of years the trust has received awards for the presentation of its accounts, because it lists all its information openly. We have nothing to hide. The Auditor-General, in his report, comments on the previous year's business of the trust, and that information is there for Parliament and the community to see. We have nothing to hide; in fact, we are proud of how we respond to comments made by the Auditor-General. The trust's report is well received and is often subject to favourable comments, at least from my side of the House, with respect to how the trust has carried out programs in particular electorates.

As to the amount of money available to the trust, under the Commonwealth-State Housing Agreement that information is available in the budget papers, but I am happy to repeat those figures. As to programs in respect of mortgage and rent relief, local government and community housing and crisis accommodation, they are clearly outlined in the budget papers as to what was allocated last year and what is allocated this year. As to rent income from our tenants, I cannot provide much information because we are not sure how much of that rent will be forgone by those people on rent reductions.

The member for Hanson would be well aware of the two public meetings that we attended where I outlined that last year \$64.65 million in rent was foregone in respect of trust tenants on rent reductions. We anticipate that this year the figure will be about \$91 million. Of course, it all depends on how many trust tenants receive rent reductions. As members are well aware, in 1988-89 we estimate a \$6.211 million deficit, and in 1987-88 we declared a \$1.651 million surplus. That does not necessarily mean that that takes into account those figures mentioned previously in respect of rent foregone.

Mr BECKER: On page 311 of the Program Estimates reference is made to major resource variations 1987-88 and 1988-89. The 1987 recurrent expenditure includes \$16 million from State funds for a grant to the South Australian Housing Trust as contribution to rental rebates for which no provision was made in the proposed 1988-89 expenditure. The proposed 1988-89 expenditure includes \$35.3 million provided by the Commonwealth under the Commonwealth-State Housing Agreement. The total receipts reflect the funds received from the Commonwealth under the Commonwealth-State Housing Agreement. How can the Government improve the finances of the South Australian Housing Trust in relation to the provision of rent rebates and how can the Government obtain additional funding from the Commonwealth under the Commonwealth-State Housing Agreement to make up the current shortfall of rental rebates?

The Hon. T.H. Hemmings: The \$16 million referred to by the member for Hanson was made available by the State Government from its own funds as a grant to the trust as a contribution to rental rebates. The trust was extremely grateful that the Government stepped in with that allocation to reduce the overall deficit. The proposed 1988-89 expenditure includes the \$35.3 million provided by the Commonwealth, which is an untied grant for us to use as we think fit and which will be used in respect of rental rebates. As to whether the trust believes that the \$16 million not being made available could cause problems, I ask Mr Edwards to comment.

Mr Edwards: Within the course of the current year the money that we are able to make available in the form of rent rebate support from the Commonwealth will not be too much less than the combination of the amounts made available last year from both the Commonwealth and State Governments. There will be a reduction of about 10 per cent.

The Hon. T.H. Hemmings: As to how the Government can obtain this shortfall from the Federal Government, that is what we are doing constantly: we lobby the Federal Government constantly with respect to its responsibility along with the States to provide not only adequate but affordable public housing. In fact, I take this opportunity to call on the Liberal Party to join with us in lobbying the Federal Government to provide money rather than to go in a totally different tack, as it is doing at the present time. In other words, while we are saying that we should maintain the Commonwealth-State Housing Agreement, the Liberal Party is saying that it wants to destroy it.

Mr ROBERTSON: How successful has been the amalgamation of the Emergency Housing Office with the trust? How are potential clients made aware of Emergency Housing Office services, given that many of the people who receive emergency housing are pretty much outside mainstream communication channels and do not tend to read newspapers and watch television? Obviously there is a problem in making them aware of the services offered. Also, how is the trust helping to address the problem of homeless

young people? I refer to 12 to 16 year olds rather than those over 18 who may be candidates for emergency housing. How is the trust interfacing with other agencies to ensure that youth shelters provide overnight accommodation for young people between the age of 12 and 16 years, bearing in mind that during summer in places like Christies Beach there are supposed to be up to 150 young people in need of a bed every night? Is there a role for the trust in that area as distinct from the question of emergency housing?

The Hon. T.H. Hemmings: This question embraces not only the Emergency Housing Office but also practically the whole support program that this Government provides through the South Australian Housing Trust, to help those people in need, and the member for Bright touched on youth in particular. Members will be aware that last year's Auditor-General's Report raised some questions about whether the Emergency Housing Office was efficiently carrying out its function in that it was not tied in with the South Australian Housing Trust. In fact, the Auditor-General said that the Emergency Housing Office should be integrated with the trust.

At that time I set up a review of the whole operation of the Emergency Housing Office. In May this year, following the review, I put to Cabinet a recommendation to relocate the office while fully incorporating its administration within the trust. It would be fair to say that I received criticism about that decision. It is pleasing to note that, since that decision was made and people have been made more aware of the Government's intention and commitment to the office, there has been a turnaround and people are saying that perhaps the decision of May 1988 was correct after all.

In taking that decision I made it perfectly clear, on behalf of the Government, that the Emergency Housing Office would retain its autonomous public face while benefiting from the efficiencies of integrated administrative arrangements, which the Auditor-General pointed to in his last report. At the same time we clearly identified the Government's commitment to assisting all South Australians in relation to their housing needs, and the Emergency Housing Office had a role to play in meeting this objective at the front line.

The criticism was that we were attempting to wind down the office, but in fact to integrate it within the trust was not a recommendation of the review. I think it is fair to say that it has been a success in the short-term. When one looks at the facts, the State Government's support to the Emergency Housing Office is recognised in this year's budget.

As part of the integration of the Emergency Housing Office into the Housing Trust, we have created a new position of Manager of Community Services in the trust to pick up a lot of the support programs that the trust is involved in on behalf of the Government. We maintain that that will improve all services in the community and will pick up some of the aspects raised by the member for Bright. The Emergency Housing Office is looking at ways to improve the delivery of its services to benefit people on a Statewide basis rather than only in metropolitan Adelaide. The Auditor-General's Report indicates that he is more than happy with the way things are going this year. I am sure that next year the office will be seen as part of the total housing service provision that the Government maintains.

Mr ROBERTSON: I seek information on the way in which the trust interfaces with other agencies in the provision of youth shelters.

The Hon. T.H. Hemmings: The honourable member is talking about liaising with the youth rather than other age groups. The Government has made a commitment to the youth housing network as part of its funding under the

social justice strategy. That will be well received by the workers in the community. The South Australian Housing Trust, through the Manager of Community Services, is involved in community tenancies, and I ask Mr Edwards to detail more information on this matter.

Mr Edwards: The trust is very committed to attempting to resolve the housing problems of youth. As the Minister said, one of the important ways of doing so is through community tenancies of one kind or another where houses are leased to voluntary agencies which provide shelter for youth and give them support services, advice and counselling. In addition, the trust has a facility known as the direct lease scheme whereby houses are leased directly to groups of youths, and it also leases houses to youth. Youth housing officers have been appointed in each of the regional offices and in the Emergency Housing Office. Their function is to relate with other agencies handling youth. There has been a recognition of the need for action to make some progress towards overcoming the problems of youth homelessness.

Over the past five years, the percentage of applications from young people received by the trust under the age of 25 has risen from 31 per cent to 40 per cent, 27 per cent of those applications coming from youths under the age of 18. That demonstrates a clear need. The proportion of allocations to youth has risen from 25 per cent to just over 30 per cent, and that includes a significant increase in the allocations to very young people.

Mr ROBERTSON: A number of organisations such as Minda and Housing Connexion in the Brighton area have taken advantage of community housing. How many other community groups have entered into tenancy arrangements of that kind? How many more are likely to, given the push to get people with a disability back into the community where possible?

The Hon. T.H. Hemmings: It would be proper for me to place on public record the support that the trust has received from these difficult groups which take advantage of the community tenancy program. Without the active support of those groups, the program would not work. The member for Bright mentioned Minda but the list goes on and on. Something like 520 trust properties come under this scheme, providing a valuable service for those people who have been seeking trust accommodation and cannot get it because they do not have priority or are not eligible through the Emergency Housing Office. They can be housed by these different organisations on a short-term basis whilst they get their family affairs together. The service that these organisations provide is commendable. In 1988, there were 229 shelters; 132 hostels for the disabled; nine for child-care; 29 for general community uses; 14 for rehabilitation of alcoholics; six for refugees; 74 for churches and caring groups; and 27 for ex-offenders, making a total of 520 properties.

As part of the social justice strategy that was announced by the Treasurer in his budget speech, we have restructured the rents on community tenancies. Rent to the value of \$500 000 has been deducted in relation to many of those properties. In other areas rent increases have been picked up by the supported accommodation assistance program, which is administered by the Minister of Community Welfare. There is recognition of the work that those organisations are undertaking in the community.

Mr ROBERTSON: Is there scope for further development of that program given that there is a continuing trend, particularly among young adults with intellectual disability, towards community housing of one form or another? Not all of those houses are under the auspices of Minda or a similar organisation. How far will that program be expanded to meet the needs of people who are currently living at

home, who have ageing parents who find it increasingly difficult to cater for those young people, and who in the near future will have to secure a community tenancy agreement or the like so that they can leave home and enter the community?

The Hon. T.H. Hemmings: As a result of the recent review of the rents of those 520 properties that was carried out by the department, we are considering new eligibility criteria for the groups that wish to participate in that scheme. It is hard to indicate what the program will be in 1988-89. However, last year about two new houses each week came under the program. People are housed on application and, in effect, public money is being used to subsidise them. The organisation must demonstrate the ability to provide these support services, whether to ex-offenders or other people. The applicants are assessed by my department and the Department for Community Welfare. I imagine that an increase of two houses each week as occurred last year, or something similar, will continue in this financial year.

Mr BECKER: Depending upon their circumstances, pensioners who rent housing accommodation from the private sector are entitled to rental assistance of up to \$15 a week from the Department of Social Security. However, I understand that there is no entitlement to rental rebate from the Department of Social Security if pensioners rent accommodation from the Housing Trust. I understand that, using a similar formula, the Government and the Housing Trust have been able to use funds made available under the Commonwealth-State Housing Agreement to subsidise the trust to the extent of those sums forgone in terms of rental assistance.

As the State Government has, in the past, been required to provide funds to meet shortfalls in rental rebates, how does the Minister propose to overcome the situation in the future of meeting such rental rebates from general revenue? I refer to page 102 of the Estimates of Payments where it is stated that the actual payments of the Housing Trust from general revenue are \$44.5 million. It is proposed in 1988-89 that the Housing Trust contributions to rent rebates will be \$29.9 million.

The Hon. T.H. Hemmings: The figures that the member for Hanson used are slightly incorrect. If I heard him correctly, he said that \$43.7 million was estimated in 1987-88, whereas the actual figure is \$44.5 million. He said that the proposed figure for 1988-89 is \$29.9 million, and that therefore there is a shortfall.

Mr BECKER: These amounts represent the shortfall of the funds contributed by the Commonwealth-State Housing Agreement. The overall rental rebates cost about \$64 million or \$65 million. The Housing Trust cannot carry that sort of figure, nor should it be expected to. Therefore, it is using part of the money from the Commonwealth-State Housing Agreement and some from general revenue. In the past there has been an impact on general revenue of up to \$44.5 million. I notice that this year it is reduced to \$29.9 million. Can general revenue continue to contribute these sums to the Housing Trust to cover the rental rebate shortfall that is not received from the Commonwealth? In other words, if every tenant who is entitled to rental assistance from the Department of Social Security received it, that \$15 a week could go to the Housing Trust or, alternatively, if the trust could claim that amount from the Commonwealth it may save general revenue from having to contribute a certain amount.

The Hon. T.H. Hemmings: I would not say that the member for Hanson does not understand what is going on, but if there was a supplementary rental allowance allocated by the Federal Government to people in the private sector

who are paying high rents which they cannot afford, we would applaud that. At the same time, as a responsible State Government we must accept that that money should not be paid to Housing Trust tenants who are receiving a rent reduction at a set level because of their low income or, if they are paying the full rent, they still receive a subsidy compared with those in the private sector.

So, we have no argument with the supplementary rental allowance not being paid to those trust tenants. If the member for Hanson feels that they should be paid that allowance, he should mount an argument and ask his Federal colleagues to put that forward in Canberra. This is a hypothetical question: if all those people in the public sector were receiving a supplementary rental allowance, would it save the trust money? Yes, it would, but at the same time, if that was the case, I am sure that the South Australian Housing Trust and this Government would look closely at some sections of our community in the public sector receiving, on the one hand, a rent reduction from the State Government and, on the other hand, a rent reduction from the Federal Government. I would have thought that this community would not be into double dipping. The trust cannot tell this Committee how much money it would save if its tenants were to benefit from a supplementary rental allowance paid by the Department of Social Security—it is a hypothetical question.

Mr BECKER: I think that the Minister has missed the point. It is unfair that Housing Trust pensioner tenants who would qualify do not receive that amount of \$15 rental assistance simply because they live in properties funded by Commonwealth housing funds. I understand that a formula exists and that the Commonwealth Government does not give assistance to the State at the level it should to make up the shortfall on rental rebates. In the past financial year rental rebates cost \$64.5 million. That amount has to be carried either by Housing Trust tenants who pay full rent, funded out of the other activities of the trust or made up by grants from the State Government. In the last financial year the grant from the State was \$44.5 million; this year it will be \$29.9 million. Can we not try and get more money from the Commonwealth to prevent this money coming out of general revenue? It is double dipping. The State is contributing funds and so is the Commonwealth, whereas it should be the whole responsibility of the Commonwealth.

The Hon. T.H. Hemmings: In the six years that I have been the Minister of Housing, I have consistently argued that rent rebates are the responsibility of the Federal Government. I have argued that from day one and I still argue it with the Federal Government. This year the Federal Government has allowed \$29.9 million to be used from untied grants which, in effect, takes into account, as far as the Commonwealth Government is concerned, the rebate of \$15. The amount of \$29.9 million is the figure that the Commonwealth says the State should receive and pass on to the trust to make up for rent rebates.

If the member for Hanson and the Party to which he belongs feel that that is insufficient, then let them join with the Australian Labor Party in putting a concerted front to the Commonwealth Government. He will have to win over his Federal colleagues to the belief that it is the responsibility of the Federal Government to provide these funds to all State Governments. The problem of rental rebates is one that bedevils every Australian authority. This means that the honourable member will have to convert his Party federally to the belief that it should maintain some support as far as rental rebates are concerned. The member for Hanson cannot have it both ways. I accept that he is not criticising me, but he says that the cost of rent rebates is

causing a real problem to the South Australian Housing Trust and that more money should be made available. On the other hand, his Federal colleagues are working to destroy the whole thing.

The Hon. T. CHAPMAN: Will the Minister accept my gratitude for the limited attention that I have sought and received from his department in relation to Housing Trust matters? My approaches to the department have been limited to possibly one a year over the past 15 years. Those approaches have been made for the purpose of seeking attention for very special and needy cases. I will not go into details, but I take this opportunity to put on the record my appreciation of the courtesy and attention that have been given in those, albeit isolated, but very needy cases—involving deserted mothers or women who have left drunken husbands, or whatever.

Notwithstanding my limited understanding of and involvement in Housing Trust properties in the Alexandra district, can the Minister tell the Committee whether there is any variance in the criteria pertaining to qualifying for rental housing or rental purchase housing under his administration, as it applies to white Australians, Aborigines or immigrants? I point out that there is nothing sinister, discrediting or discriminatory in my question—just in case it might be taken that way. As would be the case with other members of the House, from time to time I encounter allegations that some sections of the community appear to be favoured in respect of welfare assistance of one type or another. This is a sensitive matter, and I thought that at this Committee level the Minister might quietly and unemotionally, as he is capable of, put the position on the record, so that other members and I can later rely on this response in clearing up the sort of claims that we all know are made from time to time in the community at large.

The Hon. T.H. Hemmings: I do really appreciate that question from the member for Alexandra. Sure, allegations of that kind, in one form or another, have been made many times, and I am sure that all members of this place are aware of them. I take the question as it was intended and I shall answer it very seriously. There is no favoured treatment for any group. The Aborigines have a special program, under the Aboriginal funded unit, and have to work within that.

Various criteria apply in relation to home purchase programs: a person must be a resident of the State and income eligibility applies to home purchase assistance, based on a percentage of average weekly earnings. They are the only such criteria that apply—it is not what race one belongs to or whether one is a migrant, or whether one comes from a particular part of Europe or whether one lives in a safe Liberal seat or a safe Labor seat. One hears comments, for example, that a person who lives in the Minister for Housing and Construction's electorate gets favourable treatment. We all know that that is not true. I appreciate the question, because I can put clearly on the public record that any such practice does not exist in this State; it does not exist under this Government and nor would it exist under a Government of the member for Alexandra's Party.

Mr S.G. EVANS: Who administers the 33 houses at Davenport Reserve, which previously were the responsibility of the South Australian Housing Trust? Can the Minister give us some idea of the size of the waiting list and the number of Aboriginal families that are waiting for accommodation? What action has been taken to reduce the waiting time, particularly in the metropolitan area, for Aborigines who want a home? In his last answer the Minister gave some indication of home purchase help—will the Minister

expand on that? In what way are we trying to encourage Aborigines to move to home ownership?

The Hon. T.H. Hemmings: In 1987-88, 1 095 Aborigines were on the waiting list.

Mr S.G. EVANS: Families or people?

The Hon. T.H. Hemmings: That relates to households. On the matter of home ownership, we encourage all Australians who aspire to own a home to take advantage of the many schemes that are available, and this is regardless of whether people are Australians, migrants, Aborigines, or whatever. The various programs are available to all South Australians to get into home ownership.

Mr S.G. EVANS: What about the administration of those 33 homes in Davenport? Further, what action has been taken to reduce the waiting time for those 1 000-odd people who are on the waiting list?

The Hon. T.H. Hemmings: As the General Manager says, I do not want it said of me, after these Estimates hearings, that I kept harping on about the lack of money; however, if more money was made available for housing, regardless of whether that provision is made under the Housing Trust or the Aboriginal funded unit, we would be able to reduce the number of people on the waiting list. All I am saying is that we must take a bipartisan approach to the whole question of funding from the Commonwealth Government.

Mr PLUNKETT: How is the Housing Trust assisting in the role of urban consolidation?

The Hon. T.H. Hemmings: The South Australian Housing Trust, in following State Government policy, is at the forefront of urban consolidation. Many interstate people have come to this State to see exactly what we are doing, not only in relation to Housing Trust properties but concerning the programs we are undertaking in urban infill, which reduces not only the cost of housing but also the strain on the Government as far as infrastructure costs are concerned.

The member for Peake would be well aware of the decrease in the number of people living in his electorate, so, the more people that we can return to that area, the more viable will be the schools and services that he worries about in his area. The member for Mitchell would be well aware of what we are doing in his electorate in respect of urban consolidation.

In one way we are lucky because most of our public housing was built on large blocks in the 1940s and 1950s. That means that we are able to take two adjoining corner homes off a block (particularly in the western suburbs) to create a cul-de-sac and build 12 units on our own property. In other western suburbs we can take part of the backyard attached to back-to-back double units and build aged persons accommodation. This is something that other State authorities cannot do.

As to what we are doing this financial year, of the 1 500 units scheduled to commence in 1988-89, 800 (or 53.33 per cent) will be built in the central metropolitan area. Of those 800 units, 600 (or 5 per cent) will be one and two bedroom units, which is almost double the level achieved last year. Not only are we experiencing better utilisation of land available but we are also meeting the change in demand from our clientele. Of that 1 500 units, only 100 will be built in country areas. Although that causes concern to members who represent country seats, the decision to build only 100 units relates directly to waiting times in country areas and not because we are hell-bent on carrying out urban consolidation programs in the inner metropolitan area.

The trust is well to the forefront in respect of undertaking urban consolidation. Our courtyard and medium density developments are creating considerable interest among interstate housing authorities. We will continue working

with local government to try to house as many people as we can in the inner metropolitan area. This will not only meet the need being put to the trust but will also save on Government infrastructure costs.

Mr PLUNKETT: What is the trust's conversion program and what benefits does it bring?

The Hon. T.H. Hemmings: The trust has not received much publicity in this area over the past four or five years. Members who have been to Whyalla and the Iron Triangle will know that in the early 1980s the trust had a free hand to convert double units in Whyalla that were no longer necessary not only because of a change in clientele need but because of a shift in population from Whyalla.

Those conversions have been very successful, and they have been well received by our tenants. The main reason we began the conversion program was that trust customers—tenants or those who aspire to tenancy—required smaller houses. To save money, more emphasis is placed on smaller sites in established areas, such as Mitchell Park and the electorate of the member for Peake.

We have been working on infill development in relation to surplus land attached to existing houses, where we buy a fairly large house and convert it into flats (subject to local council zoning regulations, which is one area where I wish we had more cooperation). Also, some of the larger houses have large backyards, and we can erect three or four pensioner units on that land. This not only benefits the people living there, because older and younger people mix a lot better, but also provides more rates to the local government authority. As I said, we convert existing trust houses, and there will be a slight increase in the 1988-89 budget to produce an additional 50 houses. It is a small program, but it is growing. It is something that we need to closely monitor to see whether we can expand it in years to come. I am thrilled about it and, knowing the trust's record, the work will be done to not only benefit the tenants but the local government area in which the houses will be placed.

Mr PLUNKETT: How is the Housing Trust contributing in relation to increased productivity and performance?

The Hon. T.H. Hemmings: I have requested that the trust achieve productivity gains as a means of making the organisation more efficient, and this will be reflected in lower rent increases to our tenants. Also, the implication of the second tier wage decision for the trust relates to productivity, and I was pleased to note that from 1981 to 1987 the trust achieved an annual average productivity improvement of 3.4 per cent. That is a magnificent achievement, but rather than take all the glory myself the General Manager can outline exactly what has been going on.

Mr Edwards: The trust is aware of the need to be productive in its operations and has an internal pride to be as efficient as possible. We have set productivity targets. We commissioned external consultants to provide criteria to enable us to measure productivity year by year. On the basis of the criteria provided by the external consultants, the Minister is able to advise the increases we have made. We have achieved this in a number of ways. We have endeavoured to simplify systems and eliminate complicated or unnecessary elements of the processes that we carry out. We have maximised the delegation of responsibility so that officers can make decisions and not waste time in having to refer back through a long channel. I think that that provides not only productivity but also a better service to applicants.

We have placed a great deal of emphasis in our training programs on the development of productive work practices. We have made a significant investment in data processing which, in a number of ways, has streamlined operations

with respect to property management and the management of capital works, and we are now moving into the records of applicants. Because of all those factors and the commitment of staff—and staff and the trade unions representing them have a positive view to cooperation, so it is not an imposed situation but a joint activity of staff and management—we have been able to achieve this productivity.

In fact, the number of trust employees today is lower than it was 10 years ago even though, over that period, the number of rental properties has increased by nearly 50 per cent and the number of outstanding applications has increased by nearly 75 per cent. Of course, both require regular servicing. The trust takes some legitimate pride in its achievements in this area and is pleased to spell it out in more detail.

The Hon. T.H. Hemmings: I point out that, during the periods mentioned, an additional range of support services have been offered to the community by the trust on behalf of the Government. Those services, including rent relief, mortgage relief, housing cooperatives, joint ventures, emergency housing, tenant participation and youth housing, were administered by the trust during a time of net decline in the number of employees and an increase in clientele. Again, it explodes the myth that statutory authorities and public servants cannot work efficiently. I think that this is a classic case of a Public Service organisation or a statutory authority providing positive productivity gains over the years and improving its service at the same time.

Mr BECKER: How and where was the Housing Trust able to save \$3.6 million on maintenance last financial year? What is the estimated cost of maintenance on residential rental properties this year?

The Hon. T.H. Hemmings: It is picked up in the area of productivity; in other words, the work that we are supposed to do is getting better. The efficient deployment of technical field resources, revised work schedules, the development of consistent replacement of vacancy standards, the control of outstanding work, consistent achievement of the cyclical repairs program, improved financial reporting, and training are several areas where we have managed to save on our maintenance bill. This financial year it is estimated that we will spend \$46.755 million on maintenance as opposed to \$43.592 million expended last year—an increase of \$3.163 million. Apart from what the trust is doing to improve its maintenance program and upgrade its standards, there has been a recognition by tenants that they have a responsibility to maintain the houses in which they live.

Too often, the story is that trust tenants are second-class citizens, they destroy the homes that they live in, they do not pay rent, they do not care for the garden and they break windows. I get heartily sick of that attitude. I represent an electorate comprising, in the main, people who are Housing Trust tenants, people who have purchased homes that were built by the Housing Trust or people who were trust tenants and have now gone into home ownership. In the main, they are really good people. My kids grew up with kids who lived in Housing Trust homes and it has not done them any harm. Trust tenants are living up to what the Government expects of them: to be good citizens.

Mr BECKER: Less than 2 per cent of Housing Trust tenants cause problems, but they cause more problems than the other 98 per cent. At page 386 of the Auditor-General's Report, it is noted that, in 1988, expenditure on roof renewals amounted to \$1.249 million compared with \$1.510 million in 1987 and \$2.242 million in 1986. It was brought to my attention recently that, in my electorate, in a street of houses owned by the Housing Trust, one or two roofs and gutters needed repair; yet, all the roofs in the whole street

were replaced. How does the trust work out its priorities in roof replacement, given that there has been a substantial reduction in the amount spent since 1986?

The Hon. T.H. Hemmings: The trust has approximately 62 000 properties under its control. It is accepted by most people, most Government agencies and other housing authorities as being a very efficient and lean organisation. The Touche Ross report, in its triennial review of the operations of the South Australian Housing Trust, and the Auditor-General have said that the trust is generally a good operator. The honourable member's question, in effect, is why the trust replaces all the roof when all that is required is a bit of slipping and replacement of a few sheets here and there. I like to think that the South Australian Housing Trust's maintenance people, who have me on their back day in day out about improving their efficiency and productivity, ensure that they utilise the dollar that is given to the trust in the best possible way so that I do not have to go to Cabinet and ask for a rent increase. Does the honourable member really think that the trust would replace the whole roof when only a couple of sheets of galvanised iron needed replacing? It just does not happen, and I will provide a case in point.

A feeder road goes right through my electorate to the Elizabeth Town Centre. Approximately three or four years ago I received queries in my office about the trust wasting its money putting tiled roofs and new fences on the properties facing that road because the Queen was to travel down it. I like to think that this committee recognises that, if the trust feels that there should be a roof replacement program, the program is justified. I ask the General Manager to enlarge on this matter.

Mr Edwards: Some of the trust's programs—roofing is an example—are determined to some extent by the volume of construction years back. So, if there was a big production program in a particular year, a significant number of roofs would become ready for replacement at the same time, so that kind of bunching occurs in various aspects of the maintenance program. That may have influenced the decision referred to in the honourable member's question. As part of a productivity exercise, over the past 12 months a considerable amount of expert time has been invested in establishing common standards for the treatment of all aspects of maintenance across the State. Maintenance inspectors and supervisors were brought together from around the State to look at what was happening in their own region and in other regions.

Out of that was devised a written statement of maintenance standards and a photographic file reference. If a house approximates the photographic record for roofs, it is appropriate for replacement to be carried out. If it is better than the photographic reference, it might need to be slipped. In that way the trust has established a set of rational standards that are universally understood throughout the maintenance work force and are reflected in the work program that is now being carried out.

Mr BECKER: Is this work carried out by contractors or trust staff? Are the jobs let to tender?

The Hon. T.H. Hemmings: They are carried out by contractors, not by trust staff.

Mr BECKER: Is any work let by tender?

The Hon. T.H. Hemmings: Especially in country areas, some work is let by tender. In the metropolitan area there is a schedule of rates for inside and outside painting, reroofing, guttering, etc.

The Hon. R.G. PAYNE: My question relates to page 311 of the Program Estimates dealing with concessions, the policy area being welfare services. I note in the 1988-89

specific targets and objectives that access to affordable home ownership provided by the private sector will be monitored to determine whether changes should be made to the Home Ownership Made Easier program. I commend the Minister and the trust for their involvement in that program because it is one of the more laudable programs available in South Australia to assist people who would otherwise not be able to get started to become home owners. I know from my involvement in the electorate of Mitchell that I have been able to provide people with information on the assistance that is available under the scheme, and a number of people have followed it up and taken advantage of it, liaising with the State Bank, and so on. Does the Minister have any information as to the number of people who have been assisted so far? Does he have any statistics that might be of assistance in determining what form the monitoring might take?

The Hon. T.H. Hemmings: I will try to get that information. I made the point to the member for Hanson about adjustments to the HOME program that it is monitored continually. As the member for Mitchell is aware, it is not so much the waiting list for people seeking concessional loans but the deposit gap that creates problems for people on low incomes who wish to get into home ownership.

That is why this Government made representations to the Federal Government when the First Home Owners Scheme was changed, because those changes resulted in problems for those who sought accommodation or home ownership and wished to participate in our concessional loan program. All those factors have been monitored consistently. As I said previously, we consider the size of the maximum loan, the size of the house and the average bank loan in helping those people.

A review is currently under way involving my department, Treasury, the South Australian Housing Trust and other Government agencies to consider ways of delivering more cost effective and commercially based forms of lending for low income home purchasers in this State. To be quite honest, I believe that the banks have never really taken up that issue. The review will also examine present administrative arrangements for the provision of home loans. Again, that is a way of streamlining the concessional loan process. It is expected that the review will be completed and implemented in early 1989. In 1983-84, 2 693 people received concessional loans that were approved by the Government through the State Bank; in 1984-85, the figure was 2 959; in 1985-86, it was 2 920; in 1986-87, 2 740; in 1987-88, 2 500; and, as the Treasurer outlined in his budget statement, in 1988-89, 2 500 people (the same number as last year) received concessional loans. Since we revamped the concessional loan program when we took office a considerable number of South Australians have received the benefit of home ownership with loans at a concessional rate of interest. We are quite proud of that achievement.

The Hon. R.G. PAYNE: In reply to a question asked by the member for Bright, Mr Edwards cited statistics on the number of applications to the Housing Trust for accommodation by people under the age of 25 years. Mr Edwards said that 27 per cent of those young people were less than 18 years of age. What level of support is provided to young people less than 18 years of age? The General Manager stated that youth housing officers have that responsibility in their areas, and that is a sensible and commendable step. Young people of 16 or 17 years may have a desperate need for housing but they may not have had much practice at looking after themselves. I am not referring to lifestyles or the more conventional requirements that are placed on people; I am talking about acquired skills and the fact that

a sudden change from the family scene, unhappy though that scene might have been for any reason, means that homeless young people require the assistance of the State. Does the trust provide any support to these young people, perhaps through the Department for Community Welfare?

The Hon. T.H. Hemmings: That is a very good question. We are talking not about only people's experience but also about accommodation for young people.

The Hon. R.G. PAYNE: Those young people come under the supervision of every householder within half a kilometre.

The Hon. T.H. Hemmings: That is true. The question whether we should house young people is a problem with which previous Ministers and I have tried to grapple and one which surfaced many times when the member for Mitchell was Minister of Housing. In line with its charter under the Commonwealth-State Housing Agreement, this Government recognises that it has a responsibility to house young people, and we do that. In addition, the trust works with the Department for Community Welfare and voluntary agencies to assist those young people. This is done in an unobtrusive manner. The honourable member can rest assured that we do not house young people who have no skills of survival without keeping a watching brief over them.

The Hon. R.G. PAYNE: I understand that the trust is responsible for rent control in relation to substandard housing under the Housing Improvement Act. In past years there has been cyclic variation in activity necessitating action by the trust. What is the current level of activity?

The Hon. T.H. Hemmings: The Housing Improvement Act has a long and chequered history in the affairs of housing in this State. Every Government of the day has supported the Housing Improvement Act and every now and again Ministers have had to defend what has happened. While we defend the legislation, landlord groups usually attack the Act. One could question whether they have a vested interest. I recall that the member for Hanson took me to task for taking the landlords association to task, and at the time I wondered whether the honourable member would be unique in being a member of Parliament who supported those who attacked the Housing Improvement Act. However, he assured me later that that was not so and that he was concerned about the way in which I had abused landlords, for which I make no apology. We monitor the Act continually.

In 1987-88, 449 notices of intent to declare houses to be substandard under section 52 of the Act were issued: 301 declarations of substandard housing were issued; 177 declarations were revoked; and 49 notices of intent were withdrawn. Under the rent setting aspects of the legislation, 230 maximum rents were set and 185 maximum rents were revised.

I am pleased to say that the trust's record in regard to appeals is fairly consistent; there were no appeals against declarations under section 55 of the Act. Some sections of the building industry do not realise that the necessary upgrading of individual properties to enable them to be released from the Act generates jobs. The figures for the past three years are pretty consistent. In 1985-86, \$3.1 million was spent on the upgrading of properties; in 1986-87, \$4.7 million, and in 1987-88, \$3.6 million. This is a valuable part of the building industry. Not only does it provide reasonable accommodation but it provides work for the building sector. So, I assure the honourable member that the Housing Improvement Act is alive and well and continues to be administered in a fair way by the South Australian Housing Trust on behalf of the Government.

Mr S.G. EVANS: Does the Commonwealth-State Housing Agreement put on the trust an obligation to set depreciation charges on residential rental properties? If so, does the trust do that and, if not, why not? If the answer is in the negative, when will the trust conform with the agreement and what effect will that have in monetary terms on rents?

The Hon. T.H. Hemmings: The Commonwealth-State Housing Agreement provides that depreciation be taken into account. The cost rent formula is decided on the current value of the property. Last year we moved to historic value. We are now having discussions with Treasury as to a move towards current values as far as depreciation is concerned.

Mr S.G. EVANS: How many Housing Trust properties containing asbestos have been identified, are the buildings considered safe for tenants and does the trust have a policy of removing asbestos from residential buildings?

The Hon. T.H. Hemmings: I will take that question on notice. I am not aware from current information that there are properties which contain asbestos. About two years ago there were cases within my electorate where previous tenants had taken advantage of what was considered to be a generous offer by Hardies (an asbestos pipe manufacturing establishment just outside my electorate) to use it for pathways. When the trust was notified of the situation it went through all the necessary procedures to dispose of that asbestos in line with current Government regulations. I congratulate the trust on the prompt way in which it responded to some rather alarmist articles in the media.

Mr S.G. EVANS: How many cars on a permanent or regular basis are available to Housing Trust staff for travel between work and home that are fitted or about to be fitted with private registration plates?

The Hon. T.H. Hemmings: None.

Mr ROBERTSON: I want to pick up the issue of the Government's commitment to cooperative housing and ask what benefits are expected to accrue from this form of tender. I refer to a press release of 29 August in which the Minister stated:

South Australia's blossoming cooperative housing sector would benefit from an Act that enshrined the concept of cooperative housing, detailed the rights and obligations of members, addressed long-term concerns such as financial surpluses generated by cooperatives, and properly protected the State's growing investment in the cooperative program.

In the light of that release and what appears to be a growing commitment to the cooperative housing movement, I ask what steps are contemplated in the current budget and how cost effective is the operation of cooperative housing. It is often said by detractors of the scheme that, whilst it is a good program in many ways, it is not a cost effective way of housing people. Also, what role might people with intellectual disabilities be expected to play in the cooperative housing arena?

The Hon. T.H. Hemmings: The cooperative housing movement (or the Housing Association) is something of which I, as Minister, am particularly proud when one considers the growth of that movement in the six years that we have been in government. When we came into office in November 1982 there were two Housing Associations owning a total of four dwellings. Today there are 40 Housing Associations in South Australia managing 880 dwellings. The program has provided affordable and stable homes for approximately 2 600 people.

I am aware of the criticism from outside that this is not an efficient and effective way of providing accommodation for people. On the contrary, it is very effective. One of the reasons for the review is to pick up some of the areas which, as a Government—and because we have put so many

resources into it—we need to ensure that it is a stable part of our program. That is not saying that it is not cost effective—it is.

We have allowed in this year's budget for 200 additional homes at a cost of \$2.8 million. Dozens of groups are queueing up to become officially part of the Housing Association. CHASSA is the umbrella organisation funded by this Government. The amount funded to CHASSA totals \$300 000 and that money is well spent, because it provides an area for training. Last Sunday a successful seminar was held by CHASSA of all co-ops to determine how officers can better respond on behalf of their individual co-ops and how they can work well within the Government criteria.

I was very heartened when I attended that seminar to see the enthusiasm of those organisations and the acceptance that this review needs to take place. Legislation may possibly come out of this, and in the long term that will protect those housing associations. The review that the honourable member mentioned will be divided into four components—the legal structure, the financial structure, program administration and cooperative management, and the consultation process. As the Committee would be aware, we cannot have a review unless we have full consultation not only with the individual housing associations but also with CHASSA.

The type of people who go into this program, again, is pretty indicative of the widespread support it receives throughout the community. This involves disabled groups, elderly groups and migrant groups—in fact, it covers the complete range of people within the community who wish to take up a form of housing other than that involving home ownership in the private or public sectors. It is a part of our program that I do not think has received adequate recognition within this State—apart from its recognition by those who participate in it. As with many things, people look only at the negative aspects of the program. One slightly negative aspect earlier this year brought the critics out of the woodwork. However, I can tell the Committee that the interstate housing authorities put up the South Australian program as being one that they would like to emulate.

Mr ROBERTSON: Some 10 or 15 years ago moves were made in relation to a communal housing program, or a communal housing estate that was mooted for location somewhere in the Adelaide Hills. Since that time, I understand that attempts have been made to obtain permission from the various local government authorities in the Hills to provide a form of shared ownership communal housing in the Hills. I understand that this has not met with a great deal of support from local government agencies. I am wondering just exactly how the cooperative housing program might be used by groups which wish to set up communal housing and work areas in places like the Adelaide Hills. Also, perhaps permanent alternative lifestyle villages could take advantage of the cooperative housing program.

The Hon. T.H. Hemmings: I would like to think that the Government would not impose certain standards on people who want to be part of the cooperative movement and to live a different and alternative lifestyle. The criteria that apply are that any project must serve to benefit low income people. They must meet the criteria as laid down by the Government, the South Australian Housing Trust and CHASSA, and as well they must meet all their legal obligations. Basically, those are the only criteria that we set. There is one organisation, Tyntyndyer, in the Adelaide Hills that is working on communal living.

Mr ROBERTSON: Are they still opposed by local government authorities?

Mr Storkey: That group is in Mount Barker and it has had some difficulty; they were bequeathed 20 acres of land, and Tyntyndyer was set up, to amalgamate people with physical disabilities with other people and to set up some sort of support service in terms of programs for workshops and to provide some sort of cottage-type industry. However, the problem so far has related to the bequeathing of the land, in relation to which there are still some legal problems, rather than to problems with local government.

Mr ROBERTSON: Is it likely that local government authorities, particularly in country areas, might find the business of cooperative housing, particularly if it is allied with some sort of work on site, a little bit too much to handle and might in fact oppose it for various reasons, frivolous or otherwise? If that is the case, could people who wish to set up that type of cooperative look forward to support from the trust, provided of course that they meet the criteria as laid down?

The CHAIRMAN: I will allow this question, but I point out to members of the Committee that we are drifting away from the Estimates and that the Committee must come back to the Estimates in due course.

The Hon. T.H. Hemmings: If there are problems with local government it is not generally because a group happens to be a co-op. I will deliberately not be specific on this. Unfortunately, there are cases where Housing Trust developments have incurred the wrath of local government, mainly because it is perceived that these will involve poor quality housing—which is a myth—and that they will attract poor quality tenants—which, again, is a myth. So, we do have a problem with local government in that regard, but not specifically because something is a co-op.

The Government provides CHASSA with funds to enable this educational process in the community, that cooperative housing is good for the community. It provides, in fact, a fair degree of discipline, because it involves a group of people whose aim and commitment is to maintain a property and to run it in an orderly way—which is something we all like to see. However, as I have said, local government bodies are not against cooperatives.

Mr ROBERTSON: I now refer to the matter of singles housing and to the growing need to accommodate primarily middle aged men who have fallen out of relationships, for one reason or another, and who find themselves in need of singles accommodation. I ask this question bearing in mind the block of land that I understand is owned by the Housing Trust on Sullivan Terrace, O'Sullivan Beach. At present this area is growing grass and snakes when in fact it might be more profitably used to provide singles housing, particularly given the demand in the area. How is the program pressing ahead to provide that kind of housing, targeted to assist primarily middle aged single males? Is it likely that increased emphasis will be given to this matter, in view of the increasing number of men who require this type of accommodation?

The Hon. T.H. Hemmings: To put this matter into perspective, I shall provide some figures in relation to single people less than 60 years of age. In 1987-88, 6 203 applications were made by singles less than 60 years old—which was a 3.2 per cent increase over the previous year. Some 1 695 people were housed. This relates to people housed within the normal Housing Trust application and new tenants scheme, which applies to all types. However, the honourable member's question relates more to what is being done in addition to that to address a specific need.

We are working on our conversion program so that we can cater for single people: two double units could accommodate three or four single people. Under the auspices of

International Year of Shelter we funded a work program for St Luke's in Whitmore Square. St Luke's caters for middle-aged men who temporarily have fallen on hard times. We support the Salvation Army and other agencies which deal with short-term problems. As to what we are doing in that specific area, I will take that question on notice and get the information to the honourable member.

Mr BECKER: How many Housing Trust properties were damaged or destroyed by fire, storm and tempest last financial year? How do these figures compare with the previous financial year? At page 379 of his report under the heading 'Insurance of rental and purchase agreement properties' the Auditor-General states:

The trust has arranged treaty reinsurance on its rental and purchase agreement properties to cover damage caused as a result of earthquake, storm and tempest. The sum insured for earthquake and for storm and tempest is \$100 million (\$542 million [previously]). For other types of risk the trust carries its own insurance. The balance in this provision includes minor claims to be settled and a reasonable assessment of claims incurred but not reported at balance date.

The \$100 million earthquake insurance costs about \$1 600 per accommodation unit. The overall value of trust properties is about \$1 363 million. In view of the disastrous bushfires, and although there is a rare probability that we would experience an earthquake or tremor that would cause considerable damage (as happened 30 years ago), is the insurance enough? Can the trust afford to carry fire insurance when it covers earthquake, storm and tempest?

The Hon. T.H. Hemmings: I will ask Mr Edwards to give that information.

Mr Edwards: The trust's managers in the past were extremely perspicacious as to where they sited trust houses, because in 1954, during the previous major Adelaide tremor, there was only minor impact on trust houses. They simply were not located in areas where damage occurred. Equally, we have experienced little significant damage from various bushfires. It is a matter that we address and we have taken out the necessary insurance provisions. Insurance arrangements are assessed each year in the light of the experience of risk that we encounter, and we make a mandatory decision as to what is appropriate. We believe that the decisions that have been made are appropriate. I do not have to hand the number of fires experienced last year, but I can obtain that information. However, there were not many relative to our total stock of about 60 000 properties.

Mr BECKER: Previously a question was asked about what special needs were identified by the youth housing inquiry and what progress was being made towards addressing those needs? I understand that a youth housing project costing \$650 000 is mooted for Christies Beach, and that it will proceed in conjunction with local government and some funding from International Year of Shelter for the Homeless (IYSH). Will the project be cost-effective?

The Hon. T.H. Hemmings: I presume that the member is referring to the Noarlunga Youth Boarding House and a \$100 000 contribution by IYSH to accommodate homeless youth. It was a joint venture involving the Noarlunga City Council, the trust, the Noarlunga Family Services Board and the Local Government and Community Housing Program. As to its cost-effectiveness, the General Manager advises me that the project will house 20 people at \$5 000 each. The view of the housing practitioners around me suggests that that is cost-effective; in fact, it is pretty cheap.

Mr BECKER: What are the guidelines for such projects?

The Hon. T.H. Hemmings: As I said previously, it was funded by the Noarlunga City Council, the trust, the Noarlunga Family Services Board and the Local Government and Community Housing Program. It has to meet the requirements under those programs and as set down by the

Federal Government and our own criteria for IYSH; and it must meet the conditions set down by the Residential Tenancies Tribunal (RTT). As the member for Hanson is aware, funds for IYSH come under the scope of the Residential Tenancies Trust fund. Those different organisations submit applications through the RTT, so they would have satisfied the criteria of that organisation and the Government with respect to providing long-term accommodation for such people. That would be the underlying requirement in respect of the trust's contribution to the program. I am sure the Noarlunga council would meet that requirement also. I take it that there is no hidden agenda in the question. The involvement of so many organisations to provide accommodation for 20 people would ensure that it is cost-effective.

[Sitting suspended from 12.58 to 2 p.m.]

Mr BECKER: Supplementary to a previous question about urban consolidation, how effective has the urban consolidation of the Housing Trust been to date, how many properties are being consolidated, and in what locations? I refer to page 312 of the Program Estimates under '1988-89 Specific Targets/Objectives (Significant Initiatives/Improvements/Results Sought)'. I understand that in the south-western suburbs a significant program of urban consolidation has been commenced in Mitchell Park. I also believe that there are plans for similar projects throughout the metropolitan area. What are the short-term and long-term plans for this program?

The Hon. T.H. Hemmings: To answer the second part first, the long-term plan is to more adequately deliver a service to those people who seek public sector accommodation. Consider the change in the clientele, and so on. The old traditional three-bedroom family unit is no longer sought by our clients. That aspect of the urban consolidation program was covered prior to the luncheon break: the long-term saving to Government is one area of which I made mention. In the electorates of the member for Peake, the member for Mitchell, and the member for Hanson there is older type trust development. In Peake clients are changing and, in fact, a dramatic shift is taking place outside of the electorate, which is causing problems not just to this ministry but to other Government agencies such as schools that are no longer being utilised to the full. If we can make better use of existing trust stock, it will be better not only for the social fabric of the State but also with respect to the cost of maintaining those necessary services.

The financial gains to the Government, or to the trust, are very hard to quantify. The member for Hanson will be well aware that the Public Accounts Committee examined the cost of maintenance of infrastructure and the cost of new infrastructure. So, really, urban consolidation, as I have always maintained, plays a very important role in the way in which the Government assesses how it will meet that need. So, the long-term saving to Government is hard to quantify. One example of numbers is Bowden-Brompton, where we have completed redevelopment work on more than 260 dwellings. We have often referred in this House to Mitchell Park, and in last year's Housing Trust annual report it was considered of such importance that it was given the front cover and there was a story on its redevelopment. Its importance related to the fact that the tenants themselves played a role. The trust bases most of its tenant participation on that experience in Mitchell Park, which again deals with better utilisation of existing stock and how we can convert. Mitchell Park is still in the early stages, but 28 dwellings are under construction. Perhaps the General Manager can give the numbers.

Mr BECKER: How effective has the program been, how many properties are being consolidated, and in what location? What are the short-term and long-term plans, and how many are involved?

Mr Edwards: We anticipate that we will be able to build up our program to achieve an average of 400 units a year, derived from consolidation, redevelopment and conversion programs. They will be distributed variously, according to the circumstances at the time. We are anxious to avoid the establishment of a central plan that could then be used to blight particular areas because they are under this threat of redevelopment, and it could have some effect on both the social vitality and appearance of those areas. So, we tend to have a broad intention in specific areas, including Mitchell Park, Hillcrest and various areas of the parks in the inner western areas, where we have identified opportunities with which we proceed as they present themselves.

The volume of our land-holdings is such that we can see them yielding an average of 400 housing units a year for the remainder of this century. If we were to provide 400 units in any other way we would have to buy 400 allotments. If one assumes conservatively that a dwelling allotment is worth \$20 000, we are saving a significant amount of capital by entering this program, so its cost-effectiveness is undoubted.

The Hon. T.H. Hemmings: Prior to lunch the member for Bright referred to cooperatives and the attitude of local government to them. As a government we need to educate local government on the benefits of urban consolidation. My office conducted a housing diversity study late in 1987, and held four seminars throughout the metropolitan area. The situation was explained and a video showed the benefits of urban consolidation or diversity within the zoning regulations that are currently in the legislation. We have been encouraged to carry out another project, for which we would seek funding from the Building Research and Development Advisory Council, to examine the capacity of the State's housing stock to meet changing community and individual needs.

If we are successful with the funding and can get a well credentialed consultant to carry out that study, that will play a major role in educating local government as to the benefits of the better use of its existing residential areas rather than the head-in-the-ground approach of zoning one, which needs to be adaptable. We are convinced that that educational process will work in the long term.

The Hon. R.G. PAYNE: Page 386 of the Auditor-General's Report, under the subheading 'Review of housing maintenance', states:

... to the establishment of a project management group to determine detailed programs and to organise implementation of changes recommended by consultants in April 1987, to improve the overall efficiency of the maintenance function ... further savings through the introduction of a planned program of public tendering, to replace the traditional contracting system for selected maintenance work, was also identified by consultants in the 1986 triennial review and the 1987 maintenance review. To date the trust has not been able to introduce this method of contracting, which was estimated to save in the order of \$2 million per annum.

Those comments seem to suggest that some action is warranted. Will the Minister comment on this?

The Hon. T.H. Hemmings: The whole question of tendering is causing the trust and the Auditor-General concern. Because of the size our stock the cost of maintaining it is increasing each year. The Housing Trust has concentrated on other areas before looking at the points that the member for Mitchell and the Auditor-General have cited. We have concentrated our staff resources on the area of maintenance, for example, the better supervision of contracts, the establishment of consistent standards, and the need to establish

an up-to-date schedule of work tasks. We then mixed them internally so that we could evaluate that data when tenders were called.

We need to consult with the contractors and the unions to change the normal processes used by the trust. Certain contractors feel that the trust and the Government owe them a living, and that occurred in my electorate in the early days when people were using the trust to build up a business; but things have changed. Also, in relation to the trade union movement, some subcontractors do not pay their workers award rates, as is opposed to normal practice in the Public Service. So, we need to clear the air with respect to those people.

We anticipate that we will be tendering more this year, and that will satisfy the Auditor-General. As I said earlier in response to a question from the member for Hanson, in some areas—for example, country towns—it may well be that we will continue to allocate work on the basis of schedules, because that is the way that some of those people survive. The Government has to be aware of the employment importance of trust work to contractors in country towns.

The Hon. R.G. PAYNE: As I recall it, the Public Employees Housing Act provided for the establishment of an advisory committee. Has that committee been established? If so, what is its membership, what are its terms of reference and how effective has it been?

The Hon. T.H. Hemmings: The Public Employees Housing Act, which was legislated late last year, has been very successful, and the advisory committee has been of great value and assistance to the Government since its establishment. Presently it is looking at standards throughout the Government housing sector. It is a fact of life that standards have varied consistently over the years, mainly because of the *ad hoc* approach to housing standards by particular agencies. Also, the committee is looking at an effective rent setting mechanism, and recommendations will shortly be going before Cabinet for approval. The committee has been very successful in providing advice to me, especially in relation to standards and rents.

It meets on a monthly basis and includes representatives from the South Australian Institute of Teachers, Police Association, United Trades and Labor Council, Public Service Association, two Government departments (presently Police and E&WS, and these departments rotate on a yearly basis), a representative of the Minister of Education, and one from the Office of Housing. The committee is chaired by Mr Jim Crichton, who used to be a tower of strength at the trust and has brought to that committee his extensive knowledge he gained while Chairman of the old Teacher Housing Authority.

The committee is working well and its terms of reference are quite broad. It is there to advise me on matters concerning the management and provision of housing for Government employees located in country areas and to identify innovative and cost effective means of providing housing assistance to those employees; and this latter reference has caused some concern to Governments over the years. The committee is comprised of not only the user departments but also the users—representatives of our clients—and their advice is important to me. When standards (to prevail throughout the whole Government area) and rents, which I think not only will be fair but will recognise the input that the Government should be making in relation to this subsidy, are established it will mainly come about from the advice of that committee.

The Hon. R.G. PAYNE: At page 312 of the Program Estimates, under 'Public housing—community amenities', the following appears as an objective for 1988-89:

Continued developments and implementation of housing programs which will more effectively deliver housing services to those in need in the community.

Is there a think-tank in the Housing Trust which considers new ways of satisfying the housing needs of the community? In this regard, I suggest that some schools that are becoming surplus to Education Department requirements could lend themselves to innovative and unique Housing Trust projects, including the redevelopment of some of the buildings on site for housing accommodation. For instance, where the future of a school was not entirely clear the trust might enter into a leasing arrangement rather than allow the school site to be converted to non-school use permanently. In this regard, many schools are well located in the community, served by satisfactory public transport, and have recreational facilities that could be retained as a part of the redevelopment. From his experience in England, the Minister would be aware of similar facilities being used by the community. Can he comment on this matter?

The Hon. T.H. Hemmings: Regarding the operation of a think-tank to consider the development of more effective housing programs, such a group is working in the policy area in two sections: in the trust's Corporate Development Branch and in my Office of Housing, more importantly perhaps, within the Housing Advisory Council. The group considers community needs and industrial needs. In the short term the trust can step in and use the facilities at schools which, because of falling enrolments and changing needs, have become redundant.

Current Government policy is that such properties are made available to the trust in the long term. For example, some country primary schools have been taken over by the trust and developed to accommodate aged citizens. The honourable member's suggestion is something that we should consider in the short term. A task force has been set up in Government to make better use of the Government's assets not only in a social sense but also from the point of view of maintenance. For instance, I understand that the Minister of Education has received submissions from interested people for a certain short-term use of a school in the Elizabeth area which, because it is part of a rationalisation program, will no longer be required as such. However, whether anything will come of that I do not know. In many cases a short term need for accommodation arises because country students come to the city to undertake further studies and it may be that some public assets that are no longer being used for their original purpose could be used in the way suggested.

Mr S.G. EVANS: Does the Housing Trust keep a computerised list of properties that it owns or has sold during the previous 12 months? If it does, does the detail include the type of property, its location and size, cost of development, its value on acquisition by the trust and its value in any one year? In other words, is there any specific date on which the value of such properties is increased? When the property is sold by the trust, are details of the sale recorded by computer in a way that would show the details readily so that the Treasury could include such sales in the total real estate sales of Government departments during the previous fiscal year?

The Hon. T.H. Hemmings: Some parts of the honourable member's question will have to be taken on notice. However, if the General Manager thinks that some areas can be covered this afternoon, I ask him to comment.

Mr Edwards: We have a property database, which is a computerised operation, and we therefore keep a record of

all the trust's assets. However, I could not say that all the specific information required by the honourable member is immediately identifiable from the computer records, but certain features are capable of being identified fairly readily as regards any parcel of land. We certainly know what assets were sold last year. We sold significant parcels of broadacre land, as well as houses, last year and that information is available to the Auditor-General; and, if the Treasury wishes to have it, it is available to the Treasury.

Mr S.G. EVANS: I take it that that information could be made available later?

The CHAIRMAN: As I explained to the Committee last week, the Chair cannot force the Minister to provide information. A member may ask the Minister and if the Minister agrees to provide the information, so be it.

Mr S.G. EVANS: I accept that, Mr Chairman. I apologise for appearing to ask you rather than the Minister. If the Minister says that the information will be available down the track, I take it that one will receive details from the department later. Assuming that the Lands Department is involved on behalf of the trust in the sale of broadacres, shopping centres and other commercial-type properties, does the Housing Trust at times have discussions with developers concerning property that may be available for sale or can be made available for sale on the basis of how the developer might develop it? I assume that some allotments are made available to the trust at an approximate figure and then the trust contacts the Lands Department to sell the property for it other than by auction or tender and, in fact, the property is sold by treaty with the knowledge of the trust, through the Lands Department.

The Hon. T.H. Hemmings: This question might be the start of another alleged scandal in the Housing Trust, similar to the allegations about tenants who own boats and caravans. However, when the trust asks for details so that it can investigate the allegations, they are never provided. This time it might be alleged that the trust has made a few bob on the side. The Lands Department does not sell surplus trust land: the trust sells it. Such land is usually sold by public auction so everyone has a fair chance.

The trust goes into developments with private developers. Indeed, the Government has always encouraged the private sector to join the Housing Trust in joint ventures. Some very successful joint ventures have occurred, especially in providing accommodation for the aged, where private developers, local government, churches, hospitals and many other organisations have been involved. Too often it is alleged that the Housing Trust is in the development game trying to pull the wool over the eyes of the community. That is not the case. Everything is done aboveboard. If the honourable member can give details, I will answer specific allegations either now or at a later date.

Mr S.G. EVANS: I am not making allegations but my questions highlight the importance of our being able, through this process, to find out what procedures are used by Government departments and how they are used, and whether there is consideration for other than Government departments and Ministers to gain a benefit in a subtle way. Does the Minister know whether, in the past two years, any land has been sold by the Housing Trust to the Urban Land Trust? I do not seek identification. Was it transferred to a private individual before it was transferred to the Urban Land Trust? Again, I do not ask for identification. Has that practice occurred?

The Hon. T.H. Hemmings: My advice from the General Manager is that any land that has been sold to the Urban Land Trust has been sold directly from the Housing Trust.

I take it that the member for Davenport is asking whether there has been any deviation from the usual procedure.

Mr S.G. EVANS: I am asking whether land was transferred from the Housing Trust to the Urban Land Trust or to a private developer, although the Urban Land Trust was supposed to buy it.

The Hon. T.H. Hemmings: The answer is an emphatic 'No'.

Mr PLUNKETT: One of the Government's objectives in establishing the Office of Government Employee Housing was to rationalise housing stocks. What progress has been made in this regard?

The Hon. T.H. Hemmings: At least three reviews were undertaken by Governments of both persuasions about the cost of Government employee housing, whether Government delivered the service in an effective way and whether country-based employees using such housing paid the correct amount of rent. Perhaps the most important question was whether there was too much stock in the country and whether it was suitable for people working on behalf of the Government in the country delivering services to the community. That has been one of the prime responsibilities of the Office of Government Employee Housing and I am pleased to inform the Committee that, during 1987-88, the office achieved a net reduction of its housing pool by 81 houses. I point out that 38 houses were sold as surplus or sold to existing tenants, generating \$1.65 million for Consolidated Revenue. Against the construction purchase program of additional replacement houses of 24 units, this represents a net reduction of 14 houses.

In the first year of operation, that may seem fairly small but it is a step in the right direction. It shows that the Government is committed to providing a lean and hungry service for those employees working in the country. The net result will be that money saved by disposing of unused or unwanted stock will eventually find its way back into the system and into improving the standard of the stock that is retained. Stock leased from the South Australian Housing Trust was reduced by 56 and private leases by 11. In addition, 17 house sales were commenced under the old Teacher Housing Authority and completed in the 1987-88 financial year. This is a good start towards ensuring that surplus houses are disposed of and stock is utilised effectively.

Mr ROBERTSON: As a result of a Government initiative in 1985, an inquiry was set up into youth housing. That inquiry reported some months ago and one of its recommendations was that financial and material support be given to an organisation known as the Youth Housing Network, whose ambit is the provision of housing for all young people, not simply emergency housing or youth shelters. What has been done about the recommendation of the inquiry to provide support for the Youth Housing Network and what form will it take?

The Hon. T.H. Hemmings: In 1985 when 'Tent City' was erected in Victoria Square one week prior to the December election, on the Friday I addressed those people and said that if the Bannon Government was re-elected it would set up a review of youth housing, with terms of reference wide enough to ensure that all sections of the community which work with youth, and youth itself, would have a say. The review took some considerable time. I remember receiving adverse criticism from the member for Hanson for in effect sitting on it. Because of the complex nature of youth housing, the review took much longer than envisaged.

As a result of the review, the Government responded fairly quickly through other areas of funding, such as the Local Government Community Housing Program, the

International Year of Shelter for the Homeless, under normal budget control under the Commonwealth-State Housing Agreement and through the social justice strategy announced by the Treasurer in his budget speech. Within the Local Government Community Housing Program the Service to Youth Council Incorporated received \$140 000, the total cost of four independent living units in inner Adelaide.

In 1988-89 the Youth Housing Network has been supported, perhaps more importantly, by a grant of \$66 000. Shelter has been allocated \$70 000 and CHASSA \$150 000 for this financial year. That is a considerable amount of money but, to ensure efficiency, the Youth Housing Network and shelter will have a shared facility. One of the problems complained about by youth to my office or individual members of Parliament is that they are being pushed from pillar to post as they try to satisfy their housing needs. Having the shared facility means that there will be a one-stop location for people—and especially young people—to fulfil their housing needs.

The aims of the Youth Housing Network, and the criteria that it has to follow to receive funding, are to ensure efficient and coordinated use of youth housing services and to provide policy advice in the area of youth housing. It is very important as far as this Government is concerned—and I speak for the South Australian Housing Trust—that it gets outside advice from autonomous organisations, which may be dependent on Government funding, but can give independent advice. I think that the Youth Housing Network will provide that kind of information.

As a result of the review into youth housing, Trace-a-Place, was funded at a cost of \$83 600. It is an information referral service provided for young people which also provides a register of shared accommodation. The figures in relation to youth housing and meeting the requirements of youth seeking accommodation show that we do put our money where our mouth is. We do not produce glossy booklets telling people what we are doing for youth; we go out there and spend money. I make the point that every dollar which we give organisations for recurrent purposes is money taken away from the Housing Trust which would normally be used for bricks and mortar to build accommodation for those people on the waiting list. We ask people to consider those things when they come knocking on our door and asking for money.

Mr ROBERTSON: I refer to page 311 of the Program Estimates where attention is given to the HOME program, which I understand from an answer given by the Minister earlier today has a cut-out maximum loan available of \$48 000. The maximum value of a house that can be purchased under the HOME program is \$72 000. The brochure produced by the trust was dated April 1987, so I wonder if any thought has been given to raising those limits and, in the interim, whether any other schemes are available which might enable people who have the ability to sustain a reasonable level of repayments but who cannot afford a large deposit to have access to home ownership under the rental purchase or shared ownership schemes.

The Hon. T.H. Hemmings: We are continually monitoring the HOME program. The review that I mentioned earlier has been established to define a working target for those people seeking to purchase a home—to see whether we can do that in a better way. The honourable member is asking whether the existing Home Ownership Made Easier program is sufficient or are there other areas where the trust could consider ways to help people with home ownership. We are quite pleased with the shared ownership scheme for existing trust tenants.

Mr ROBERTSON: The case which prompted my question was that of an existing trust tenant who would have difficulty tapping into the HOME scheme because he is unable to pay a deposit. The family concerned would have little trouble making repayments of \$120 or \$130 a week, but it does not have the wherewithal to make anything other than a fairly minimal deposit.

The Hon. T.H. Hemmings: The rental purchase scheme possibly could help the honourable members' constituents and others in similar situations. I can provide the honourable member with information as to how his constituents can lock into that scheme. It would cover a situation where a tenant may have a reasonable amount of money to put down a deposit but is unable to meet expensive repayments. The rental purchase scheme could be tailor-made to suit the requirements outlined by the honourable member in his question.

The reason for sticking to the \$48 000 maximum loan is a question of economics and whether the people whom we are trying to help could meet a loan of more than \$48 000. It is easy to create schemes to make home ownership available to all but we must not create a greater burden on those people who want to become home owners.

Mr BECKER: What action is being taken to present to the Auditor-General financial statements for the year ended 30 June 1988 for the Office of Government Employee Housing? What is the reason for the delay? Will accrual accounting be used in preparation and presentation of the final financial statements of the Office of Government Employee Housing and, if not, why not? On page xv of his report, the Auditor-General makes the following comment about housing for Government employees:

Previous reports drew attention to the cost of providing housing to Government employees located outside the metropolitan area, to the level of rentals and to the need to ensure that housing arrangements for Government employees were cost effective and equitable. An Office of Government Employee Housing has been established within the South Australian Department of Housing and Construction. It commenced operations on 1 July 1987. I am concerned that the office has been unable to provide any financial statements for the year ended 30 June 1988, including for that section of its operations which provided financial statements on an accrual basis for many years (Teacher Housing Authority).

The establishment of a financial system and reporting on an accrual basis is essential for the effective management of this operation. As stated last year, the established systems of the former Teacher Housing Authority would seem to provide a useful base. Urgent attention needs to be given to this matter.

As I understand it, to get a mention in the Auditor-General's Report like that is bad enough, but to have it repeated is even worse. The Public Accounts Committee looked at the Teacher Housing Authority some years ago, and it was not all that happy, either. Whilst I think the move to form the Office of Government Employee Housing might, at the present time, be a good idea, comments such as those made in the Auditor-General's Report are cause for concern.

The Hon. T.H. Hemmings: The member for Hanson cannot have two bob each way—he must make up his mind whether the creation of this body is either good or bad. He cannot simply say that it might be a good thing for now until we can think of something better. Three Government reports have been prepared in relation to housing for Government employees, and each of them stated that the whole area of housing Government employees out there in the country should be under one body. Two of those reports were produced during the time of the Tonkin Government and one was under the Bannon Government. The Bannon Government chose to take some action and do something about the matter. Therefore, for the Government this is not an intermediate step but the final step. The member for

Hanson must decide whether he likes it or not; he cannot have two bob each way.

Dealing with the specific complaint made by the member for Hanson, based on the Auditor-General's Report, with regard to the final two sentences quoted by the honourable member, may I say, at the risk of incurring the wrath of the Auditor-General, that they embody an underlying theme of the Auditor-General throughout the report in relation to every Government department. The Government has made its views plain on this. As to the Auditor-General's comment, 'I am concerned that the office has been unable to provide any financial statements for the year ended 30 June 1988, including for that section of its operations which provided financial statements on an accrual basis for many years...', the member for Hanson has read that, and has framed his question accordingly, as meaning that it has been unable to provide any financial statements for the year ended 30 June 1988. That is incorrect. The Office of Government Employee Housing, as a branch of the Department of Housing and Construction, has complied with the normal financial requirements of the department and the Treasury. It has done everything above board and as required of it by the Treasury and the Government.

I can assure the Committee and the Auditor-General that the proper financial accounting methods are being followed in the Office of Government Employee Housing, in line with the practices accepted within the Government accounting system. Until the Government changes its accounting system, the Office of Government Employee Housing will abide by the current requirements—and to date it has done that in a quite satisfactory manner. The matter of this new authority has been raised before in the House. The member for Elziabeth did not like the idea of the Office of Government Employee Housing becoming an organisation under my control. He said that it should be administered under the South Australian Housing Trust and that this was an instance of where such an office was not carrying out its functions. I certainly take exception to those sorts of comments. The office is undertaking its functions very well indeed. It has received some pretty good compliments from clients; they consider that the office is doing a good job.

The Teacher Housing Authority, referred to by the member for Hanson and the Auditor-General—and the member for Elizabeth has referred to it in a speech given in the House—was a statutory authority. It no longer exists. It has been replaced by the Office of Government Employee Housing, which is part of a Government department. The Department of Housing and Construction does not perform full accrual accounting at this stage, but operates as a cash system. Until the Department of Housing and Construction is instructed by Treasury to change its accounting methods, it will continue to do it in that way. Whilst it may have been possible to continue use of the accrual package used by the Teacher Housing Authority, that would have covered less than half of the Government employee housing stock, that is, 1 834 houses of a total stock of 3 300.

Is the member for Hanson saying to the Committee, to me and to the Government that those houses which were under the Teacher Housing Authority and which were absorbed into the Office of Government Employee Housing should have been under an accrual accounting system while for all the other houses in relation to the Engineering and Water Supply Department, the National Parks and Wildlife Service, and all the other Government agencies, we should have used the normal accounting system of the Department of Housing and Construction? That would have been a completely mischievous way for the department to do it.

Finally, the Auditor-General was advised in April that discussions had commenced with Treasury regarding the introduction of accrual accounting within the Office of Government Employee Housing. Approval has been given for the office to operate on a deposit account basis, and necessary developments are continuing, including the introduction of systems, collection of asset information and the valuation of stock, which will allow accrual accounting to be introduced in this area when decided upon by the Government.

Mr BECKER: The Minister says the department advised on 18 April that discussion had commenced with Treasury as to the best method of accrual accounting for the office, but I would think that by now a decision should have been reached. I would like to know whether the fault lies with Treasury. What action is being taken to finalise transfer of the houses to the Office of Government Employee Housing by the Highways Department, the Department of Marine and Harbors, the Woods and Forests Department and the E&WS Department? What is the reason for such tardiness by departments in transferring the houses to the new authority?

The Hon. T.H. Hemmings: One of the problems in setting up the new office was to transfer existing stock scattered across the State and held by individual agencies. Because they have been providing accommodation, in many instances agencies were unaware of where individual homes were located. As part of our rent setting exercise we are helping some of our clients in that area. Housing stocks from the Teacher Housing Authority were formally transferred to the Office of Government Employee Housing on the enactment of the Public Employee Housing Act.

Housing stocks previously administered jointly by client agencies and SACON were already in the name of the Minister of Public Works, and so I have that responsibility. At this stage 370 houses are still to be legally transferred. This is the housing transferred from the commercially operating departments, including the Highways Department, 124; the Woods and Forests Department, 21; the E&WS Department, 197; and the Marine and Harbors Department, 28.

To ensure that these departments are not financially disadvantaged, they will receive a debt remission for the current market value of that housing stock transferred to the Office of Government Employee Housing. Accordingly, each house has required valuation. Valuations on the stock are nearly complete and it is anticipated that they will be transferred in the near future. That is hardly what I would call 'tardy'; it is good business practice. While the houses have not been legally transferred, they are under our daily control.

Mr BECKER: It has taken a fair while. I believe it was mentioned last year by the Auditor-General as well. What action was taken to reduce Government employee housing vacancy rates? How many properties were involved and how much rent was forgone? For how long were houses allowed to remain vacant? The vacancy rate of the Teacher Housing Authority has raised concern, although I realise many houses are scattered throughout the country and that occasionally there would be surplus properties in country towns.

In a town like Lameroo where there might be five Teacher Housing Authority houses, in one year only three may be required so two would be vacant, yet about 40 000 people are waiting for trust accommodation. Why can we not use those properties for 12 months for trust tenants and obtain a financial return for the authority? Under the new Office of Government Employee Housing have those vacancy rates been reduced, and to what degree?

The Hon. T.H. Hemmings: I will take the question on notice and provide the figures requested by the member for Hanson within the timeframe. As to vacancies and the cost, this question is raised every year. Indeed, ever since the Hon. Mr Lucas has been in charge of education, the Opposition has upped the ante. Although I have not read today's *News*, I understand it includes an article that coincides with the question asked, so members are getting their act together at long last. People do not understand this question. They question the cost of vacancies, especially in regard to teacher housing and suggest that there is a 'waste' of money and that therefore the community is paying. The suggestion in line with the *News* article is that, if we were not 'wasting' money, we could be employing more teachers. I think that that is the line in today's *News* and I will check it at the next break.

It is interesting to note that whilst the member for Hanson is raising concerns here about this waste of money (and these questions were obviously written by Rob Lucas) and whilst questions were asked yesterday of the Minister of Education, obviously those who are asking questions are not getting their act together. Certainly, I have received letters obviously from Liberal members, because they represent country seats, who ask, 'Dear Minister, why are you selling off that house in that country area? Who knows, in nine months time we may have a need for it.' I refer to the letter I wrote to the Leader of the Opposition (Mr Olsen) which talks about that. The rent for that period of nine months is reflected in the rent that one Government department pays to another. I told the Leader of the Opposition that the house which he was talking about, which was vacated by the teaching staff in August 1987 and which has been vacant since then has been declared surplus. In the case raised by the Leader of the Opposition, the principal and the teachers in that area occupy their own houses, so there was no need for us to provide accommodation there. The house was surplus.

Certainly, if we were in the business of fairness—and despite my experience as a Minister for six years and a member for 11 years, I still believe that there is a little bit of fairness—and if all those aspects were considered, Liberal members who are raising these concerns would realise that the millions of dollars to which they refer is not waste. If they claim that they want to exclude 'waste' (their term, not mine) so that every time there was a vacancy we would sell a property on the grounds of efficiency (which we could do easily), when they put out press releases about waste of Government money, let them say that they want us to abide by a strict policy—if there is no-one in a house, it is sold.

We could do that, then every teacher organisation would write and say, 'Dear Minister, you have not a house available for us to use.' I would tell them to see the shadow Minister of Housing, the Leader of the Opposition or Mr Lucas in another place, because they do not want us to 'waste' Government money.

It is a furphy. What I said in the previous answer about the rationalisation of Government employee housing stock is the correct way to go. Once we have established that it is no longer necessary, that it is surplus to requirement or that it is substandard, we dispose of the stock. We generate income, which we then, via Cabinet submissions, plough back into the existing stock that we maintain. That is good business practice. Let us have no more of Liberal members of Parliament on the one hand writing to me and to the Minister of Education demanding that we keep houses vacant year in and year out and on the other hand attacking us for wasting Government money. They cannot have it both

ways: it must be one or the other. Let them decide which way they want it, and we will answer accordingly.

Mr BECKER: The Minister answered only part of the question. What action is the Government taking to reduce vacancy rates? How many properties are involved? How much rent is forgone and for how long? Where are most of the houses that are allowed to remain vacant? What is the acceptable rate of vacant properties for the Office of Government Employee Housing?

The Hon. T.H. Hemmings: There must be some vacancy rates (otherwise members opposite would be writing to us about it in droves). There are problems, including the nature of the demand varying from year to year due to such things as marital status. I refer to, for example, a single employee being replaced by a married employee, who requires a different type of accommodation; a married couple being replaced by two employees with separate family units; delays in filling vacant country positions, resulting in vacant stock; there is no demand for private rental of temporary surplus accommodation in some localities, which is very important; there is no requirement to remain in Government employee accommodation (some tenants who initially require accommodation subsequently vacate, leaving a vacancy, which causes us a real problem where they demand and get housing and then vacate because they want to enjoy the country life in a little farmhouse); and there are gaps between one department no longer requiring a house and another taking up the accommodation.

If the member for Hanson and the Liberal Party accept that all of those are necessary problems of the Office of Government Employee Housing, this Government and the client departments whom we service, they should also recognise that there is a need to minimise vacancies. As part of that recognition we are currently introducing measures to monitor untenanted properties for possible disposal, thereby keeping down vacancy rates and the offices interest and maintenance costs. We are working on a long-term goal and we would like to think that we will be fairly successful with it. The current vacancy rate is about 7 per cent to 8 per cent of total rent. That is still far too high, but nowhere near the scandal that the *Adelaide News* is most likely projecting today.

Mr M.J. Evans: Will the Minister comment on the waiting lists? I realise that he and other members of Parliament are very concerned about their length. Has the Housing Trust conducted any market research to determine the composition of the people on them and the different reasons for their seeking public housing in an effort to improve the response to that demand? Will he comment on the nature of the demand at the moment in the light of the past few months, where we have seen some reasonably significant rent rises? Has that had any effect on the current rate of increase in the demand for public housing?

The Hon. T.H. Hemmings: The trust does not survey people who seek trust accommodation, but the information that is always made available when I table the trust's annual report in Parliament relates to those people who received accommodation in the previous year. It also contains information on those people who immediately receive a rent reduction, indicating that they are in a disadvantaged situation. That has been pretty much indicative in the years in which I have been Minister, despite the fact that over the past two years the trust has made a record number of homes available to people seeking trust accommodation.

If one looks at the range of applicants and their main sources of income, 32 per cent were on a wage or salary (a reduction of 2.7 per cent on the previous year), which may have some bearing on what the member for Elizabeth said

about employment prospects improving somewhat. Of course, some of those on a wage or salary obtain their own alternative housing. Last year 7.7 per cent were on aged pensions (an increase of .7 per cent on the previous year); 3.4 per cent on invalid pensions (a drop of 2 per cent on the previous year); 2.1 per cent on sickness benefits (an increase of .3 per cent); 16.3 per cent on supporting parent benefits (an increase of .5 per cent); 33.5 per cent on unemployment benefits (an increase of 3.4 per cent on the previous year); and 5 per cent were in the 'other' category, (a drop of .2 per cent). So, basically it is very similar to last year, and all the way through 1985-86, 1984-85 and 1983-84. This year's make-up of applicants is basically the same as it was last year, and in all probability as it will be next year.

Mr M.J. Evans: We have seen comments recently about the availability of land for development in the Adelaide area and the pressure on the building industry with the upsurge in private sector demand and construction. This has had a generally accepted effect of forcing up building costs and prices because of the heating in the market. Does the trust take that into account in its own new housing building and purchasing program and, if so, in what way?

Mr Edwards: Yes, the trust takes careful account of the land supply situation and has been able to contribute to easing that problem in the past year by the sale, primarily to the Urban Land Trust, of broad acres (which I recollect was of the order of \$9 million), and the trust was then able to offer that land to private developers. In addition, we had some surplus allotments as a consequence of the changed direction and volume of the trust program, and we sold some 73 serviced allotments in a joint scheme (known as the 3H Homes Project) with the Housing Industry Association, and Hindmarsh Adelaide.

During the next few weeks we anticipate placing on the market, for sale to private developers, other surplus allotments and other areas of broad acres that we believe will make a useful further contribution to alleviating the pressures in the land market. This is partly facilitated by our capacity to generate, as mentioned earlier, an increased volume of production from infill and redevelopment of existing estates.

Mr PLUNKETT: Is the Housing Improvement Act still used to cap the level of rents demanded by some landlords whose premises are rented under the emergency housing program? The Minister would be aware that in 1980 (I think) the Tonkin Government removed that cap and there was then no ceiling on rents for houses that were not in good repair. I think that at about that time landlords were allowed to charge \$35 until the accommodation was improved to a standard where they could ask for a higher rent.

I ask this question as a result of a problem that has arisen in my electorate. I have received reports about an unscrupulous housing agent who is offering accommodation to the emergency housing program and then charging high rents for strata title flats that are very run down. This has resulted in those tenants interfering with other strata title flats and they are then forced out of this housing. I am told that no repairs are made to the units, and that the agent again contacts the program and indicates that accommodation is available. Now that the Emergency Housing Office is part of the Housing Trust, can the trust inspect the accommodation and, if it is found to be of a low standard, ensure that agents such as this are not used to supply emergency accommodation?

The Hon. T.H. Hemmings: If the member provides me with information in relation to those strata title flats, I will

get the trust to look at whether we can use the Housing Improvement Act to rectify the problem. This matter also raises wider issues. It may be that the landlord is taking advantage of the disadvantaged. Although this is not something that members of the Committee would support, it occurs in our society; if you are down on your luck temporarily, you are fair game.

Yes, we do cap rents. Rents are set according to the quality of the housing, and that forces landlords who are attempting to make money out of the poorer members of our community to upgrade their housing so that the cap can be removed and rents can be set in relation to the quality of the renovated house. The member can be assured that we can still do that. The member for Hanson was cringing because he thought that I was going to begin a tirade as to why the previous Government gave the Housing Improvement Act to local government. I refer the honourable member to previous statements about that. We have found no rhyme or reason as to why that was done. If I was unfair I would say that the former Minister in the Tonkin Government did not want the Housing Improvement Act to work, but that could be considered churlish of me.

The Hon. R.G. PAYNE: Page 107 of the Estimates of Payments contains the line 'Accommodation and services costs'. In 1987-88, \$3.855 million was voted and \$3.708 million was spent, yet this year the proposed amount is \$1.084 million. Why is there a disparity in relation to this year's amount?

The Hon. T.H. Hemmings: If the member for Mitchell will ask me this question at 4.45 p.m., when other officers from the Department of Housing and Construction are here, I shall be able to reply.

The Hon. R.G. PAYNE: At page 312 of the Program Estimates, under the heading 'Public Housing—Community Amenities', the following statement appears:

This State has not experienced boom activity, which occurred in other States, in the latter months of 1987-88.

Has there been an increase in home building activity in this State since the end of the 1987-88 financial year?

The Hon. T.H. Hemmings: When people talk about housing boom activity, they tend to refer to the Eastern States and to think that what is being experienced there will be reflected throughout Australia. However, that is not true and we have argued consistently with the Federal Government that it should not react to overheating in housing construction in the Eastern States by increasing the rate of interest throughout Australia, but rather that South Australia should be seen on a regional basis. Although there have been slight improvements in housing activity in South Australia, such improvements have been nowhere near as great as those in the Eastern States. Today's *News* contains the following statement:

Today, the Housing Industry Association tipped that housing starts would top 10 000 this financial year.

That may well be correct, although Mr Cummings is not always correct. I am concerned that the Federal Government's reaction to overheating in the Eastern States will be to let interest rates rise in the mortgage belt, because that would cause real concern in this State.

Mr S.G. EVANS: How much sick leave was taken by Housing Trust staff during the past financial year? How many days of that leave were not covered by a medical certificate and how many days not covered by a medical certificate were taken on a Friday or a Monday or on a day immediately before or after a public holiday?

The Hon. T.H. Hemmings: If I had been asked to bet on what question I would be asked today, I should have said that it would be on sick leave. Certain press reports have

interpreted the Auditor-General's statement on sick leave as meaning that those working in the public sector are lazy and inefficient and that they take sick leave at the drop of a hat, whereas in the private sector, if sick leave is taken, the employee is genuinely sick.

My staff have given me figures showing that in the Housing Trust from 1 October 1987 to 31 August 1988, 6 970 days sick leave (an annual average of 6.9 days per employee) were taken. Further, there is no significant difference between the amount taken by weekly paid and daily paid officers. The trust's figures in this regard compare favourably with those of other bodies. I should have thought that, after hearing the scintillating figures on the trust's productivity, this Committee would have concluded that we had insufficient time to take sick leave in the trust because we were working too hard.

Mr S.G. EVANS: I thank the Minister for his reply. It is important that people do not get a guilt complex because of the publicity given by the press and the consequent outcry resulting from what is going on in a certain department. After all, the concept in the public mind is that what happened in the first department was happening in every other department and it is important that honest public servants be protected by asking a question such as mine. I should have thought that my question would be welcome if there was no problem and I think that the guilt complex is a pity when it is displayed.

In answering a question, Mr Edwards said that some broad acres and allotments would be sold to overcome the shortage of allotments expected as a result of the predicted building boom. Will those properties be sold by tender or by auction?

Mr Edwards: At this stage, the trust is consulting with real estate agents who will act on the trust's behalf. The expectation is that they will recommend that the trust sell them by tender or option because that is the trust's normal practice.

Mr S.G. EVANS: At some stage can the Minister provide for the last financial year the total number of land and building sales of assets owned or formerly under the control of the South Australian Housing Trust? In that, information will be available as to title reference, location, size, zoning classification, price received, date of transfer and date of agreement of sale. It will be particularly useful for broad acres.

The Hon. T.H. Hemmings: That information will be provided.

Mr ROBERTSON: On page 312 of the Program Estimates reference is made to a study carried out during the 1987-88 year into the employment multiplier effects of expenditure in the housing area. That may be old news but I am interested to know, as a direct result of that study, what action the trust proposes to take this year and what broad outcomes for employment can be expected from the trust's spending program during the current budget year.

The Hon. T.H. Hemmings: The member for Bright says correctly that it is old hat because the employment generating factor of the building industry is a strategic part of the State's economic survival. However, the more these figures are aired publicly, the better. I direct the question to Mr Edwards, who can shed a different light on it and pick up some of the honourable member's points.

Mr Edwards: Research that has been carried out demonstrates that for every million dollars spent on residential construction there are employment generation effects, directly through those who are engaged on building sites and those who are engaged in the building supply industry, and indirectly through consumer expenditure which is induced by

that employment. The figures demonstrate that approximately 55 people are employed for one year for every million dollars that is spent. Most of those people are employed in South Australia, which is understandable, because that is where most of the building materials originate, and they make up most of the construction work force, but some employment is generated interstate.

The report also suggested that there is a slightly higher generation of employment through purchasing than through new construction work. That figure broadly corresponds to research carried out in Victoria and it demonstrates that public housing program expenditure, whether applied to the construction of new houses or the purchase of existing houses, has a major impact on employment. By multiplying by 55 the planned expenditure of the trust's capital works program, which is about \$200 million, a figure of 64 625 jobs is arrived at, which is very significant.

Mr ROBERTSON: On page 313 of the Program Estimates reference is made to the promotion of Aboriginal employment and the implementation of capital and maintenance works. Reference is also made to developing trade training programs for Aboriginal people. I have had the privilege of visiting the Pitjantjatjara homelands and various communities in the Maralinga and Pitjantjatjara lands where much of this work is in evidence. Trade training is provided under the auspices of TAFE, but I wonder how those general statements of intent will be translated into action by the trust and what resources are being put into implementing the intention to provide maintenance and trade training work for people in the homeland communities, particularly the Pitjantjatjara and Maralinga lands?

The Hon. T.H. Hemmings: Whilst in many cases the Housing Trust carries out work for the Aboriginal people, the Aboriginal Housing Board and the Aboriginal Funded Unit are responsible for allocation and maintenance of the budget that comes down from the Federal Government under the Commonwealth-State Housing Agreement to the Aboriginal community. There is a terrific amount of liaison between the South Australian Housing Trust, the Aboriginal Housing Board and the Aboriginal Funded Unit but, in fact, the South Australian Housing Trust services the Aboriginal Funded Unit and the Aboriginal Housing Board.

We are pleased with the fringe dweller program, which has really taken on in the Aboriginal communities and is based on recommendations to the Aboriginal Housing Board by those communities, which decide exactly where those properties go or where the fringe dweller program will be adopted and located.

The Aboriginal Housing Board and the Housing Trust are involved with employment and training of apprentices. The trust has provided funding for an Aboriginal building training scheme which employs several Aboriginal apprentices, some of whom have been trained under the group apprenticeship scheme which involves 10 male apprentices. As at 30 June those apprentices were working in the Aboriginal community. From my travels in the Far North West I understand that it is the view of communities that they wish to get involved in their own maintenance and training programs. This is supported right down the line by the Aboriginal Housing Board and the trust.

Two years ago I had the pleasure of opening a house in Salisbury, which was one of a group of three in that area built by Aboriginal apprentices. Because of my position in the Government I have been involved in housing for some considerable time, and to my untrained eye I could find no fault in those houses: they were equally as good as those built by white builders in that area. People living close by applauded the fact not only that Aboriginal apprentices had

built those houses but that they would be tenanted by Aboriginal people. More could be done in this area, and I think some of the programs run by the Office of Employment and Training, and TAFE will increase the number of Aboriginal apprentices working not only on housing but throughout the Government. We accept that there should be more, but what is happening under the Aboriginal Housing Board is quite encouraging.

Mr ROBERTSON: I refer to the question of urban consolidation or urban infill and the reluctance of local government authorities to give that program, that thrust, the support that they might give it. I am reminded here of a certain development at South Brighton. The trust owned a house on a street corner, and it was an ideal site to subdivide and then build a house on the lower half of this quite long block. Many of the local residents objected, but the upshot is that the building went ahead and it was landscaped so well that it almost disappeared into the surrounding hillside and could not be seen from anywhere, except from directly above. As far as I am aware, the occupants are happy, the neighbours are happy, and the house is one of the better ones in the street.

This example serves to illustrate the fact that councils tend to show an excess of caution or a lack of political will when it comes to supporting the urban infill program—notwithstanding, of course, the fact that councils derive additional rate revenue from such programs. Has the trust any plans to make the decision of councils a bit easier in that respect, or has it contemplated offering councils any sort of incentive to persuade them to put behind them some of their rather politically motivated misgivings and to act in the broader interests of the general community and the ratepayers that they are supposed to serve?

The Hon. T.H. Hemmings: I shall invite the General Manager to give details of any incentives that may be forthcoming to local government bodies which might encourage them to embrace urban consolidation. Perhaps there is a better word to use, as 'urban consolidation' seems to frighten them off. They like 'house diversity'. As I said earlier, in response to a question, there are many ways in which one can become involved in planning diversity, under the existing planning regulations, and in producing worthwhile buildings which will not detract from the neighbourhood and which will actually enhance it.

I well recall the honourable member showing me the example that he referred to in his question. That is a perfectly good property and, in fact, it improves and lifts the street, one could say. There are areas in relation to which we need to get involved in educating local communities and local governments as to their wider responsibilities. The honourable member put it very well in saying that they have a wider responsibility. It is no use talking about the problems of growth occurring too rapidly out there in the broadacres, when all the evidence tells us that we should be utilising the existing properties that we have. If we are able to do that we will delay movement out to the broadacres by some 10 or 15 years.

So, it is necessary to educate local government. One interesting way to do it would be to encourage trust tenants to get involved in local government. Many trust tenants feel that because they are tenants of the Housing Trust they have no power to get involved in voting at local government elections or to stand for the local council. Perhaps if more trust tenants stood for local council, local government bodies would have a better understanding of what the Housing Trust is all about. That is something that we could possibly look at. The trust always pays its rates on time and so local government would not have any problems with tenants not

paying rates. I now call on the General Manager to refer to any other possible incentives.

Mr Edwards: The incentive that local government has is that it can achieve a higher ratable income and it can be assured that those funds will be paid on the due date, without any need for follow-up action. It can also be satisfied that it is meeting the needs of its local residents. Our experience has been that resistance arises from ignorance, that people fear something new, something that presents itself as being threatening, but that once they see that a project is successful—perhaps such as the one that has been mentioned—their attitude changes and they are prepared to support it.

We have found one of the best ways to overcome resistance is to take local council members and officers to look at the successful projects. Once they have seen them they tend to accept such buildings in their areas. I should also say that in the past 12 months the Department of Housing and Construction, in conjunction with the Minister's advisory council, has put in some effort to produce leaflets that show examples of these projects. Also, a variety of meetings have been held in the various local government centres at which the case for urban consolidation and housing diversity has been presented. I think these measures have had a significant educational impact.

Mr BECKER: How much land, and at what location, was purchased by the Housing Trust last financial year—at a total cost of \$20.070 million? I refer to page 393 of the Auditor-General's Report. As at 1 July 1987 the value of vacant land and land under redevelopment was \$156.2 million. Revaluation adjustment brought the figure back to \$113.6 million. Purchases amounted to \$20.07 million, while holding charges amounted to \$13.6 million and development costs amounted to \$7.8 million, making a total cost of \$41.6 million. There were sales of \$15.9 million, while land worth \$18.2 million was transferred to construction projects. At the end of the year value of the trust's land and land under development was \$121.1 million. However, more specifically, where was that \$20 million spent?

The Hon. T.H. Hemmings: In the main, in the metropolitan area and at Golden Grove—and, as I have been saying for quite some time, money has been spent where we have identified the need. I touched on this matter earlier today in response to a question. We have purchased not only land but also former school sites, a former caravan park, and some departmental land at places such as Pennington, Magill, Marden, North Haven, and Kensington—and of course many millions of dollars have been spent at Golden Grove, in line with the Government's commitment to that project.

Mr BECKER: Are we achieving the 30 per cent figure that was set for Golden Grove?

The Hon. T.H. Hemmings: We are currently at about 20 per cent; the 30 per cent figure was not to apply at every given point. The total trust commitment at Golden Grove development had to be 25 per cent to 30 per cent. Considering the cut in funding for housing made by the Government, the fact that we have been able to maintain that percentage at Golden Grove at this point of time I think is very commendable.

Mr BECKER: Why was the timber framed housing program terminated? How long had the program been in operation?

The Hon. T.H. Hemmings: If not in this forum, I think I have answered that question previously, either during Question Time or in a Question on Notice: it is because the timber framed housing program operated primarily in the country areas and the need was no longer there in those

areas. Accordingly, we wound down the program; but that happened over a period of years rather than overnight. I make the point—and this perhaps relates to the matter that the member for Bright raised—that in many cases we encountered opposition. For example, when we wanted to put a timber framed building at Mount Barker all hell broke loose.

Mr BECKER: Has an evaluation of the outcome of the International Year of Shelter for the Homeless been undertaken and, if so, what were the findings? What action has been taken to continue IYSH this calendar year?

The Hon. T.H. Hemmings: No evaluation as such has been undertaken, but all those who were involved in International Year of Shelter for the Homeless are convinced that it was a success in this State. It achieved its aim of promoting awareness of homelessness. It is now included in some South Australian tertiary institutions as part of their curricula. Recently, as a flow-on from IYSH, I approved the next stage of production of a video to make schools aware of the problem of homelessness as part of their study at secondary level.

It has provided additional accommodation for 70 to 80 homeless people, including youth, women and families. One significant achievement of IYSH was the contribution made by industry: in excess of \$250 000. Major contributors included the Co-op Foundation, the *Advertiser*, Marshall Thompson Homes and the Delfin Group. At the last opening that we had, at which the member for Hanson was present representing his Party, the Chairman of the Co-op Foundation (Bob Footner), which had been one of the major contributors to St Luke's, Whitmore Square, announced a further commitment of \$290 000 a year by the Co-op Building Society into the Co-op Foundation as a result of the promotion of IYSH that occurred in this State in 1987. So that is an ongoing commitment to homelessness by one philanthropic organisation.

The increase in demand, which is being met through the Crisis Accommodation Program, the Local Government Community Housing Program, the Co-operative Housing Program and through community tenancies, results from the education process of International Year of Shelter for the Homeless. So, one does not have to carry out any survey: it has been identified. A line that I used freely and unashamedly in that year was, 'We are our brother's keeper'. It is not a responsibility of the Government alone but of the whole community. It is not the fault of those who are not housed in some affordable tenure, nor of the Government, but of the whole community. There was a positive reaction to that approach.

The amount of money that was spent on the International Year of Shelter fell slightly short of what we put in to the RTT but, with all due respect, the fact that we were unable to use all the money that this Government allocated was because of the attitude of the Upper House, which put in an amendment that made it impossible for this Government to spend what it wanted to spend: any criticism should be sheeted home to the Legislative Council.

The Hon. R.G. PAYNE: We have already canvassed the question of community participation, which is mentioned as one of the 1988-89 objectives on page 312 of the Program Estimates. Earlier, the Minister pointed to a situation in Mitchell Park where the community was involved. I know from talking to the member for Hayward that in Drew Court in her electorate there was some community involvement in decision making. Does the fact that it has been called up by way of some specific target mean that the Minister has other specific plans for greater degree of community involvement and tenancy decision making?

The Hon. T.H. Hemmings: The member for Mitchell mentioned two projects, one in his own electorate at Mitchell Park where we used community involvement and participation to the full, and the other at Drew Court. At the risk of embarrassing the member for Hayward, the latter was a result of continued pressure not only on the trust but in her involvement with her constituents in developing their sense of wanting to participate in the running of their own homes. That was encouraging not only to the trust but to the Government—that we should get involved in tenant participation and management. We have placed a high priority on that involvement because it enables the tenants to actively participate in the development of their communities. It enables them to acquire tenant skills and it gives them a chance, in effect, to say that they are not only tenants but part of the trust.

A workshop will be run by the trust in late October for trust officers (and I will ensure that people from my department attend as well) to look at the whole area of tenant participation and management. We will also run a series of pilot programs throughout the metropolitan and country areas to actively encourage tenants to get involved in the running of their own affairs.

One of the problems, of which I am sure the member for Mitchell and other members who have large tracts of public sector housing within their electorates are aware, is that one can talk about tenant participation but one cannot direct tenants to be involved in it: they have to want to play a part and be involved. Tenant participation is not just deciding what rents are set and what maintenance is carried out, but that is an important part. It has to be encouraged. In Mitchell Park and Drew Court the trust learned a lot. We began allocating funding in 1986 to enable the trust to have officers involved in tenant participation. The net result to the South Australian Housing Trust and to the Government is sure to be positive in the saving of funds, etc. We hope that we can develop a meaningful program for our tenants in this area.

The CHAIRMAN: There being no further questions, I declare the examination of the vote completed.

Works and Services—Department of Housing and Construction, \$257 753 000

Chairman:

Mr D.M. Ferguson

Members:

Mr H. Becker
The Hon. T. Chapman
Mr S.G. Evans
The Hon. R.G. Payne
Mr K.H. Plunkett
Mr D.J. Robertson

Witness:

The Hon. T.H. Hemmings, Minister of Housing and Construction.

Departmental Advisers:

Mr R.I. Nichols, Chief Executive Officer, Department of Housing and Construction.
Mr G.T. Little, Director, Support Services.
Mr R.F. Power, Director, Professional Services.
Mr C.J. Bowden, Administration Officer.

The CHAIRMAN: I declare the proposed payments open for examination.

Mr BECKER: Has an inventory been completed of all Government assets owned or controlled by the department? What program has been developed to replace or refurbish ageing assets, and at what estimated cost? In particular, I refer to the Public Accounts Committee report issued about 18 months ago which referred to the costs of replacing or refurbishing ageing assets.

The Hon. T.H. Hemmings: In the replacement and better utilisation of assets my department can take credit for encouraging not only the Government but other Government agencies to take this matter seriously. That was recognised by the PAC in its report to the Government. The department is involved in an ongoing rationalisation of existing assets program known as zero base replacement. It seeks to combat the common practice of replacing assets simply because they exist. Members would be aware of the many Government assets around the State. There could be a mentality that says, 'Because it exists, we need it. If we need it, we repaint it, and we replace its roof and plumbing when necessary.'

We are questioning whether particular assets are really needed. As a result, Sacon has prepared a pilot report on zero base replacement. It re-examines the need for an asset and considers a number of ways that client demands can be satisfied at lower cost. In asking whether an asset is needed, one must ask the client, 'Do you need the asset?' In some instances, by giving alternative means by which client demands can be satisfied at a significantly lower cost, we can achieve real gains in reducing asset numbers.

The pilot study has been amplified by feedback from professional and trades people, and input is being sought from a wide range of Sacon's clients. That is one area on which we are working. We are also looking for a better information base, which is being extended to include maintenance cost data. Changes have been made to the system to allow easy access to the entire data range by our major client, the Education Department. This will assist that department in its restructuring activities by giving it details on the cost of maintaining its existing facilities.

We can provide estimates for forward maintenance and replacement costs. For example, a 10-year forward maintenance estimate was recently provided to the Children's Services Office. So, it has a better idea of its forward maintenance requirements.

A final initiative in which we are involved is accommodation space charging. Through the Government Office Accommodation Unit the cost of agency office accommodation is charged directly to the budgets of clients and is subject to agency management. Sacon is currently working with Treasury to determine ways in which this approach can be extended for all accommodation users. This has the potential for considerable cost savings to Government and has a high priority in my department.

Mr BECKER: Has the Minister or his department had an opportunity to assess the estimates of the Public Accounts Committee concerning the cost of replacing or refurbishing ageing assets and, if so, are those estimates sustainable and achievable?

The Hon. T.H. Hemmings: Are you talking about just the Department of Housing and Construction?

Mr BECKER: Yes, its assets.

The Hon. T.H. Hemmings: I ask Mr Nichols to comment.

Mr Nichols: It is a difficult number to work out. I cannot remember the exact number to which the PAC referred, but I remember the sum of \$15 million referred to in a report prepared by PA Consultants three years ago. That sum has now been reduced to about \$12.5 million, partly through a real increase in maintenance funding and partly by improve-

ments in productivity, but probably just as significantly by property rationalisation (to which the Minister referred earlier). Also, capital funds are allocated to refurbishment, improvement and additions to buildings that are badly in need of maintenance, and these projects, when completed, bring a building up to an 'as new' condition. That maintenance need is then taken off the maintenance backlog. On the basis of our experience with the zero based approach to the need for an asset, along with the fact that more of our loan funds are going into reusing existing buildings and the fact that we seem to be holding our own with respect to the real value of maintenance funds, it is possible to reduce, if not totally remove, the maintenance backlog.

Mr BECKER: What criteria are used by the department in evaluating the cleaning contract for Parliament House? What communication was held with the present contractor and is the department confident that the new contractor can and will meet the terms and conditions of the new contract? A letter that was sent, I understand, to all members of Parliament by the current contractor, Pacific Cleaning, states:

To All Members of the South Australian Parliament

Our company is proudly South Australian, is a member of S.A. Great, and in association with the company we acquired almost five years ago, we have been responsible for the cleaning of Parliament House for over 13 years.

Notwithstanding we have been advised that our contract has been terminated, we believe some of our elected members may be concerned at the following:

1. Our Mrs Maria Falzon has supervised the cleaning of Parliament House for 12 years, we believe with distinction and total satisfaction to everyone involved.

2. It is our understanding that an interstate-based company has been awarded the contract at a price which is less than the actual value of wages we currently pay to our cleaning staff.

3. As probably the largest contract cleaning operator in the central business district, we are satisfied that the cleaning of Parliament House is a difficult assignment, and that Mrs Falzon is unlikely to be surpassed in terms of efficiency by any successor.

4. If our information is correct, and if one allows for oncosts such as leave loadings, payroll tax, WorkCover, materials, etc., one must assume that the replacement contractor either:
 - a. Intends to dramatically reduce the hours to be worked by the cleaning staff, or
 - b. Intends making a donation of some \$30 000 per annum towards your cleaning costs.

5. We are also led to believe that the tender prices submitted for your cleaning contract ranged from 35 per cent below our price to 43 per cent above.

6. In view of this disparity, it would seem logical, after 13 years of acceptable service, that the incumbent contractor would have been interviewed in an effort to clarify why such a wide range of prices were offered, and perhaps ask for greater detail regarding our offered tender.

7. If those parties considering the tenders were considering a drastic reduction in cleaning standards, then why did the specifications not indicate this fact?

Please understand this is not a grievance that we have lost the contract.

Rather, we believe that, along with many other legitimate tenderers, we are being asked to accept that a successor can provide an acceptable level of service for a price which is less than the amount we provide to our cleaning staff as direct wages, without any oncosts at all.

We therefore trust you will accept this letter in the spirit in which it is written, and perhaps there is a concerned Parliamentarian who would be kind enough to investigate the matter, and advise whether we are being unrealistic in asking for further consideration to be given to the decision.

You are assured our cleaning staff at Parliament House, and particularly Mrs Falzon, will be provided with alternative employment at Pacific.

Yours sincerely,
Malcolm K. Zeitz,
Chairman

This letter has caused some concern and considerable discussion amongst those members who have received it. I am not aware of any complaints about the cleaning contract at Parliament House. It is fair and reasonable for the Joint

Parliamentary Service Committee to request a review of the contract and the department to be asked to look at it. The schedule of tenderers for cleaning Parliament House indicates that the public call for tenders was dated 7 July, and the cost was estimated to be \$75 882 per annum (which is the existing cost). The lowest tenderer was Quirk Corporate Cleaning Australia Pty Ltd, and I believe that one of its directors is in Melbourne and one is in Western Australia, and its offer was \$48 145. The list continues to the tenth tender which is Yun Lee, at a cost of \$106 512, and a tender by Spotless Services (a division of Spotless Catering Services Ltd) for a two-year contract at a cost of \$185 112.

The current cleaner, Pacific Cleaning, submitted a tender of \$76 932, so a huge variation in tender prices was submitted. That makes one wonder what goes on in some cleaning contracts. Apparently, Quirk Corporate Cleaning Australia estimate that it will require, to clean Parliament House, 16 hours a day and probably one full-time and one part-time person, whereas I believe that Pacific Cleaning currently uses one full-time and four part-time persons (so at least three part-time persons could lose their jobs). I seek an explanation about the contract; about whether the successful tender was based on the fact that it was the lowest; whether that tenderer will want to review the contract after a certain period of time; and, more importantly, whether the tenderer will be able to complete the contract for the period for which it was awarded.

The Hon. T.H. Hemmings: I make one point very clear: if this Government or any department in any Government did not have a fair and open public tender call, with no company or person being denied the privilege of tendering, or if anything outside the accepted norm occurred, I imagine the member for Hanson would quite rightly stand up and scream about favourable treatment, and he would be correct. The fairest possible way to call tenders is by open tender.

If the member for Hanson is saying that this contract is crook, let him say so. If he is saying that we should not have a fair and open tender call in relation to this contract because it involves Parliament House and we know the people who carry out the cleaning—and I do not think he is saying that—let him say so. I think that this matter has mainly come about because a letter was sent to members by the unsuccessful contractor, Pacific Cleaning.

I will go through the history of the matter and place on record what has happened. Then, if the member for Hanson has further questions, he can ask them. The Office Accommodation Unit of the South Australian Department of Housing and Construction was approached by the Secretary of the Joint Parliamentary Service Committee on 9 June 1988 to call tenders on its behalf for the provision of this service. The last contract was let on 26 September 1984. There is nothing wrong with that: the Government Office Accommodation Unit is often asked for assistance such as this; we are the experts.

The public tender call was held by the department (that is, Housing and Construction) from 11 to 22 July 1988, and 11 tenders were received ranging from \$48 145 to \$106 512 per annum. These variations in tendered prices are not unusual in the cleaning industry. The lowest price tendered was from Quirk Corporate Cleaning Australia Pty Ltd, a company holding five major and minor contracts with the Department of Housing and Construction. The company, in its tender, nominated the Adelaide City Council as a referee, and discussions with Mr Dean Moir of the council indicated a most satisfactory performance.

Given the fact that Quirk Corporate Cleaning Australia Pty Ltd was the lowest tenderer and was performing satis-

factorily in the department's contracts and received a favourable comment from the Adelaide City Council, the department (that is, Housing and Construction) could see no reason not to recommend to the Joint Parliamentary Service Committee that it accept the tender of that contractor. The existing contractor, Pacific Cleaning, was placed sixth on the tender call list, and valid reasons would have had to be found to overlook five recognised cleaning companies who submitted lower tenders before Pacific Cleaning could be considered.

Certain issues were raised in the letter from Pacific Cleaning to members of Parliament which has been read to the Committee by the member for Hanson, and the following points should be noted. Regarding the employment of Mrs Falzon at Parliament House, the successful tenderer has indicated that it would be prepared to retain that lady's services, but it is reluctant to approach her because of the present situation. The raising of this matter in this Committee by the member for Hanson may make it even harder in that regard because I, as the Minister responsible, have been forced to reply and place the facts on record. As a result of the honourable member's raising this matter today the offer may not be forthcoming.

Mr BECKER: I'll not be blackmailed by that company. Come off it!

The CHAIRMAN: The honourable member should not speak to the Chair like that or this meeting will be fore-shortened by many hours. I ask the honourable member for Hanson to control himself. The honourable Minister of Public Works.

The Hon. T.H. Hemmings: The labour force specified by Quirk Corporate Cleaning and referred to by the member for Hanson was less than that specified by Pacific Cleaning, so Quirk Corporate Cleaning submitted the lowest tender price. That explains the variation in the cleaning contract prices: the lower the labour input the lower the price. As a result of that difference in price and because the matter concerned Parliament House and we knew that letters were being sent (indeed, I received one myself), the Chairman, the Executive Director and the State Manager of Quirk Corporate Cleaning were interviewed by officers of my department. The company representatives assured my officers that an appropriate standard would be maintained with its quoted labour input so the company could not come back later and say, 'We gave you a price of only \$48 000.'

The member for Hanson referred to the specifications prepared by the department, but such specifications are used as a guide by the contractor, and that practice has been recognised in regard to many of the contracts let for cleaning services with individual contractors. All in all, the view of my department (and it was obviously the view of the Joint Parliamentary Service Committee) was that the tender submitted by the successful tenderer, Quirk Corporate Cleaning, would be satisfactory and that the cleaning would be carried out to a high standard in this building. I am sure that the lady in question may well find that she can continue in employment at Parliament House.

Mr ROBERTSON: At page 182 of the Estimates of Payments, reference is made to the restoration of prestigious buildings and \$1.1 million has been allocated for the restoration of such buildings during the present financial year. How will that sum be spent by Sacon and what restoration projects will be undertaken during the current year?

The Hon. T.H. Hemmings: I am sure that the member for Hanson would allow me to reply to this question every year because he would know that I am proud of what the Heritage Branch of the Department of Housing and Construction does in the city of Adelaide. Our latest achieve-

ment, in Victoria Square, is the final crowning glory of the Torrens Building, on which the Royal Arms were erected only two or three weeks ago. I hope that the member for Hanson will, in a speech or question in Parliament, give credit to my department for that work.

Of the \$1.1 million allocated for this financial year, we shall be spending over \$400 000 on stone repair and replacement at the Magistrates Courts and \$400 000 on cleaning and repair of the facades of Parliament House. Indeed, the scaffolding is being erected for the latter work and we expect this to be a major contribution in this bicentennial year. Other expenditure from the allocation is as follows: external repairs on Struan House, Naracoorte, \$350 000; stone repair on Turretfield-Holland House, Gawler (stage 1), \$150 000; conservation study on North Terrace Institute Building, \$20 000; conservation study on Old Parliament House, \$12 000; external repair and painting on Cummins House, \$115 000; Yarabee House, Botanic Gardens (stage 1), \$70 000; verandah for Gumeracha courthouse, \$8 000; and rehabilitation of Wallaroo police station, \$75 000.

From those figures and the location of the projects, members will see that we do not confine our work solely to the city of Adelaide: we work throughout the State and that is something on which the Heritage Branch of my department should be congratulated.

Mr PLUNKETT: What work has been undertaken by Sacon to provide public buildings for the new town of Roxby Downs?

The Hon. T.H. Hemmings: The Roxby Downs project is one which, apart from its magnitude, cannot fail to impress visitors. It would be remiss of me if I did not congratulate the former Minister of Mines and Energy on the enthusiasm with which he devoted himself to this project while he was in office. He got himself involved not only in the consideration of the type of building to go up in the township, but also in the provision of permanent accommodation for the people working at Roxby Downs. The buildings that have been constructed at Roxby Downs need to be seen to be appreciated.

Stage 1 of the overall program includes a 600 pupil area school-TAFE college and a Government office block housing a medical centre as well as local offices of the Local Government Department and the Department of Mines and Energy. The total funding approved for that project is \$14.1 million. Stage 2 includes the recreation centre, swimming pool, civic auditorium and child-care centre. From the stage of advancement of the surrounding trees, one would think that they had been planted 15 or 20 years ago.

It is a magnificent example of bringing an oasis to the area. The total cost of the exercise was \$9.970 million. The police station, the operations centre and lockup had a total fund approval of \$961 000. The public toilet block and shade structure in the main street will top off the project at a cost of \$108 000. The department is pleased with its involvement and also with the private building companies involved.

Mr PLUNKETT: What has Sacon done to address the problem of backlog program maintenance?

The Hon. T.H. Hemmings: Maintenance of public assets is a problem that has bedevilled Governments over many years. In the past, Governments did not put enough money aside to adequately cover the maintenance of public assets, and the Public Accounts Committee picked that point up. The problem has become more pronounced in recent years primarily as a result of the cyclic deterioration of assets and engineering equipment installed in the boom years of the 1970s. That applies particularly to schools. Those new assets have air-conditioning, heating, and electronic and technical

equipment, and they have reached the stage at which it is no longer economical to effect minor repairs, so replacement is required. Approximately \$12.425 million is being put aside to meet that need.

In 1987, the department carried out a backlog maintenance of engineering to the tune of \$3.447 million. If the department had not become more efficient, it would not have been able to carry out that kind of work. I am not saying that, as a result of our efficiencies, the normal allocation to maintenance will overcome the backlog. It is still necessary for more money to be provided by the Government. At the same time, there needs to be clearer recognition by clients of asset maintenance. Over the past three years, as a result of the department's restructuring, we are at least heading down the track in overcoming the backlog.

The Hon. T. CHAPMAN: What steps is the Minister taking to ensure that Ministers responsible for various construction projects and/or officers within Government departments do not continue to usurp the role of the Public Works Standing Committee? Why was the Public Works Standing Committee's role usurped entirely at the time the Government made the decision in 1987 to construct the *Island Seaway*? The Minister would be aware of the responsibilities of the Public Works Standing Committee under the terms of its own Act: as a result of recent amendments, with some exceptions, construction funded by public moneys in excess of \$2 million must be referred to the Public Works Committee. Precedents have been set over the years about the construction of vessels and the facilities that go with them, and such proposals have been referred to the committee.

Too often in recent times, public statements have been made by the respective Ministers in good faith, probably in a climate of pride regarding the achievements of their departments, about certain construction projects proposed by the Government. In some cases, those public announcements have been made prior to the matter going before the committee or whilst the committee has been undertaking its formal investigations. In even more recent times, it seems that departmental officers have indulged in public activity which is in direct conflict with the objectives of the committee and which, in effect, has usurped the role of that committee; so much so, that properly advertised public meetings by the committee in accordance with the terms of the Act have not been attended by more than a handful of members of the public and, on a recent occasion, not one member of the public attended the meeting. In that climate, and as a keen and active member of the committee serving under Chairman Keith Plunkett, I am very keen to have this matter cleared up, not for any Party political reasons but to ensure that the function of the committee is recognised for what it is and for what it should be.

The Hon. T.H. Hemmings: As a keen and active supporter of the Public Works Standing Committee, and as one who has updated the legislation to remove its archaic limitations and make it more adaptable to modern demands, it goes without saying that I believe that the committee has a role to play within the system of government in this State and, as long as I am Minister, the committee will have my full support.

Cabinet frequently refers matters to the Public Works Committee and the view is expressed that the committee is being placed under too much pressure. The last report mentioned the fact that the number of projects being looked at by the Government is increasing each year, but under the able chairmanship of the member for Peake, and with the bipartisan membership of the committee, it always manages to deliver the goods.

In relation to premature announcements by Ministers and officers of the department, there is nothing like enthusiasm or pride, as the member for Alexandra expressed it. Perhaps a project should be supported by Government, the Parliament and the community, but sometimes Ministers get carried away and make premature announcements. I remember when we completed a building program equivalent to Port Pirie and Port Augusta and I could not wait to issue a press release.

As to the second part of the member for Alexandra's question, is he alleging that officers of a particular Ministry will try to usurp the role of the committee by stacking meetings or encouraging people not to attend? If that is the case, that is a serious allegation and I, as Minister responsible for the Public Works Committee, would need to have a little more information. I can recall in my 11 years as a member of Parliament attending only one Public Works Committee meeting, and that was to consider the proposed erection of an Aboriginal school in my area. That was the classic case of a committee in a responsible manner looking at all sides of the argument. There was no evidence of officers of the Education Department or my department, which was to build the school, exerting any influence. If the member for Alexandra would like to bring a particular case before the Committee, or to me privately, I ask him to do so, otherwise I will have to take what he says as hearsay.

The Hon. T. CHAPMAN: Part of my question canvassed the fact that the *Island Seaway* construction project commenced in November 1986 and was not referred to the Public Works Committee following a series of opinions sought which ultimately became Crown law. Today we are dealing with the Minister responsible for that committee, which again was relieved of its perceived responsibilities. I asked the Minister to explain the reasons why that occurred, but if he chooses not to that is fair enough.

The Minister's efforts to support the Public Works Committee in the several ways to which he has referred are acknowledged. What is not acknowledged is the continued practice of Ministers, and more latterly officers of Ministers' departments, to totally usurp the role of the committee by making announcements—albeit with the pride that that sort of announcement invariably cultivates—without mentioning the role of the committee as an incorporated ingredient of in some cases those releases and invariably the reports. When a Minister announces a project in a district and that announcement is followed up by officers to further cultivate support for such a project, to use the terms of a planning officer of the Corporation of the City of Whyalla, 'It was assumed by our community that the project was a *fait accompli*.'

Those words were repeated by an officer of the department in question. As a result of four such announcements being made prior to the Public Works Committee's obligatory attendance at the public forum, the communities which over the period have been so well-conditioned into believing that the project is a *fait accompli* just do not turn up. We go miles and miles into the bush for no valid reason. It is pretty frustrating when at the core of this situation are these announcements which could at least incorporate recognition of the Government's own members (particularly the committee Chairman, who invariably faces the embarrassment of that sort of situation) by issuing an instruction, obtaining the support of Cabinet, or taking whatever other steps are necessary to stamp out that practice.

The CHAIRMAN: The Chair is an enthusiastic supporter of time limits for both questions and answers. This matter needs to be discussed by the Standing Orders Committee, as we have no Standing Orders in that direction, but I

request Committee members to keep their questions to a reasonable length.

The Hon. T.H. Hemmings: When the Public Works Committee is to have a public meeting it is advertised one week in advance. If the public does not attend—and it cannot be forced—that is a fact of life. I make no comment on ministerial officers performing a *fait accompli*, but ministerial announcements always include the words 'Subject to Public Works Standing Committee approval'. If the media does not pick up those words the Minister cannot be held responsible. The Public Works Committee may in its wisdom advise the Governor that work should not proceed on a particular project.

It may well have been that despite this Government's insistence that Finger Point, be developed, the Public Works Standing Committee may have come back and said, 'No, it is not necessary to proceed with Finger Point.' Really, the member for Alexandra is clouding the issue. The Public Works Standing Committee works very well indeed. It is one committee within the Parliament that does a worthwhile job not necessarily because it is under my control, and it should be applauded for what it does. The member for Alexandra is chasing rainbows.

Mr S.G. EVANS: What are the vacancy rates and rent paid on premises which were unoccupied last financial year and which were under the control of the department?

The Hon. T.H. Hemmings: I recall giving the House some figures in relation to vacancy rates that put areas that we lease in a very favourable light compared with the private sector and other countries. It is getting better still: in fact, it could well be said that this session dealing with the Department for Housing and Construction will be known as the good news part of the Estimates Committee. The vacancy factor, including rent paid for office space being fitted out or decommissioned for the year up to 30 June 1988 is .59 per cent. The comparable, private sector vacancy rate was 4.8 per cent. So, when one compares it with the private sector (and it is always being put to me, as the Minister responsible for most public assets, that we cannot do it as good as) that is a clear indication that we are doing it better than, and we could be seen as the envy of the private sector. The rental paid to 31 August 1988 was \$20 219 591 per annum for leased accommodation. Lease renewals and reviews numbered 149; new leases taken out numbered 30; and 32 were terminated.

Mr S.G. EVANS: As a supplementary question, I was looking at the cost of the unoccupied space. I suppose that I could take .59 per cent of the total that the Minister just mentioned, but that may not be accurate.

The Hon. T.H. Hemmings: If the honourable member takes .59 per cent of \$20 219 591, that will give him the cost of that office space that is being fitted out, decommissioned or not being rented at this time.

The Hon. R.G. PAYNE: I am in something of a quandary because we have already dealt with the lines on which the Minister had earlier said that he would be happy to give information later this afternoon when the relevant officers arrived. Even though we have dealt with the line, will the Minister now provide that information in relation to page 107 of the Estimates of Payments? The program group is 'Intra-agency support service, items not allocated to programs'.

The Hon. T.H. Hemmings: It seems that it was a correct punt. I have the right officers around me now.

The Hon. R.G. PAYNE: It is a straightforward query in relation to an amount voted in 1987-88 versus the amount actually spent, which was more or less break-even. The line is 'Accommodation and services costs' A much smaller

figure of \$1 084 000 is proposed for 1988-89. Presumably, there is some accounting reason for this, or the department will excel itself and economise even more, and it would not surprise me if that were the case.

The Hon. T.H. Hemmings: First, looking at the actual payments for 1987-88, which were less than voted for, the reduction was due to savings in rent and electricity charges because the increases were not as great as anticipated. The proposed 1988-89 figure is due to changes in accounting policy: accommodation costs are now charged direct to individual cost centres. In addition, the department has reduced the number of floors that it occupies in Wakefield House, thereby reducing its own rent. Those floors have been let to other Government departments.

The Hon. R.G. PAYNE: I turn now to 'Issues/trends' on page 321 of the Program Estimates and reference to the newly created Office Accommodation Unit. It states:

The newly created Office Accommodation Unit is administering new functional arrangements which place greater responsibility for the management of costs of office accommodation with chief executive officers.

All members of Parliament are aware that one of the difficulties facing any Government is the setting of priorities in terms of expenditure and/or allocation of resources. The decision has been taken, obviously, to set up the Government Office Accommodation Unit. In that circumstance, can the Minister justify the decision to create such a unit in view of other Government priorities?

The Hon. T.H. Hemmings: I take the member for Mitchell back to the days when he sat alongside me grappling with the cost of allocation of priorities of the Government's budget and the cost of Government office accommodation. The ever mounting cost has always caused concern. During 1987 a joint review with respect to the provision of office accommodation was conducted by the Department of Housing and Construction, the Department of Personnel and Industrial Relations and the Office of Government Management Board. The aim of the review was to provide a more cost effective and client responsive mechanism for office provision and management. The measures proposed were then sent to all CEOs in October for information and comment.

On 21 December Cabinet approved the substantive recommendations of the committee's report, which led to the establishment of the Office Accommodation Unit in SACON as from July 1988. The unit, in effect, has formal operating principles that stem from the Government office accommodation committee, which is made up of different departments and which advises the Government on public sector office accommodation. Those principles, which the unit uses as its guidelines, are that office accommodation services should be provided on a commercial basis and that users should pay for the services used.

That is the criterion from which we operate. Also, and just as importantly, corporate needs should precede single agency needs when significant benefits are to be realised or major costs are involved. Again, that is a major part of the guidelines which should be taken into consideration. The unit provides one point of contact for both the private sector and Government departments. It prevents client departments from competing against each other on the market and it coordinates their needs. It also offers at considerable savings to the Government a complete service to client departments, ranging from feasibility studies, financial analysis, leasing negotiations, fit-out advice and implementation, as well as management of their needs.

I think it is well understood that office accommodation is an expensive overhead which requires constant monitoring and management. The unit has carried out these tasks.

It also provides a much needed management service in relation to Government-owned buildings, minimising their costs and ensuring that all areas are effectively and efficiently used and occupied. Performance indicators are being developed to ensure that this is achieved. Bearing in mind the figures on vacancy rates that I gave to the member for Davenport, I think it is fair to say that the Government office accommodation unit has justified its creation, in view of other Government priorities.

The Hon. R.G. PAYNE: I thank the Minister for that very comprehensive answer. What occupational health and safety initiatives are being undertaken by the Department of Housing and Construction? Further, are the initiatives that are being brought forward effective, and what results have been achieved?

The Hon. T.H. Hemmings: Perhaps the one that is most dear to my heart at the moment is the decision by the department to make all Sacon buildings smoke-free. This was a forward step, a progressive step, and something that has been favourably received by everyone except the member for Hanson—but we are working on him. In other areas, other initiatives include health and safety projects, which include supervision and management training on a variety of topics associated with the new legislation, occupational health and hygiene, stress management, first aid, back care, extension of the vision, hearing and respiratory protection programs and extension of the existing immunisation program against polio and tetanus, to include hepatitis B vaccination for employees in high risk areas.

Further initiatives include planning to prevent accidents, for construction managers, safety officers and the occupational health nurse, and we are providing an extensive consulting service to managers and supervising employees, safety committee and health and safety representatives on matters associated with accident prevention, hazard surveys, accident investigation and health and hygiene.

As well as those in-house initiatives, we have introduced, with enthusiasm, WorkCover. The Alan Bruce program into workers compensation and rehabilitation has assisted in further development of existing departmental post-injury procedures. The Alan Bruce project involves a consultant picking up ways in which we can reduce costs of workers compensation within Government departments. It started off with the Department of Marine and Harbors and has now been extended to the Department of Housing and Construction. It involves a set program, which has been picked up with enthusiasm by our blue collar work force. Again, this explodes the myths that are put about by some people that public servants, especially blue collar public servants, are on the gravy train as far as workers compensation is concerned. All in all, the department is embracing the entire area of occupational health and safety with a fair degree of enthusiasm.

Mr BECKER: Whilst I welcome any moves on health and welfare and work practices, I think to some degree we do tend to go overboard on some of these issues. One does not see blue collar Government employees jogging up and down King William Street—and I wonder whether that has something to do with the incidence of sick leave we are experiencing in this State. Although some people smoke cigarettes and will not stop, others will give it up. However, next we will ban perfume and garlic—for example, garlic prawns would be cancelled! This can go too far, and I think there must be a stop to the whole thing. I see some people doing these things simply to justify their jobs.

What concerns me more, though, are the problems that have been created in the department with the rationalisation of the regional offices. What was the total cost of the

rationalisation of these regional offices? What savings have been achieved to date? Has all the surplus regional office accommodation now been sold and, if not, why not? If it has been sold, where and at what price? A 1987-88 specific target/objective referred to at page 318 of the Program Estimates is:

Completion of regional offices and final rationalisation of regional bases to enable closer client liaison and provision of a more efficient and economical service.

I know that this issue has caused some problems with departmental staff, who were not too happy about going back to Netley, while others felt that they were losing on-the-spot contact with their clients.

The Hon. T.H. Hemmings: Last year the member for Hanson said that the regionalisation exercise had created a lot of problems, and he has said it again this year. Last year I think he said that a stream of callers had contacted him regarding this regionalisation but that he would see how the matter progressed through the year and get back to me—and he has now done that. Apart from some ongoing minor problems that the unions or the PSA may have on regionalisation, which we address fairly quickly—and we have a reputation within the department and in the Ministry of consulting with unions on a fairly regular basis—by and large, things are going along very well.

I can only conclude that those who do not like it are not coming near me but are approaching the member for Hanson. They are not going to their trade unions or associations. We are proceeding with the regionalisation exercise in an orderly manner. If the member for Hanson is critical of the time taken, I will answer that: we will not make any moves until all parts have been fully explored, with the consultation process completed so that we are sure that we are going the right way. We are all aware of why we are going into regionalisation, and I am sure the member for Hanson would not want me to repeat it.

The northern regional office has been located at Port Augusta for several years, and that was the pilot project. I refer to the three remaining regions which have established their headquarters. In central region, renovations and refurbishing to the existing building and workshops at Netley, formerly occupied by the Supply Branch, have been completed to accommodate the regional office. It enables the relocation of district offices from Carrington Street, Adelaide, and Bower Road, Ethelton, to form one central district maintenance unit: estimated final cost is \$500 000.

Southern region involved a new building being constructed and the existing facilities upgraded at the Marion District Office to provide headquarters for the southern regional office and district office: estimated final cost \$522 000. For central northern region the existing building was purchased at Elizabeth South and extensive renovations and improvements were made to allow for the establishment of regional headquarters and relocation of the Greenacres district office, which was an inadequate and badly located site. The purchase cost of the property was \$410 000 and the estimated cost of final renovations was \$380 000.

As a result of those moves the Carrington Street property has been sold to the South Australian Housing Trust for \$1.3 million and action is being taken to dispose of the Ethelton and Greenacres sites. The Valuer-General's estimate of those properties is \$400 000 and \$370 000 respectively. As yet those two properties have not been sold. Of course, in the Richmond and Pennington areas we expect the sale of properties to realise \$1.19 million. Taking into account the cost of establishing the regions and rationalising the supply, it comes to \$1.962 million.

The sale of properties is expected to realise \$3.26 million, which represents a fair return to the Government not only

in money terms but in regard to efficient regionalisation of the department. I hope the member for Hanson will take note of this when my disappointed employees come to him and indicate that during the short time that the regions have been established in the new headquarters it has become apparent to management and unions that overhead costs have been reduced, improved coordination of building and engineering services have been achieved, as has improved productivity and response time by closer liaison with clients, and integration of some existing services have been carried out which otherwise would not have been possible.

The only region that I can speak about on a personal note is in respect of central northern region and perhaps the member for Elizabeth can comment as well, but the attitude of clients in that region has been nothing but positive. The department knows its clients, it knows the people who are doing the work and it has built up better communications not only with education but all other client agencies for whom we undertake work. It is the Port Augusta experiment repeated throughout the metropolitan area.

Mr BECKER: How much was spent on refurbishing the prefabricated building at Netley to accommodate departmental staff? How much was spent on air-conditioning the building? Why was such a large air-conditioning unit necessary?

The Hon. T.H. Hemmings: I have already given that figure. The renovation and refurbishing of the existing building and workshop at Netley, which was formerly occupied by the Supply Branch, was \$500 000.

Mr BECKER: How much was the air-conditioning?

The Hon. T.H. Hemmings: Although we have most information, I will have to take that question on notice.

Mr BECKER: I am amazed that that prefabricated building was refurbished when only a few doors south is a brick building, a small portion being occupied by Access Cabs—I do not deny them that; even at a peppercorn rental it would be fair—but why was the brick property at 242 Marion Road, Netley, allowed to remain almost vacant for 3½ years? Twice the 'SA Great' yacht challenge used a couple of rooms (and did not clean up too well afterwards), but I have been amazed that that building has been allowed to remain vacant for so long when it could have been utilised by the regional office or by some other Government agency.

The Hon. T.H. Hemmings: I am aware of the lack of time remaining and the information that I have at hand. We assessed both buildings.

The CHAIRMAN: The Chair has no objection to the Minister inserting documents in *Hansard*.

The Hon. T.H. Hemmings: It is not documentary evidence but briefing notes to which I referred. I advise the member for Hanson that the department assessed both buildings and concluded that the one chosen was the better one for that purpose. If the honourable member disputes that, I suggest he should ask a supplementary question or write to me and we can deal with it.

Mr BECKER: We are entitled to that information. This building has been vacant for a long time. It is a scandal that \$500 000 was spent on a prefabricated building. We do not know how much it cost to air-condition it. I know of schools that have rotting timber and cracked window panes; and other places are crying out for minor maintenance work. Not far from the Netley depot is the Plympton High School, which the department started painting, got halfway through and then stopped because it ran out of money. The Camden Primary School has not been painted by the department in 12 or 13 years. I admit that they are maintenance problems, and that this might be a different matter, but nobody will

ever justify to me the huge amount of money spent on a prefab building when a vacant brick building could have been used.

Government schools are deteriorating to such a degree that it is embarrassing to go to some of them and to keep asking what is going on. I am not prepared to take lightly that this building was allowed to remain vacant because, in my opinion, the Government has lost a lot of money over that period of time. It could have let the building to a commercial enterprise; I could have had it as an electorate office. It could have been used for a variety of reasons.

The Hon. T.H. Hemmings: The member for Hanson feels that rather than spend \$500 000 upgrading the other building, it should have suited my department better to have gone into the old administration building at the Netley complex. It boils down to the view of my department and the Office Accommodation Unit as opposed to the view of the member for Hanson.

I will again place the facts on the table, and if the member for Hanson is still not satisfied we will have to pursue it after dinner, through correspondence, during Question Time, or whatever. We went into it and concluded that it would be better to move into the other building. The condition of the brick building was not satisfactory. The floors are covered with a variety of carpet and vinyl finishes. The majority of the carpet requires replacement. If extensive partition alterations were proposed, the carpet would have to be replaced throughout. The walls are mainly plaster and plasterboard and if a painted finish was desired redecoration would have been required. In at least one office, which had timber ply lining, repairs would have been necessary. The ceilings were spray textured finished and tiled, and redecoration would have been necessary.

Electrical wiring alterations would have been necessary in a number of places, and most of the fluorescent tubes would have to be replaced. The air-conditioning was mainly supplied by window units and would have had to be completely upgraded. One thing that was fairly obvious was that the existing services in that two-storey complex were outdated and would have needed extensive renovations and upgrading to the acceptable standard of accommodation required. One should remember that this accommodation is not short term; a decision about regionalisation has been made, and that would have been the final move.

The present occupant, as the member for Hanson says, is Access Cabs. This client occupies approximately 110 square metres on the northern part of the ground floor, and utilises wet areas and off-street car parking facilities (which is something that we would have had to take into account). That client has occupied the area and has paid rent since February 1987. That, in effect, puts to rest some of the allegations of the member for Hanson in relation to wasting Government money.

Negotiations are currently in progress with the aim of reviewing rent which is to be of about \$6 600 per annum based on the Valuer-General's advice concerning the current state of the building. Numerous other organisations have occupied the building since the department left: the South Australian Challenge for Defence of the America's Cup from August 1985 to March 1987; the Design Council of Australia from August 1986 to January 1988; and various engineering disciplines from September 1987 to December 1987.

The department has been making inquiries in relation to other departments using that building. It seems that the Department of Agriculture, as a direct consequence of its vacating one floor of its current accommodation in the Grenfell Centre, will be moving into that building in December 1988. The cost of carrying out work to meet the

requirements of that department is about \$250 000. It all boils down to whether the member for Hanson is a better expert than the acknowledged qualified people in my Department of Housing and Construction. Obviously, the member for Hanson feels that he is better qualified than my officers. It is my view that my officers are better qualified in this regard than is the member for Hanson. I think we will always choose to disagree on that particular location.

[Sitting suspended from 5.58 to 7.30 p.m.]

Membership:

The Hon. R.K. Abbott substituted for Mr Plunkett.

Mr ROBERTSON: In past years Sacon has paid considerable attention to the development of programs for apprentices. What standards are presently being achieved by apprentices undergoing training programs conducted by Sacon and what employment prospects have they at the end of their training?

The Hon. T.H. Hemmings: There is a view in the community that public servants are lazy and no good and that public service training is not as good as training in the private sector, yet we consistently produce evidence to the contrary, not just in the Department of Housing and Construction but in other public authorities where we provide excellence at an economic and competitive price. Then, everyone asks why we did not tell them that before.

When I was an apprentice in the work force, the best apprenticeship available was through a Government agency where the apprentice was taught from the first day his or her responsibilities in the trade and the role to be played in the community by the tradesman. In the Department of Housing and Construction we have evidence that we provide our 90 apprentices, covering 15 trade disciplines, with excellent training.

The quality of the apprentice and the training provided through Sacon is reflected in the number of achievement awards gained in recent months, as follows: Institute of Refrigeration and Air-conditioning Services Engineers of South Australia, 1987 Apprentice of the Year, Gary Taylor; Outstanding Stage 1 Refrigeration Apprentice, John Meijer; Award of the Chamber of Commerce and Industry and TAFE Bronze Medallion Certificate in Bricklaying, Shane Daw; and Australian Institute of Building, Florence Taylor Apprenticeship Award for Outstanding Apprentice Second Prize, Shane Daw.

Further, 11 apprentices competed in the Workskills Australia regional competition in June 1988, and we were awarded the following medals: gold medal in plumbing, Glen Cameron; silver medal in plastering, Steven Dew; and silver medal in climate control, Peter Cluse.

Last Friday evening I was guest speaker at a meeting where I presented the 1988 Jaycee Apprentice of the Year award. Although I had no part in determining who should win the award, the Apprentice of the Year was Gary Taylor, the refrigeration mechanic who won his own institute's annual award. The foregoing achievements represent a great record and I thank the member for Bright for asking his question because my reply proves that we provide good training for our apprentices and that they respond accordingly.

These awards are open to public and private sector apprentices alike and the firms in the private sector with which my officers have dealings, such as Boulderstone and the other big builders, have decision-making managers who have spent some time in my department during their formative years. I have no doubt that the award winning appren-

tices to whom I have referred have good careers ahead of them and that their excellent record as apprentices will be reflected in those careers in the years to come.

Mr ROBERTSON: Page 181 of the Estimates of Payments refers to specialist and relocatable accommodation in the area of Education Department buildings, and I endorse the provision of the building recently constructed at Mawson High School. On 13 January this year, a fire at the school destroyed the photography, typewriting and business studies area, and almost all the typewriters and a few computers in the classrooms were lost. Consequently a replacement building was required as soon as possible.

Within a couple of weeks Sacon had planned the appropriate movement of the bicycle racks and tennis courts at the school and plans were in hand to put a four-part demountable building on the site. Having had the pleasure of seeing the building only the day before yesterday, I believe that the standard of the work in the building and of the building itself is outstanding. It has two classrooms, a computer room equipped with computers, and a typing room containing word processors and typewriters. The use of the building has been incorporated into the school program and will be an important facility next year when Brighton High School and Mawson High School begin sharing their year 11 and year 12 work, as it will provide a business focus on which Mawson High School is presently working.

The level of security, which is important in a building containing word processors and computers, is high and the finish of the buildings is amazingly good. Can the Minister say how many of these units are to be provided by funds from these estimates for deployment around schools and whether any other use for such buildings is planned given the extremely high standard of construction achieved by Sacon?

The Hon. T.H. Hemmings: Referring to the fire which destroyed certain Mawson High School facilities, we all deplore any fire damage, whether it results from arson or sheer vandalism. One can understand the trauma resulting from such a fire and how the whole teaching staff and school community are affected. We have found that, the sooner we can respond to requests for help needed as a result of fire or other acts of vandalism, the sooner we can get those schools operating and the better they can overcome the disadvantages suffered.

What the member for Bright has just outlined to the Committee is indicative of the way in which the department can respond. A classic case concerned the gutting of the Renmark High School. Within hours of the fire brigade bringing the fire under control, our people were at the site, arranging the relocation of students, etc. The whole operation was moving within hours of the fire. I am pleased at that endorsement of the type of buildings constructed by the department and the way in which they are constructed.

The budget line refers to the provision of specialist accommodation in secondary schools which will increase the range of curriculum options to senior students with particular reference to technical studies, science and art. Whilst the provision is a slight decrease on what was actually used, although it includes relocatables, where there is a need within the secondary school system and the curriculum that is offered to students, the department is able to provide that service. In all cases of relocatables, the department works closely in conjunction with the Education Department to determine where the need is, and then Sacon responds.

Mr ROBERTSON: My next question concerns the work undertaken by Sacon on the campus of the new Hallett

Cove school. The Education Department has entered into a joint use arrangement with Marion council for the construction of a gymnasium that is taking shape at the school. Alongside that is stage 3 of the school, which is intended to allow the school to go into its secondary component—the 8 to 10 part of the R to 10 school. The projected finishing date for stage 3 is February of next year. Whilst noting that the standard of Sacon workmanship and trade skills exhibited at Hallett Cove is superb, I wish to know whether that building is on target for February 1989. In addition, does the Minister have a scheduled finishing date for the combined use facility, that is, the gymnasium?

The Hon. T.H. Hemmings: The honourable member has every reason to be pleased with that facility at the Hallett Cove school. It is a classic case of a joint venture between local government and State Government for the benefit of the school community, and it will pick up the areas covered by transportable-type accommodation such as art, ceramics, music, the canteen hall, the performance area and ancillary facilities. I am sure that it will be well used. There has been a slight slip in the planned completion date. The department started on site in February this year and expects the work to be completed in July 1989. The work has been undertaken by our own CMS work force and I am sure that the residents of Hallett Cove understand that, if they want excellence, sometimes it takes a little longer than the original projected completion date.

Mr ROBERTSON: Does the Minister have any information on the joint use facility, that is, the gymnasium?

The Hon. T.H. Hemmings: I do not have that information offhand but I will make it available.

Mr S.G. EVANS: What are the plans for the provision of equipment and services in members' electorate offices? On page 315 there is mention of \$75 000 for personal computers. It does not specifically say that those computers are for members' electorate offices. A computer should be supplied to each of the 47 members with an allowance for Legislative Council staff. Is it intended that only some members will get personal computers or is it just an indication that it is a long-term goal? If computers are not to be supplied to all electorate offices, I hope that the Minister can tell me why not.

An evaluation of the existing Glass computers was supposed to have been completed in July of last year. I have been unable to find out whether that evaluation took place. The Minister knows how I feel about any unfairness and injustice in this matter. We are all elected to represent people on an equal basis, and that has not occurred. If there has been an evaluation, what were the results? Our Federal colleagues and a lot of Government departments are equipped with this sort of equipment and they are absolutely dumbfounded when they discover that we do not have facsimile facilities, let alone word processors. For young modern politicians, some of these things are important if they are to carry out their role properly. Fortunately, most of our offices now have ergonomic furniture.

The Hon. T.H. Hemmings: The member for Davenport has asked a series of questions about computers, word processors, fax machines and all the other things that are requested at various times by members of Parliament on the ground that they are elected to serve their constituency and, to serve that constituency well, they need a certain level of technical equipment. It is my job on behalf of the Government to go through those requests at different times and to advise Cabinet on what should be done.

I make no apology. Perhaps the reason why the Premier has continued to keep me in this portfolio is because I say 'No' much better than some of my colleagues. I think that

the member for Hanson is of the same school as my colleagues and me in that we are out in the electorate serving our constituents face to face, person to person, and meeting them on the street. That is the way that one wins seats for the Party that one represents. Fax machines, word processors and computers may assist one to do it, but they do not guarantee it. We have just done a quick calculation—to which I do not wish to be held—and to provide 55 computers the capital cost would be around \$270 000 out of our budget. That is a sum that could maintain many schools and provide a lot of the work that members of Parliament continually ask this Government to do.

As the Minister responsible, I hear accusations that we are a high-taxing, high-charging Government which should not do all those things. At the same time, we have requests to provide computers (about \$270 000), fax machines and word processors. They all cost money. Where will it stop? Will we be asked to tap into the Sky Channel? We ran a pilot program on word processors. The member for Davenport talks about unfairness. In March 1987 I convinced my Cabinet colleagues to carry out a pilot program to assess the value of installing word processors in electorate offices. We selected a Glass typewriter system GT1000 because it was locally produced: 'Buy South Australian'. However, we could allocate only so much money towards that program and decided to do it on a pilot basis. It was done in the fairest possible way: I notified the Leader of the Opposition that we would carry out a pilot program based on city and country electorates. Of course the electors of South Australia chose in the main to elect Labor members in the city seats. So, of the 10, six were city seats: Adelaide, Fisher, Henley Beach, Mawson, Newland, and Todd. For Liberal seats, the Leader of the Opposition chose Coles, Hanson, Heysen and Murray-Mallee.

I was a little disappointed because the feedback indicated that some people were happy with the Glass typewriters, while others said, 'These are no good: we want computers.' One cannot keep putting a hand in one's pocket and spending money, but, being a person who is amenable to change, I went to Cabinet and said, 'It looks like this lot will not be happy with Glass typewriters. They want to go for computers.' So we have set aside \$75 000 to make computers available to those people who wish to take advantage of having computers in their electorate offices.

We are still seeking information before the final submission goes to Cabinet as to whether it will be on a lease-back basis or what contribution we might ask members of Parliament to make, but that will be finally resolved by Cabinet. Then they will be made available to those members who wish to take advantage of them. I understand—and I hope that I am not speaking for the whole of the Liberal Party—that a view has been expressed by the Liberal Party that it has to be all or nothing. If that is the case, it could put the Government in a rather tenuous situation because I understand that on our side of the political fence people are prepared to take advantage of it. Of course, there are others like me who prefer the old fashioned approach of meeting constituents in shopping centres, hoping to increase one's vote from 74.5 per cent to 76.5 per cent. I apologise to the Committee for going on for a long time on this, but it comes up every year. The Government has to set its priorities, which at the moment are to spend its money out there on schools, hospitals and services to the community and, while I am the responsible Minister, I will not put the requirements of members of Parliament in front of those areas.

Mr S.G. EVANS: I refer again to members' electorate offices. Why does the Minister not tell me whether there

has been an evaluation of the computers that went out during the trial period and the result of that evaluation? I take the jibes and the vibes from the Minister and say that I for one will be happy if none of us gets word processors or computers, but I object that some members of Parliament are considered different from others and still have the equipment in their offices, in all probability supplied with a disc and equipment at public expense, while other members of Parliament, who are elected on the same basis to represent their constituents, are denied that equipment. I do not want to play around with figures, but if the Minister wants to do that I know how much they cost. If we cut out the overtime for drivers of ministerial cars, we could more than pay for the computers in one hit.

The Hon. R.G. PAYNE: I am reluctant to do so, but I take a point of order. There is nothing on the lines tonight about overtime for ministerial drivers.

The CHAIRMAN: I uphold the point of order. Overtime for the drivers of ministerial cars should be taken up with the Minister of Transport.

Mr S.G. EVANS: I apologise. I raise it as a comparison because the Minister wanted to draw a red herring and he started to put the slant back on me. I will withdraw it.

The Hon. R.G. PAYNE: A further point of order. I am not a Minister. If there is some allusion to me, I am a former Minister.

Mr S.G. EVANS: I take the comment back.

The CHAIRMAN: I do not accept the point of order, but the member for Davenport, after the Chairman has given a ruling, is skating across thin ice in proceeding on the lines along which he previously proceeded. Overtime for ministerial drivers is not in the budget line and that matter should be pursued with the Minister of Transport. I ask the honourable member to come back to the figures in the estimates that are before us.

Mr S.G. EVANS: I ask you, Mr Chairman, to read *Hansard* later, because when I came back the second time I said that the Minister was having a go at me.

The CHAIRMAN: I hope—

Mr S.G. EVANS: Can I just finish my point, and then you can say—

The CHAIRMAN: The member will cease talking when the Chairman is making his point. I hope that the member is not reflecting on the Chair because, if he is, he should make no mistake about it: the Chair will take action.

Mr S.G. EVANS: Prior to the member for Mitchell's taking a point of order, I was in the process of saying that the Minister was getting to the stage of raising other matters, in relation to schools and so on, and having a dig at me. The record will show that that was the direction in which he was heading.

The CHAIRMAN: If the member wants to proceed with the point he was making about overtime and ministerial drivers, he must take up those matters in the appropriate Committee.

Mr S.G. EVANS: I was not attempting to do that, and I will not do so: I was referring to the Minister's comments in relation to schools and the demands that members of Parliament put on Ministers in making requests on behalf of constituents. I hope that I can refer to things that the Minister has said, because I think that my rights are similar to his. I again ask the Minister: was anything other than the base equipment supplied to those members who had these machines for a trial period? How long was the trial period, and what was the result of evaluation of that equipment?

The Hon. T.H. Hemmings: As I have said previously, the pilot program to assess the value of installing word proces-

sors in electorate offices commenced in March 1987. They were located in the 10 electorate offices I have detailed to the Committee. An evaluation was carried out by officers of my department on whether, as a result of the pilot program, the Glass typewriters should be provided to the remaining 37 electorate offices, and possibly including the Legislative Council. I do not have all the information in front of me, but the feedback that we received was that, in the main, they were okay but that they did not beat computers. In effect, the response was that, if we are going to have additional facilities in our offices, we should have computers. Consideration for extending those facilities to the remaining 37 electorate offices in the 1988-89 financial year was deferred, and my office was asked to put up a Cabinet submission dealing with computers.

The Government put aside \$75 000 in the budget so that we would then be in a position to make a financial commitment if we proceeded to make the computers available. The member for Davenport made a very valid point about what we would do with the 10 word processors that are already in electorate offices if the Government decided not to continue with word processors. I made it perfectly clear to the Leader of the Opposition and to Caucus that, if we decided not to proceed with the word processor program, the existing machines would be withdrawn back to my department for reallocation to other departments or agencies. That should satisfy the honourable member on the matter of equity. In the past the member for Davenport has referred to the inequity as regards why his office was not considered for allocation of a word processor. I think I am correct in saying that.

Mr S.G. EVANS: I have previously referred to all offices. I also pointed out that I had someone who could use one and I asked why that equipment was not supplied to people who were qualified to use it.

The Hon. T.H. Hemmings: I provided the Leader of the Opposition with details of the terms to which Cabinet had agreed, involving country seats and city seats, and, in its wisdom, the Liberal Party chose not to include the member for Davenport. It would be totally improper for me to tell the Leader of the Opposition where to locate the machines.

Mr S.G. EVANS: How many electorate staff are on workers compensation? For how long have they been on it? What rehabilitation programs are available? Further, how many electorate offices have more than one permanent staff, and what is the reason? At one time I had working for me a lass who suffered a work-related injury and I employed an extra person at times while the injured employee did light work. In the end, that employee resigned from the work force, and I do not believe she claimed any compensation from the Government—she just retired and gave up work altogether, without the injury having been completely cured. That was her decision, and I am not saying that other people should do that. However, I indicate this simply so that people know I have been through this experience. As to the questions I have asked, I do not want to know the names of which electorate offices have more than one permanent staff member or the particular details of those on workers compensation—I am asking just for the figures.

The Hon. T.H. Hemmings: I appreciate that. In some electorate offices the staff have decided to share duties, with job sharing. This is quite understandable and I know that this would be fully supported by all members of the Committee and by all members of Parliament, because we are well aware of the stress-related tasks undertaken when working in electorate offices. I sometimes smile when people talk about the stress that we as members of Parliament are supposed to be under, because I know what the conditions

are like in my electorate office, and I am sure that I am not unique in that regard.

In the Districts of Eyre and Flinders the Government made the decision some time ago, because of the size of the electorates, to allow additional staff. Indeed, the decision about Eyre was made before I was a member of Cabinet, and that goes back a long time.

As to workers compensation, a claim was settled in March 1988 in one electorate office. That is a deletion from the total. In another electorate office a member of staff returned to normal duties earlier this year. In another a member of staff is on workers compensation because of a stress-related condition.

Mr S.G. EVANS interjecting:

The Hon. T.H. Hemmings: The last one came in in September 1987. Temporary additional staff are employed in four offices: three at .4 FTE and one at .5 FTE. Those positions are funded by a wage subsidy provided by the Government Workers Compensation Office. The subsidies are currently under review. In addition, there are electorate offices of Cabinet members where, because of ministerial commitments, there is a greater workload. Cabinet decided to provide a .6 FTE position in those offices at Ross Smith, Baudin, Norwood, Napier, Ramsay, Unley, Whyalla and Stuart, and presently the Department of Personnel and Industrial Relations is looking at Florey, Mawson and Todd in respect of the three new Ministers. Because of its size, Murray-Mallee also has additional staff. We have the three country seats of Eyre, Flinders and Murray-Mallee, the ministerial offices and those offices I have mentioned in respect of workers compensation. That information was provided in the reply to question on notice No. 202 asked by the member for Hanson and signed on 23 September 1987.

The Hon. R.K. ABBOTT: For some time I have been concerned about Government office accommodation. Although much has been done by the Minister in trying to grapple with the problem, page 321 of the Program Estimates indicates that the newly created Office Accommodation Unit is administering new functional arrangements which place greater responsibility for the management of costs of office accommodation with chief executive officers. As Minister of Lands I dealt with this matter on a weekly basis. The Lands Department was fragmented and operated in locations all over metropolitan Adelaide. How will the creation of the Government Office Accommodation Unit contribute to property rationalisation?

The Hon. T.H. Hemmings: The change is all about accountability, making chief executive officers accountable for the cost of offices used by the department for which they are responsible. Some time ago Cabinet grappled with the whole area of standards of Government accommodation. It tried to be realistic and compare what is being provided by the Commonwealth Government with what is provided by the private sector. The Government looked not only at what should be made available to people who work for the State Government but also decided that chief executive officers and senior management have to be accountable for their advice to their Minister, who then puts in a submission through the CEO to the unit for that organisation's needs. Since initiating that program we have been successful. For example, the Education Department has been encouraged to use underutilised schools for office accommodation, thereby freeing up two floors in the Education Centre and saving money for the client department and the Government.

The Lands Department has also relinquished two floors of privately leased accommodation and moved into Government owned accommodation. I am sure that is due to

the former Minister's prompting, because he always supported better utilisation of Government assets. The Agriculture Department has terminated a lease of a floor of the Grenfell Centre and relocated in Government accommodation at Netley, which caused the member for Hanson concern before dinner.

Wakefield House—our own departmental building—has been let to other departments previously occupying private sector accommodation. The unit is also examining Government owned accommodation which is not economically viable and which may be sold or redeveloped. One initiative has resulted already in the release of a substantial asset capable of further redevelopment, that is, by the move of the Libraries Branch from Norwood Parade to Hindmarsh. That is a great step forward. It is a rationalisation of the Libraries Branch into a cheaper land value area and is also freeing up expensive land that we could make available for residential building in Norwood. It has been a successful operation where accountability and better utilisation of assets has an end result of greater savings for the Government.

The Hon. R.K. ABBOTT: I understand the difficulty with this issue. The Minister said the Department of Lands had moved into Government owned accommodation, but no-one has pushed harder than the CEO of the department for adequate departmental accommodation. I think that the heads of all departments would automatically do that. The fact that it has moved into Government owned office accommodation is fine, but it is still somewhat fragmented. Would it not be better and more efficient for a Government department to operate under the one roof if it is at all possible?

The Hon. T.H. Hemmings: In some areas, yes, but in relation to the regionalisation program in the Department of Housing and Construction and in the Education Department, one has to provide a service to the community at the local level.

Mr Nichols: I would have to agree about the desirability of having one department in one building, if it is possible. I believe it is the sort of question that can only be answered if there are more big Government owned buildings in the city square. Presently we try to get departments, or as many sections of that department as possible, under one roof. I sympathise with the honourable member's objective. The impression may be given that the Government has created some sort of monster organisation that did not previously exist. Strictly speaking, that is not correct, because all the resources in this Government Office Accommodation Unit were in the Public Service anyway. They have been brought together principally from two departments—DPIR and our own department—and they are now functioning on the basis of acting as property managers, just as private firms such as Colliers, Jones Lang Wootton and others would, in that they must operate within a fee that is in turn related to the rental turnover of the departments whose property they manage.

The Hon. R.K. ABBOTT: When is the examination of Government owned accommodation that is not economically viable likely to be completed?

The Hon. T.H. Hemmings: The Department of Housing and Construction is working closely with the Department of Lands in identifying any such assets that might not be viable. It is a continuing process to, in effect, encourage agencies that may have particular buildings or assets either to relocate or find a better use for them. It will not be sold overnight. I assure members that we will be dealing with it with the same degree of enthusiasm until the day I can report to Cabinet that we are utilising in the correct way every asset we have.

Mr BECKER: I refer to page 307 of the Program Estimates and the heading 'Provision of Office Accommodation and Property Services'. What and where is the leased accommodation requiring a recurrent expenditure of \$29.887 million in 1988-89 compared to the \$27.378 million spent in 1987-88, which was an increase of \$5.417 million over budget, as the proposed figure for 1987-88 was \$21.961 million? During 1987-88 why was there an increase of \$5.417 million over budget?

The Hon. T.H. Hemmings: While we are attempting to restrict the willy-nilly use of accommodation by Government departments, there is a growth due to leases being renewed, and rents increase because the costs of power and other things increase. These increases one would get in a normal household. My officers will provide the precise information the honourable member requested.

Mr BECKER: What Government owned accommodation will be provided with \$18.674 million in 1988-89, and where is it located? How much accommodation is the Government committed to take in the ASER office building, at what annual rental and for how long?

Mr Little: One of the big changes that came about with the establishment of the Office Accommodation Unit was the decision that all Government owned accommodation would attract rent, so that all Government agencies would be placed on the same basis of having to pay rent. Up to that time the departments in leased accommodation were the only departments paying rent; we were paying all the rent and then cross-charging it to the agencies. From the beginning of this financial year we have had valuations placed on all Government owned buildings, such as the State Administration Building, Torrens Building, Treasury Building, the Education Building, and the agencies occupying those buildings are now being charged rent. So, all departments are now on an equal footing. That is the reason for the new figure in the proposed line 'Provision for Government owned accommodation \$18.764 million'.

Mr BECKER: What Government owned accommodation will be provided that is worth \$18.7 million and where is it located?

The Hon. T.H. Hemmings: I can take that question on notice. The area of accommodation taken up by ASER will be decided by Cabinet in line with the agreement made with the consortium.

Mr BECKER: What and where is the leased accommodation requiring recurrent expenditure of \$29.8 million, and why is there an increase of \$5.4 million?

The Hon. T.H. Hemmings: We can take that question on notice.

The Hon. R.G. PAYNE: I am amazed to learn, as I suspect many other members of Parliament would be, that 84 buildings were relocated during 1987-88. That is a major operation in any language. One of the specific targets for 1988-89 is to achieve the following average cost of relocations: steel classrooms \$8 000; demac classrooms \$12 500; and timber classrooms \$22 500. Those figures would seem to indicate that steel classrooms are easier to relocate than the other two types. Why is the target figure for the relocation of steel classrooms so much lower than the figures for the demac and timber classrooms?

The Hon. T.H. Hemmings: I will ask Mr Power to reply to that question.

Mr Power: The big difference between the costs of relocating concerns the size and weight of the units. The steel relocatable classroom is a compact unit designed for a stand alone operation that requires little setting up on site, so its relocation cost is low in comparison to those of the other two types. The timber and demac classrooms are often

arranged in dual and sometimes triple formation, so the associated site works, relocation, and the difficulty of separating and reconstructing them are reflected in the total charge.

The Hon. R.G. PAYNE: At page 321 of the Program Estimates, one of the 1988-89 objectives is to achieve savings of \$1 million from property rationalisation. That aim, although laudable and commendable, seems a bold one. Nevertheless, I hope that the department achieves its objective. How was the figure of \$1 million arrived at and is it an achievable target?

The Hon. T.H. Hemmings: In the main, this concerns the areas that I have already outlined to the Committee: the sale of the Carrington Street property and the pending sale of the Ethelton, Richmond, Pennington and Greenacres properties. As part of the regionalisation, we have been able to identify clear savings in those areas, as well as in effect a profit. The Carrington Street property was sold for \$1.3 million to the Housing Trust, which gave me great pleasure in being able to satisfy inner city redevelopment in conjunction with the private sector. I hasten to say that this was not laundered money: the transaction was approved by the Auditor-General. The relocation of the Norwood library property is also involved in this respect.

The Hon. R.G. PAYNE: I note with interest that a 1988-89 objective is to examine the projected impact on Government and the community of different forms of infrastructure financing. That is a problem that has exercised the mind of the Government over a long period. I also note that a report is to be provided by June 1989. Can the Minister explain the impact of this objective on the community and the Government?

The Hon. T.H. Hemmings: This relates to the reports received by the Government from the Public Accounts Committee on the replacement of infrastructure. Perhaps Mr Nichols could reply.

Mr Nichols: The whole question of how the community accounts for public infrastructure is a topical subject, given the reports from the Public Accounts Committee and the National Infrastructure Forum, as well as international studies in this area. There are alternative ways of ensuring that Government departments are accountable for all the space and accommodation that they use, which could have implications as to how much money the Government must find to do this.

We have already suggested that one way to improve the efficiency of the use of Government space is the way that we have gone with Government employee housing, but more particularly with office accommodation, whereby departments in effect are funded to pay rent and that acts as a discipline on them to save on the amount of space that they have, because they can save on their rental and use the savings on something else. Secondly, the agency providing the property management service for them is funded in accordance with a standard fee scale, which can be compared with the private sector. This, again, is a discipline on a service agency such as we are, because we can be compared to Colliers or any other organisation.

The department will do a report which looks at such options for the provision of all Government accommodation. I am not suggesting that will be the answer but that is the type of issue that the department can consider. It can also consider whether there are advantages to the State in the ownership of all Government assets being declared in such a way that they give the State more financial muscle. For example, it could be suggested that certain Government assets are purchased and become part of the assets owned by SAFA, which would then have a bigger and more sub-

stantial financial base upon which to borrow funds. Those sorts of issues must be looked at in the light of the Public Accounts Committee report and in the light of the varying options available to us to make the managers of public assets more efficient.

Mr S.G. EVANS: In the last financial year, how many land or building sales were made of assets owned or formerly under the control of the Department of Housing and Construction? Can the Minister provide the title reference, the location, the size of the property, the method of sale (auction, tender or private treaty), the date of signing the agreement and the date of transfer? Does the Minister have any of that detail now or would it be more convenient to provide it at a later date?

The Hon. T.H. Hemmings: The department always disposes of land through the Lands Department, and that is common practice for all Government departments. That is not the case with the South Australian Housing Trust, which is a statutory authority. The other information the honourable member seeks will be made available by the deadline.

Mr S.G. EVANS: How many cars permanently or regularly available to Department of Housing and Construction staff for travel between work and home have been fitted or are to be fitted with private registration plates?

The Hon. T.H. Hemmings: One.

Mr S.G. EVANS: During the last financial year, what was the total amount of sick leave taken by Department of Housing and Construction staff? How many days sick leave were not covered by medical certificate? How many days sick leave not covered by medical certificate were taken on Friday or Monday or on a day immediately before or after a public holiday?

The Hon. T.H. Hemmings: At this point, I cannot give the honourable member information as to the days sick leave taken by the department's employees on a Friday or a Monday, but I will make it available. However, in 1986-87, for weekly paid employees the average days sick leave per employee was 3.75, which is astounding. The figure for 1987-88 is 4.18 days per employee, which is also something with which we can be pleased. It would be virtually impossible to work out the number of days taken on a Monday or a Friday. However, if the member for Davenport feels that he has a case to argue in this respect, if he gives me the information, I can justify instructing my officers to go through all the records to get that information; otherwise they would be better employed doing work that is worthwhile to the State.

Mr S.G. EVANS: The Minister can be proud of that figure because, given the nature of the work, one would expect more sick days with poor weather conditions.

The Hon. T.H. Hemmings: Yes. There is nothing more frustrating for blue collar workers than to be classified as lazy people. We have a hell of a job lifting their morale, but they respond adequately. Time after time one hears stories that they are lazy. No-one will print in the *Advertiser* that my department has the best figures. The only comment will be that the department was asked who took sickies on Monday and Fridays. I object to that type of question. However, if the Committee insists on it, I will take officers away from worthwhile jobs and make them go through the records.

Mr ROBERTSON: I assume that the new kindergarten to be constructed on Zwerner Drive, Hallett Cove is a Sacon project. The expected completion date has been given as February 1989, which means that the building ought to be ready for use at the beginning of first term. The kindergarten is obviously much needed in that the Karrara Kindergarten is full and has been for several years. The Hallett Cove

Child Parent Centre is also relatively full, so the CSO has established a mobile kindergarten on the site, which temporarily occupies the Baptist Church on Zwerner Drive.

The job being done by CSO in the meantime in providing that service is excellent, but it will be a relief to the community when that building is finished. Bearing in mind that some 1 200 blocks are still to be developed in Karrara, and one presumes an equal number of children will require kindergarten over the next five years, the kindergarten is needed and it will be appreciated by the community if the project could come in on target date. Is it likely to do that and, if not, when can we expect completion of the project?

The Hon. T.H. Hemmings: The children's services program is well received by members of Parliament. The Chairman has not only entertained us in this House on many occasions but kept us up to date on his efforts to get a child-care centre in his own electorate, and I remember the wild excitement that took place in this chamber when the Chairman, in his capacity as member for Henley Beach, announced his success in this area. It is money well spent and crosses all Party lines. The location of these child-care centres relates to where there is a need—and that should always be the case.

We have established a pretty good record for building child-care centres which are far superior in quality to some of those centres that are built in New South Wales and Victoria. In fact, at one time we had to overcome criticism that was emanating from within the Federal Government that the cost of child-care centres in this State was excessive. I sent my officers to New South Wales and Victoria and to speak to the Commonwealth Government. In effect, it proved that when we build child-care centres the cost, when one takes into account future maintenance, is reasonable. A typical example is tap fittings. Whereas in New South Wales common domestic tap fittings are used, we use commercial fittings because of their excessive use in child-care centres. Ours gave better value for the dollar to the people using them. I can understand the enthusiasm of the member for Bright for the Hallett Cove centre.

The Hallett Cove Child-Care Centre will be completed in April 1989. However, this does not mean that the building will not be available for use prior to that date. It may be that some siteworks will still need to be carried out, but the community can still use parts of the building. I will undertake to obtain for the honourable member the closest possible date on which the community can use that child-care centre. One of our problems is that what we call the completion date is when the last account has been paid, which may be two to five weeks after our clients are actually using the building. If the member works on April 1989, he will be well within that time frame.

Mr ROBERTSON: I will not disclose the source of the next question, but when will the carpeting and painting of the electorate office of the member for Hayward be completed?

The Hon. T.H. Hemmings: We will try to get our workers in on Monday, but if we cannot do that we will do it as soon as possible.

Mr ROBERTSON: My third question is rather more general, philosophical and futuristic. One of the problems currently being encountered in school buildings, in particular, in the south-western suburbs and in the Minister's own area is that, when the population ages and there is superfluous space in the schools, clearly the school is more 'saleable' as an alternative venue if the space is flexible enough to allow its use as, say, a community centre, community house, recreation centre for youth, or as a centre where perhaps older people can indulge in recreational and skills classes

and the like. Has any thought been given by Sacon to a long-term program or policy of designing schools in such a way that the space can be used for other things, whether involving commercial, industrial, or indeed community applications?

The Hon. T.H. Hemmings: I would like to be able to say, 'Been there, done that,' because that is the case in relation to The Hub at Aberfoyle Park. We knew that there would be a falling off in demand in primary school enrolments and so when that school was built certain aspects were designed to be converted to accommodation for the aged. I think that details of that program have been provided to the Northern Territory. Further, at The Pines at Burton houses have been built that can be used as classrooms. Following the enrolment bulge that occurs there that accommodation can be converted back into houses.

Those examples relate to specifics, but the member for Bright touched on another aspect, and he was correct in asking whether space in schools can ultimately be used for other community purposes. This has always been an ongoing attitude by our architects. From the day when I became Minister I realised that one did not have to be a Rhodes scholar to know that the dollars from Canberra would eventually start drying up. I made the point that those dollars should be better utilised. Whilst an architect might want to design his own Taj Mahal—and I know that many people subscribe to the view that perhaps each architect should be allowed to build at least one Taj Mahal—a building must be functional. A classic case of this is the hockey-lacrosse stadium, which is a magnificent but functional building. When our architects design anything the question of what it can be used for at some later date when it is no longer required for its present use must be considered.

Mr ROBERTSON: What thought has been given to alternative uses for the 1950s and 1960s standard suburban high schools, which are fairly common features of the landscape in the middle ring of suburbs? Are those buildings salvagable for use for anything or will they simply be left for use as schools? Could they be converted into anything else that could be used by the community?

The Hon. T.H. Hemmings: They can be used for any function that can be found, such as conversion for use by TAFE. Earlier this afternoon I mentioned that the Playford High School, which will be taken out of the education system in 1990 or 1991, is already being considered for alternative use. The Education Department has asked what use we could make of that. One possible use could be to provide hostel accommodation for young single people. In fact, it has just been pointed out to me that the Adelaide Remand Centre includes the old part of the Adelaide High School.

Mr BECKER: What investigations have been undertaken to ensure that the proposed new computer for the department is cost-effective? At page 116 of his report, the Auditor-General refers to computerised information systems and at page 324 of the Program Estimates reference is made to computer information systems, as follows:

New computing equipment was purchased and installed enabling development of a fee and resource management system for the Professional Services Division. Considerable progress has also been made in converting the district office works management system from a personal computer data base to a distributed network computer database to enable integration of information across the department.

That relates to 1987-88 specific targets/objectives. A 1988-89 specific target/objective is:

Phase out the departmental use of outdated computer equipment including the Cyber at the Government Computing Centre

by development of user oriented systems to replace the existing management information and asset information systems.

I want to ensure that the computer system is cost-effective. Through the Public Accounts Committee I have had quite a bit to do with various computers in many Government agencies. In one case, it was envisaged that a computer program would cost \$4 million. That was in 1978, and the cost is now in the vicinity of \$65 million. I hope that the Department of Housing and Construction has thoroughly investigated the various systems, to avoid escalating costs year after year in computer equipment and programs. Page 49 of the Capital Works Program also mentions the equipment and the various computer systems that are needed—costing about \$1 million.

The Hon. T.H. Hemmings: I have already commented today about the accrual accounting methods of the Office of Government Employee Housing. I also said, in relation to a statement made in the Auditor-General's Report, that in no way did I think that the Auditor-General was saying that there were no accounts finalised at the end of the financial year. However, questions put to me today—and referred to previously in budget speeches—were to the effect that we had not put in any financial statements. In effect, people were looking closely at the Auditor-General's Report and trying to find something wrong. At page 116, which deals with computerised information systems, there is no sniff by the Auditor-General that there is anything untoward about what we are doing. There is nothing which then ties it through to any other comments that the Auditor-General has made in his report about other Government departments. To use the vernacular, our department is squeaky clean. Based on the information in front of us, which is pure fact, what we are doing is developing a program. The question is, are we cost effective?

If we are going down that track, we expect to be fully cost effective. In using computers, we are well aware of the problems that might arise and we will ensure that everything is right. I am sure that in the next year, when the Auditor-General reports on the further development of our computerised information system, he will give a status report and make no untoward comment about the department. It is cost effective. Mr Little, our expert on computerised information, will give additional information.

Mr Little: The proposals to be implemented this year for taking our computerisation to the next stage have been carefully costed. All developments in the computing area of our department have been individually costed and we are required to take all our proposals to the Government Management Board's Information Technology Unit for its support before we buy new equipment.

We have prepared a five-year information management strategic plan, which has been submitted to, and favourably commented on by, the board. We have provided the Auditor-General with copies of our plans. We must bear in mind that our total management information system runs on the Cyber computer at the Government Computing Centre, and it is to be phased out in a couple of years. Even if we were not taking the right management step to improve our systems internally, we would be forced to do something about them in the next couple of years because of the likelihood that the present equipment would no longer be available to us.

We are going for the latest technology in equipment. It is cost effective and is giving us the ability to progressively network all our offices together so that we can provide up to date and up to the minute information to all our operating areas—something that is not presently available from the old technology MIS system currently in use. It is 10 to 15 years old and well behind in technology. Over the past

two or three years our MIS system has been the subject of comment from the Auditor-General, and the plan developed over the past couple of years which we are now implementing is clearly the way we should go. It has been checked out at every point to prove that it will be a cost effective solution. It is not an expensive solution when compared with other solutions that could have been proposed.

Mr BECKER: How will the department achieve an increase in maintenance funding and distribute in accordance with needs in view of the proposed funding from recurrent expenditure of \$28.1 million compared to \$34.5 million actual expenditure in 1987-88? I refer to pages 307 and 317 of the Budget Estimates 1988-89 specific targets. In referring to \$28.1 million I am concerned that the cost of property maintenance services for primary and secondary school buildings has gone from an actual 1987-88 figure of \$16.3 million to a proposed \$11.4 million for 1988-89.

The Hon. T.H. Hemmings: I can assure the member for Hanson and the Committee that there is not a big reduction in maintenance funding. An amount of \$5.55 million was transferred from this department's property maintenance service program to the Education Department's own line. It will enable it to have a greater say and be more accountable for the way the money is spent on maintenance and asset replacement work. This resulted from discussions with Sacon and Treasury, which will establish a special fund for the management of maintenance and asset replacement works on Education Department school buildings.

The priority in spending will be directed towards reducing the backlog in general and preventive maintenance—for example, like repainting to reduce the level of expenditure on repetitive works of repair, rehabilitative maintenance and minor upgrading works to bring school buildings up to a standard for the length of their useful life. I can assure the Committee that there has been no reduction. There has been a transfer of \$5.5 million from the property maintenance services program over to the Education Department. It can be argued that it will be better targeting of funds by the Education Department and Sacon on school maintenance. I ask Mr Nichols to comment.

Mr Nichols: The idea is to get away from the problems that existed when minor works were in the loan bucket controlled by the Education Department, when minor works funds were in that loan bucket of money and maintenance funds were in our bucket of money. It is much more sensible to put all that money into one lump and then assess the true priorities for works that are required to be done to all our schools, rather than saying that a school badly needs maintenance, and although there is no money in its bucket there are loan funds and we could build an addition to that school that might need maintenance. It is an attempt to get all the money together and look at the true priorities in each asset. That is the rationale behind the shift in funds to get all the minor works and maintenance funds into one bucket for the Education Department rather than keeping them in separate buckets.

Mr BECKER: You will still be doing the maintenance?

Mr Nichols: Yes, and we will be assessing the priorities in conjunction with the client department.

The Hon. T.H. Hemmings: It will be better accountability.

Mr BECKER: How many Government buildings have been identified to contain asbestos? What action will be and is being taken to remove asbestos?

The Hon. T.H. Hemmings: We have not a complete list of Government buildings containing asbestos as part of our asbestos removal program. The Committee will be aware of outlandish statements made by the South Australian Institute of Teachers about 18 months or two years ago in

one of its journals or in the *Advertiser* in respect of the claim that every school building in South Australia contained asbestos. When we tried to clarify that information from the institute, it could not substantiate those claims. If people are not aware of what is and is not dangerous in relation to asbestos we can have these rather sweeping statements.

Projects completed in 1987-88 included the Croydon TAFE College at Kilkenny (second floor classrooms), Port Lincoln Hospital (operating theatre), South Australian Government Travel Centre, and various minor works. Projects proposed for 1988-89 include the Croydon TAFE College at Kilkenny (first floor classrooms and ground floor), the Port Augusta Hospital (main building and vertical service ducts), the east wing of the Royal Adelaide Hospital (depending on funding), and various minor works.

The expenditure for 1987-88 was \$674 214 and the proposed expenditure for 1988-89 is \$600 000. On top of that amount, when in undertaking major refurbishing or renovation of a Government department we find that asbestos needs to be removed in line with the strict guidelines laid down by the Government, we will provide funding as a result of discussions with Treasury to remove that asbestos. So, we will be in a situation of not working around asbestos if we find it because it has not funded in the 1988-89 program. In relation to how many Government buildings there are, that is virtually impossible to answer, even on notice.

The Hon. R.K. ABBOTT: Does the Minister consider that the money spent on the introduction of a no-smoking policy in Sacon is justified?

The Hon. T.H. Hemmings: The short answer is 'Yes'. The introduction of the no-smoking policy in Sacon has, in the main, been well received by employees. What is policy for employees in Wakefield House should also affect me, and with all due modesty I can say that I have made my sacrifice. I have given up smoking and I feel much better for it. I hope that the member for Hanson will publicly support what my department is trying to do. All employers have a responsibility under the Occupational Health, Safety and Welfare Act (and all Parties debated this when it was before the Parliament), and Government agencies have a further responsibility under the Government Management and Employment Act to provide and maintain a safe and healthy work environment for employees.

I am a confirmed non-smoker now of 9½ days standing. An increasing body of medical evidence indicates that tobacco usage, particularly the smoking of cigarettes, can be injurious to health. There is also increasing concern that passive smoking will result in workers compensation claims flowing from the out-of-court settlement of \$65 000 in Victoria in July 1988. It was strange that the day I received some positive publicity about giving up smoking an article appeared in the *News* on 13 September 1988 by Dr Chris Steele, a leading British researcher, who, when he addressed the Pharmaceutical Society, claimed that people who smoke at work waste about half an hour a day on the habit.

The view of my department, which I endorse completely, is that any cost in implementing the no-smoking policy in Sacon is a sound investment. It is interesting to note that we have received inquiries in relation to our policy and support material from a number of other Government agencies and from the private sector. Maybe my giving up smoking has been reflected in the number of submissions I have been able to get through Cabinet; I think it has increased because I do not smoke!

The Hon. R.K. ABBOTT: I refer to page 314 of the Program Estimates. As the Minister has given up smoking,

is this likely to speed up the implementation of a computer-based system for cemetery records?

The Hon. T.H. Hemmings: This is a part of the ongoing efficiency measures that have been implemented by the department to in effect streamline and make available all those areas which are under our control so that we can provide a better service for the community when the need arises.

Mr S.G. EVANS: My question relates to the photocopiers that have been and are being made available to electorate offices. What method was used to establish the roster? Are arrangements being made to use the machines fully by the addition of a supply of paper, colour cartridges, and the extra equipment needed for colour, if not by the department then by a member who may wish to obtain the extra equipment? In the normal circumstances that member would be liable for sales tax and other Federal Government expense whereas, if the equipment could be bought through a Government department or leased, it could still be used for public purposes and the member could pick up the cost. When the present replacement program is completed, all members will have photocopiers. I have mine already.

The Hon. T.H. Hemmings: The reason why photocopiers are being replaced is obviously that the usefulness and cost of servicing the old machines are such that it is easier to replace them. There is an ongoing program in our minor works allocation to replace those machines. I assure the member for Davenport and other members of the Committee that I am the epitome of fairness, equity, justice, modesty, and the Australian way of life and no member of Parliament would get a replacement machine for an electorate office if that member did not deserve one.

The machines being replaced at an estimated total cost of \$62 000 are those machines at present ending their useful life. Some machines have already been replaced under this present allocation and some are still waiting to be replaced. I am pleased that the member for Davenport has already received his machine, because that proves my fairness, as my office does not yet have a new photocopier but only an old one that groans its way as it knocks out the occasional copy.

We intend to replace the photocopier used by the Labor Party, the Australian Democrats and the Leader of the Opposition in the Legislative Council, as well as those in the electorate offices of the members of the following districts: Murray-Mallee, Unley, Hanson, Bright, Albert Park, Mitcham, Davenport, Morphett, Napier, Ross Smith, Semaphore, Heysen, Coles, Goyder, and Newland.

Individual members have suggested that old machines that are being replaced be kept on the premises at the cost of the member and be used as back-up machines. We have a request from the Leader of the Opposition in the Legislative Council that he be permitted to continue to use the machine that is being replaced, and I have given him approval on the understanding that all maintenance and repair costs shall be met by him. Also, the member for Murray-Mallee has offered to meet the cost of upkeep of his old machine and I have agreed to that on the grounds that he meet all maintenance and repair costs.

I have also made an offer to other members who wish to take advantage of such a procedure, but I have yet to hear from them. Regarding the provision of additional services, such as colour and collating, I was disappointed when the Australian Democrats, after writing one sentence in a letter thanking me for their new machine, started to put the hard word on me for increased collating facilities and colour coding. However, those improvements cost money. I do not wish to incur the displeasure of the member for Davenport.

Mr S.G. EVANS: I am suggesting a leasing arrangement.

The Hon. T.H. Hemmings: Quite a generous electorate allowance is made to members of Parliament. Some members use it for the provision of computers while others have provided themselves with fax machines. All I can suggest is that, until there is a demonstrated need which is recognised by Cabinet that these collaters and colour coders should be provided throughout the system, members should take advantage of their electorate allowance to provide those facilities.

Mr BECKER: What was the estimated cost of converting the lavatories in Parliament House into offices and new toilets? What is the estimated completion cost? What is the reason for the delay in completing the project?

The Hon. T.H. Hemmings: I was not surprised when this question was raised some time ago in the Legislative Council and I have been anxiously waiting for it to be asked in Question Time in the House of Assembly, when I will have quite a time explaining to members exactly what is happening. Some of the honourable member's colleagues in the Upper House objected right from the start that their toilet facilities were to be converted into additional office space. Let's face it, the Legislative Council is the last bastion of male supremacy in Australia if not in the world! The Hon. Murray Hill objected to his ballroom size toilet being used as an office. Indeed, at every turn, Opposition members have complained that it is all wrong, that it has cost far too much and that it will not be completed on time.

The estimated total cost of the two projects is \$210 000, which is slightly in excess of the estimated and approved amount of \$204 000. People who are not familiar with the building industry do not understand that, if two projects on the one asset, such as Parliament House, are run together, savings can be achieved by using common trade packages and ordering materials simultaneously. In doing that, a time lag may be created between projects. The honourable member will recall that one project concerned the library and the other was the toilets, and while they were separate jobs they were worked on simultaneously. That is what has confused our colleagues in the other place. I assure the honourable member that it will be a job of which everyone can be proud. The increase in cost is primarily because these are heritage projects.

When dealing with heritage items—and I am talking of the whole building, including the thickness of the walls—there can be an increase in the cost for which one cannot be responsible. When one recalls that the estimated cost was \$204 000 out of a total cost of \$210 000, it is money well spent. It will satisfy some of our overworked colleagues and give them additional office space. If it means that one has to stand at a urinal that is half the original ballroom size, that is one of the sacrifices that one has to make.

Mr BECKER: What was the net cost of operating West Terrace Cemetery for the financial year ended 30 June 1988, and what is being done to reduce operating losses? Page 305 of the Program Estimates indicates a loss of \$385 000 for 1988-89. It appears to me that there was a loss in 1987-88 of \$372 000.

The Hon. T.H. Hemmings: The West Terrace Cemetery always takes up some time in Estimates, and it should, because it is the most important historical asset in this State. In fact, the conservation study that was recently carried out in West Terrace shows that we have a heritage asset that is still being used. We have had many discussions

with people (such as the member for Hanson) who have relatives buried in West Terrace Cemetery, and they have responsibility themselves to maintain the graves of our forefathers who made this State a great place to live in.

To reduce costs, the fees for burials and associated activities at the cemetery were substantially increased in 1987, and charges are now reviewed annually. The other efficiency measures that we are undertaking in line with the conservation study include better ways in which we can use the maintenance work force. The member for Spence made a point about computer information tending to reduce costs. Basically, the increase in fees will keep the costs down, but we are well aware of the significance of the West Terrace Cemetery.

Mr BECKER: How many inquiries, in particular for genealogical information, were received from the public at the West Terrace Cemetery in the past financial year, and how does this number compare with the previous year? I note from the Program Estimates that the number of inquiries from the public has increased. The comment has been made that a considerable number of inquiries from the public, from people researching their family trees, etc., are made to staff members. Page 314 of the Program Estimates makes the following observation:

The level of information sought from the West Terrace Cemetery management by the general public in tracing their genealogy is increasing each year.

The Hon. T.H. Hemmings: I shall take that question on notice and provide the information later.

Mr BECKER: How much money was spent on refurbishing the fifth floor of Wakefield House? Why was it necessary to upgrade that part of the building?

The Hon. T.H. Hemmings: Details of the actual cost can be provided for the honourable member. In marketing an efficient organisation—and I think the indications are that Sacon is an efficient organisation—one must ensure that the moment someone steps out of a lift they know that they are in an organisation that means business. Therefore, money was spent in the reception area and the conference rooms—the main areas where other Government departments and the private sector meet with the directors of the Department of Housing and Construction. Steps were taken to ensure that those areas reflected the expertise and efficiency for which we are quite renowned.

Mr Nichols: The area needed refurbishment; the carpet was packing up in a number of areas. Also, we were in the process of saving on one member of staff on that floor in a general reception area and, accordingly, we had to do some shuffling around to cope with that.

The Hon. T.H. Hemmings: One final comment: earlier in the examination of the Department of Housing and Construction vote, in response to a question from the member for Bright about employment figures pertaining to the building industry, we were overly enthusiastic in referring to some 64 000 jobs. However, on checking that, we have found that, in relation to the capital works amount of \$163 million, which is going into housing this year, the estimate is that about 9 000 jobs will be created per year.

The CHAIRMAN: There being no further questions, I declare the examination of the vote completed.

ADJOURNMENT

At 9.58 p.m. the Committee adjourned until Thursday 22 September at 11 a.m.