

## HOUSE OF ASSEMBLY

Thursday 26 September 1991

## ESTIMATES COMMITTEE A

**Chairman:**

Mr M.J. Evans

**Members:**

Mr H. Becker  
 Mr M.K. Brindal  
 Mr K.C. Hamilton  
 Mr V.S. Heron  
 Mr J.K.G. Oswald  
 Mr J.A. Quirke

*The Committee met at 11 a.m.*

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Recreation and Sport, \$7 547 000

Works and services—Department of Recreation and Sport, \$15 351 000

**Witness:**

The Hon. M.K. Mayes, Minister of Recreation and Sport.

**Departmental Advisers:**

Mr P. Young, Acting Chief Executive Officer, Department of Recreation and Sport.  
 Mr R. Moyle, Manager, Finance and Administration.  
 Mr G. Forbes, Director, Corporate Services.  
 Mr B. Smith, General Manager, Totalizator Agency Board.  
 Mr D. Harvey, Director, Racing Division.  
 Mr M. Nunan, Director, SA Sports Institute.

**The CHAIRMAN:** I declare the proposed expenditure open for examination. Does the Minister wish to make a statement?

**The Hon. M.K. Mayes:** The Department of Recreation and Sport continues to play a strong role in the development of sport and recreation opportunities for South Australians, both at the elite level through the Sports Institute and at mass participation level through the support of the Recreation Institute and through the planning and development of facilities.

Despite current financial restrictions the department has provided, and will continue to provide, excellent value for money to the taxpayers of South Australia through its strategic and well-planned delivery of service. The department has achieved many successes during 1990-91. In August 1990, Adelaide was awarded the rights to bid internationally for the hosting of the 1998 Commonwealth Games.

The games have the potential to give South Australia an economic boost. While the actual budget for the games is planned on a break-even basis, the Centre for Economic Studies has forecast the State would reap in an additional \$45 million in associated activity and, of course, it is difficult to measure the value of international publicity. However, looking at Brisbane's experience it is easy to see the long-term benefits, particularly in tourism, which have emerged since it hosted the games in 1982.

People who had an experience of Brisbane prior to 1982 and post 1982 would endorse the impact that the games had on that city. People such as the former Managing Director of the *Advertiser* strongly endorse that because he

was an editor in Brisbane at that time. He supported that bid, and he has been in Adelaide supporting our bid.

For 12 months Adelaide's outstanding qualities have been on show to the voting delegates of Commonwealth countries. The General Assembly of the Commonwealth Games Federation will meet in Barcelona just prior to the Olympics to announce the successful host city. That will be on 23 July next year. One of the department's current major projects that is associated with the Commonwealth Games bid is the construction of a \$13.45 million velodrome. It is the last of the sporting facilities needed to host the games. We are hoping to have the velodrome completed by the middle of next year.

The velodrome will be the finest cycling structure in Australia. It will incorporate a 250-metre covered timber track, seating facilities and office space. The Australian Institute of Sport, Cycling Division, is looking forward to making the velodrome its new headquarters, but this will not preclude the facility from other cyclists. The velodrome will also be capable of hosting other sporting activities such as netball, table tennis, volleyball and indoor soccer and tennis in the central arena.

The department has also supported a number of other development projects during the year, including the upgrading of the Hindmarsh Soccer Stadium and establishing a multi-sport regional complex at Brighton.

Other major highlights for the Department of Recreation and Sport include the staging of the 1991 world men's open squash championships. Not only was it the first event at Adelaide's new Entertainment Centre, it attracted much public attention, thanks to the high standard of competition and, indeed, the upset defeat of these top seeds in the finals.

The Racing Division has continued its solid performance. The SA TAB produced a record turnover—a fine result in light of the prevailing economic climate. This year it returned a record \$402 279 355 to punters. Improvements such as the new equine swimming pool at Morphettville will improve the training of horses, and, in turn, the quality of racing.

An important development was the implementation of the junior sports policy. The policy aims to give children a strong grounding in basic sport skills, without exposing them to levels of competition beyond their capabilities and subsequent injury and burnout. Studies have shown a dramatic drop-out rate when children reach the ages of 15 and 16. The benefits of this policy will be not in one or two years, but in 10 or 15 years, when we see the drop-out rate decrease. I commend the department for its initiative in this area. The junior sports policy has become a benchmark for Australia. And we are seeing similar policies being considered in other States.

There has been some concern expressed in the community that the implementation of the policy has in some cases not provided adequate flexibility. I have instructed the department that this policy should be introduced and phased in carefully and with sensitivity and should cater for the special circumstances that inevitably arise. I stress that we are working with the sporting community to introduce this policy on the terms and at the pace determined by sport. It is an educative process rather than a legislative one.

State sporting and recreation associations continue to receive the necessary support to ensure their programs operate effectively. In the planning area the department has initiated steps toward a supplementary development plan process, which will ensure adequate land and facilities for recreation and sport are allocated in new development areas. This is significant in that South Australia is the first State in Australia to introduce such steps.

Overall, the Department of Recreation and Sport is facing the same financial constraints as other Government departments, and the coming year will be one of the 'belt tightening' and careful examination of funds for maximum benefit. Ongoing administrative rationalisation in a number of areas is ensuring that the department is cost-effective in delivering service to the recreation and sport communities. Effective and thorough community consultation is ensuring that our service is appropriate to the needs of the communities.

**Mr OSWALD:** I compliment the Minister and his team involved in the bid for the Commonwealth Games. All of us are observing from the sidelines and have our fingers crossed and are convinced of the genuine effort being put in, and we wish the bid well. The bid committee was set up as a bipartisan committee. The Opposition is represented on it by Mr Becker and I know he too is working diligently. It is appropriate at this stage, before we learn whether we have won or lost the bid, that those involved know that we are 100 per cent behind them and that we believe everyone on the committee is doing everything possible to ensure the success of the bid for the 1998 games. We congratulate you, Minister, on your efforts so far.

In both the 1985 and the 1989 election campaigns the Premier and the Minister of Recreation and Sport made positive commitments to build an international baseball complex in Adelaide. Last season we saw a 64 per cent increase in attendances, which fully taxed the capacity of Norwood Oval, we have the highly successful T-ball coaching program that is adding to the number of players and spectators; and responses to past approaches to host overseas professional teams from countries such as America and Japan have had to be rejected and diverted to other States. It has also been put to me by the Clipsal Giants that unless they have an international facility by the 1993-94 season, they will lose their licence under the licence agreement of the Australian Baseball League.

As there is no allocation in the 1991-92 budget, when does the Government intend to honour its 1985 and 1989 election promises to build an international baseball complex in Adelaide, which is so essential to prevent the licence of the A grade Clipsal Giants being lost to Western Australia?

**The Hon. M.K. Mayes:** In relation to baseball, I accept at face value what the honourable member said with regard to commitments. Unfortunately, because of the financial constraints that we have had to suffer as a consequence of Federal Government cuts in funding in our own revenue for the past year, we are unable to commit any large capital sums to baseball in this program. In fact, I have written to the Baseball Association explaining our position.

I understand its difficulty and its enthusiasm for establishing an international facility in South Australia, but the situation is difficult from the point of view of the Government. On the information that I have, I believe the preferred location for a headquarters is Norwood Oval. I think that is what baseball would prefer. Historically, Norwood Oval has been the home for first-class baseball in this State, and it has been a successful home for it. The problems with that particular site relate basically to the lease arrangements and the competing needs of other sports for the use of that facility. The department is working with the Baseball Association on the possibility of providing an additional 2 000 seats for the 1991-92 season to alleviate the crowd problem that existed last season when the team that was playing in the National League was very successful. This cost could be about \$45 000 to the Government. The expected expenditure to assist baseball in the coming year to maintain Norwood Oval is about \$75 000, which has been allocated

to maintain the sport. We have been aware of baseball's concern that it will lose its national licence facility if it is not given a facility up to international standard.

To some extent perhaps the days of sports expecting the Government to come to the party with all funds are past because of constraints on the budget and demands in other areas where the community sees a higher priority—for example, law and order, health and education—where there is an increasing demand at least to maintain services. Those areas are critical to the economic survival and well-being of the community, whereas there is some degree of marginality in terms of Governments being able to commit funds to improving sporting facilities to an international standard. If we are providing basic facilities for regional and local sport through the community, there is always some question about whether the Government should provide total funding to these elite level activities.

I think that question has to be put in context. For example, basketball has really pulled itself up in the past 10 years by its own efforts, and its success has been outstanding. It is an example at which many sports, including baseball, could look to ascertain how to achieve a first-class elite facility with their own efforts. To a large extent, basketball has achieved this through its own leadership and initiative. We have to say to many of the sports that want to establish national leagues that basketball is the model to follow. There is no question but that it has committed itself to building the new BASA stadium in Beverley. It is almost complete, and the association expects to be in it by at least the end of the year for preliminary activities. Certainly it will be open for the new season next year.

Looking at what has been done in basketball there is a message in it not only for baseball, but for netball and all the sports which have enormous backing. For example, we estimate that there are about 75 000 registered netball players in various associations throughout the State. In total in Australia there are about 700 000 to 800 000 registered players. Looking at that as a base and considering the numbers of people associated with netball—for example, immediate families—we are talking about 200 000 people. That is an enormous base on which to build a sport, yet we cannot seem to get our act together to get a significant stadium facility for netball.

That partly relates to the problem of the location at Edwards Park. However, the message is that sport has to do more to help itself. Sport cannot expect government in these current times to find all of the funds to assist it. The same applies to baseball, which has a large and growing support within the community. It should be able to draw on its support as basketball has done. Basketball—and proudly so—wants to own its own patch of dirt, it wants its own flag flying from its own flagpole. To basketball's credit, it has achieved that 100 per cent based on its own efforts, and we will have to talk to baseball along those lines.

There are financial constraints, and I cannot see any short-term solutions to the situation. We are providing significant support to maintain Norwood Oval. We went through and provided an upgrading of the whole diamond and pitch area to bring it up to national standard. We provided additional support for the lease arrangements at Norwood Oval. Indeed, we have given a commitment to support baseball and maintain it, but I wonder how much of the issue about losing the licence is rhetoric because, having looked at two interstate facilities, from my point of view Norwood Oval offers significantly better facilities for spectators, even though people complain that spectator facilities at Norwood Oval are not up to scratch.

Perhaps it is the rotation of the diamond that is needed, and that is being addressed for next season and it will improve spectator sighting. I hope we can address this issue more as a joint effort between baseball and the Government in the not too distant future. If funds return to the budget through revenue and Federal funding, we might be able to address this issue of an international standard stadium.

One has only to look at basketball's growth in popularity from being a minor sport to now capturing a significant part of the spectator market. In fact, I point out that, within three days of season tickets going on sale, 3 500 of the 7 700 seats at the new BASA stadium were sold. Further, 62 corporate boxes, each with capacity for 10 people, have also been sold. That is an outstanding marketing achievement. I do not think there has been such a success in terms of this current economic environment, especially when one looks at the risk involved. There is a message there for other sports and, as I have said nationally and at sporting functions, basketball is the light on the hill and as a community we should look at how it achieved its success so that we can do it in other sports in the future.

**The CHAIRMAN:** I ask the Minister to bear in mind the time when replying to questions because only one day is available.

**Mr OSWALD:** Only half a day is available in regard to recreation and sport. Why does Athletics SA have to stand up and fight for its headquarters alone, with no visible support from the State Government?

**The Hon. M.K. Mayes:** This matter is before the courts and I have taken advice on it from Crown Law. I have been advised not to comment about the current legal situation. Members will appreciate that I have a strong sympathy for the position of Athletics SA. That is probably as far as I can go now, because the current legal situation is that the trust deed is being examined by the court. We expect a decision some time in the near future. The Attorney has a responsibility to represent the trustees under the structure of the law, and the parties concerned obviously have standing. I do not think I can comment further—not because of a lack of willingness on my part to comment but rather because of advice that it would be totally inappropriate for me to do so.

**Mr OSWALD:** Supplementary to that, I referred to 'visible support'. There are two questions involved. I raised a question in the House with the Minister, as the former CEO had made commitments which were to be guided by the council, in other words, if the Burnside council decided to sell, the Government would adopt the policy of the council. We are asking for the Government to give some visible support to Athletics SA. It seems that it is not a legal question of what is going on in the courts but a matter of the Government making a decision to show some public support for Athletics SA as against its decision to support the council.

As the council seems to be resolved to going down the track of selling the stadium, I do not think that the Minister could excuse Athletics SA for feeling that he is strongly on the side of the council and is using legal argument as a means of not involving himself in the public debate. Athletics SA is looking for visible support that the Government recognises the big investment that Federal and State Governments, as well as Athletics SA itself, have made in the arena, and that the Government would like to see Athletics SA stay there.

**The Hon. M.K. Mayes:** I would like to answer the honourable member's question. I am not hiding behind a legal curtain. I am tempted to respond, but my strong advice from Crown Law is that I should not. However, I am more

than happy to provide a private briefing. I suggest that the honourable member speak to Athletics SA to ascertain what offers of support I have made as Minister to it in its situation. I have been advised strongly not to make any public comment in the current environment. Once the matter is settled by the court, I will be more than happy to make public comment on the Government's position, depending on the court decision. Certainly, I will do so most freely. To read that my silence on this matter is tacit support for the council or a lack of support for Athletics SA is incorrect, and I totally reject that. I am stepping into an area into which I am advised I should not step at this time.

It is not for lack of wanting to make comment, as I am always prepared to comment I have strong personal views as the Minister on this issue. However, I will keep them to myself for the moment but, when the appropriate time comes, I will respond with some degree of vigour on this issue. I appreciate the honourable member's concerns about the investment being made by both State and Federal Governments in this asset. I have a personal view on the facility and its location, and as Minister I have attended events held there and even on occasions prior to becoming Minister I attended as an interested spectator. It is a superb facility and a wonderful location for athletics.

**Mr OSWALD:** The problem is that the Minister's CEO made the statement and the commitment, not the Minister, but the Minister is locked into a perception created by the CEO, George Beltchev, that the Government would back the council. It may not be the policy of the Minister and I await with interest his statements down the track. I respect the position the Minister is in. However, I will accept his offer of a private briefing.

Still on the subject of Athletics SA, I am advised that George Beltchev and David MacFarlane told the board of Athletics SA that, if the Commonwealth Games were staged here, the warm-up track adjacent to Football Park would become available to it after the games. It has been reported to me by a couple of board members that they were told that 'athletics would have a second track in the western suburbs'. The clear inference is that the warm-up track would become the future home of Athletics SA if it lost the Olympic Sports Field. I think it has been generally accepted amongst athletics that that could become the final scenario, but it is certainly not the scenario as far as the SANFL is concerned.

Can Athletics SA expect to take over the warm-up track after the Commonwealth Games, assuming that we are successful in attracting them, or will that track be removed, and is the option of Athletics SA having a home on that site in the western suburbs something on which we cannot really plan?

**The Hon. M.K. Mayes:** The local member will be consulted about that issue, of course. As a general statement, what Mr Beltchev and Mr MacFarlane have said is fair and reasonable, but it does not take on board the sensitivities of the situation. If we are successful in winning the Commonwealth Games, we will be required to install a warm-up track close to the Football Park facility. It is important that I give the background to provide a complete picture, because that statement could be taken out of context and mean more than it actually does mean in the context of the Commonwealth Games bid.

If we were successful, as the member for Hanson well knows, we would be looking at technology to bring in a track and field facility that would fit exactly into Football Park, which is an ideal venue for such a facility. As soon as the Grand Final finished in 1997, work would commence

to install the track and field facility, which would be located on the main oval. There would then be the need for underground security access to the warm-up track, which would be a full synthetic track facility. There is no doubt that the ideal situation would be to leave that track at West Lakes for the use of athletics in the western districts. The western districts has a strong athletics community with a number of key clubs and we want to continue to support them; so, the ideal situation would be to hand over that track to the western districts athletics community.

I am sure that whichever Party is in Government would be supportive of that facility. We would intend to move the athletics facility from the centre of Football Park. I am advised that technology is now available to remove and relocate most of that facility. Obviously, the undercarriage materials would be partly reusable depending on whether a concrete or asphalt base were used, but the synthetic materials would be relocatable. No-one has addressed where it should go or how it should be used. One could speculate and say that, if Athletics SA remains at the Kensington Olympic Sports Field, that track could provide a replacement for the existing facilities. That would be one option. This is venturing into an area into which I am careful not to go too far, but the community ought not assume that the location of a warm-up track in the western suburbs, which would be used by the western districts athletics community, would necessarily mean that we are assuming that the Olympic Sports Field would not be available for athletics in the eastern, southern and north-eastern regions. That would be a false assumption, because I certainly do not assume anything of the sort.

It may be that we can maintain two facilities for athletics: one in the east and one in the west. That matter could be dealt with on the basis of need. Where constant training and competition are occurring, the track would be under enormous physical and time pressure.

I want to clarify my position in relation to that attitude, which has been expressed by some members of the community, about where we might or might not be in 1998. If the warm-up track for the games facility is built at West Lakes I anticipate that there will have to be discussions with the SANFL about the future management of that track. Ideally, some arrangements could be made by discussion and negotiation with the SANFL to ensure that that facility was maintained and perhaps managed by the athletics association in the western districts. Obviously, if it is built on SANFL ground there needs to be discussion, negotiation and agreement with that body as to how it would be managed and used.

The general statement by Mr Beltchev and Mr MacFarlane is fair and reasonable. The detail of consultations with the SANFL has to be further expanded. It has a very large say as to what will happen and how it will happen, as would the council, the local member and other interested parties. Ideally, one would like to see it retained there for the use of athletics in the western suburbs.

**Mr OSWALD:** Was the position of Mr John Miller as Director of the South Australian Recreation Institute terminated when Mr Miller was dismissed? I am talking about the position that he held. Why has the role of the Recreation Institute been downgraded by not having a director for this length of time?

**The Hon. M.K. Mayes:** Mr Miller has been redeployed. I am advised that the process that exists within the Government Management and Employment Act is such that when one redeploys a person the position disappears. It does not mean that we have downgraded the role of the South Australian Recreation Institute. I understand how the

honourable member can draw that conclusion. Because of the economic constraints we are currently looking at the whole picture of the department. Some serious questions are being asked about our costs and the better delivery of our services.

That is part of what we are doing with the SARI exercise. Nothing has been finalised. I have a very strong commitment to maintaining recreation. Some excellent programs are being run by SARI, and will continue to be run. SARI will continue to provide an advisory board to the Minister and it will continue its functions.

Can we locate the facilities more economically? Can we implement efficiencies so that we can achieve the same result at less cost? The honourable member would very much appreciate that, as the taxpayer would. We have identified that there can be a delivery of the same service at less cost to the taxpayer, so as part of that process we should endeavour to implement all those measures to achieve efficiency.

There is no downgrading of the Recreation Institute. We are currently reviewing its overall physical location, and the delivery of service as part of maintaining the Recreation Institute. It has been in never-never land recently because we have been going through that process, and that is taking some time, but I can assure the recreation community that there is no downgrading of the role of SARI. In essence, SARI was my creation and I want it continued.

**Mr OSWALD:** I will give the Minister a chance to rephrase his answer. He said that Mr Miller was redeployed. I do not know whether he is being misadvised. I would never think to accuse the Minister of misleading the Committee because he answered on advice, but I know, as does the Minister, his officers, and everyone else in the recreation industry, that George Beltchev sacked the man.

I went to visit him to be briefed on the department and was greeted by Mr Nunan, who said that the man had been redeployed. That is the official reply. In fact, the world knows that he was sacked. Anyone who went to him publicly would say the same thing. There is a big difference between redeploying and sacking a man. Would the Minister like to reword his answer? Will the Minister provide the Committee with the number of present staff who have qualifications in recreation, physical or sports studies? Will he provide a resumé of the qualifications and duties of all staff in the institute? That can be taken on notice: I do not expect it now.

**The Hon. M.K. Mayes:** I take issue with the honourable member; having worked in the Industrial Court for 15 years, I know the definition of 'sacked', and I can refer the honourable member to a number of eminent decisions of the court. Mr Miller has not been sacked; he has been redeployed. There is a difference. Yes, he is not in his position, but 'sacked' means that he has gone, that he is no longer an employee, that there is no longer any employer-employee relationship. There is an employer-employee relationship with Mr Miller. He is still on the payroll. He is not in the position of Director of SARI—conceded, agreed. He has been redeployed.

**Mr OSWALD:** He has been sacked. The Minister and I both know that George Beltchev sacked the man from his position.

**The Hon. M.K. Mayes:** Is this a supplementary question or a debate? He is no longer in the position of Director of SARI. He has been redeployed from that position. In its accurate interpretation the terminology that the honourable member wishes to apply is not correct because he has been redeployed and he is still within the payroll of the department.

**Mr HAMILTON:** Before I ask a question in relation to our bid for the Commonwealth Games, I add my congratulations to the Minister, the member for Hanson and all the team on pursuing our bid for the games. I also lend my qualified support to the warm-up track being permanent, subject to the agreement of my constituents in that area. I am well aware, as is the Minister, particularly with the lighting of Football Park some years ago, that the residents in West Lakes are very conscious of and believe very strongly in the need to be consulted in matters that will impact on them, and properly so.

The reason that I raise this is that, if that warm-up track is to be provided on the adjacent oval, it might impact adversely on the parking facilities for football matches, for example. That is an important and critical issue because I am aware of the hostility that has been generated by that minority of football patrons at AFL matches who have parked anywhere, including in or across people's driveways. So the parking issue is critical to my constituents in that area, and I ask the Minister to take note of that, although that is no criticism of him. Will the Minister inform the Committee of the long-term benefits to South Australia of staging a bid for the 1998 Commonwealth Games and, if successful, of hosting the games?

**The Hon. M.K. Mayes:** I refer to the question about details of qualifications of employees at the South Australian Recreation Institute asked by the member for Morphett. I did not respond to that question—we tended to move on. I would be happy to provide that information to the honourable member. However, there is a degree of privacy and individual rights involved. I do not particularly want to put on the record all of the private information unless those involved are in full agreement. If it is acceptable to the Committee, I am prepared to provide that information privately.

**The CHAIRMAN:** I believe that will be an acceptable arrangement.

**The Hon. M.K. Mayes:** I thank the honourable member for his question about the Commonwealth Games. I also thank the Opposition for its support. In some ways politicians very often find that they see a broader picture than do other members of the community. Working with the member for Hanson and having the benefit of his 20-odd years experience in Parliament and in politics has helped us perhaps to understand some of the finer political points that we are encountering in this bid. I am sure that he would be more than happy to share that with the community and the Committee, as I know he has been when addressing various community and service clubs throughout the State.

It has been a very enlightening exercise. I think that at another time both the member for Hanson and I might share with the House and the community some of our concerns about the processes that are encountered in these bids—whether it be the Commonwealth Games bid or the Olympic Games bid. We have a democratic and accountable Parliament in a very honest community, in the sense that the community demands greater honesty from public officers than do most other countries that I have encountered in my travels around the world. We suffer some degree of disadvantage compared with some other countries. I know that the member for Hanson very strongly supports our determination to maintain a bid of integrity. That is very important from the point of view of our conscience and our accountable system, because our system is probably the best—even though Churchill made comments about its not being perfect, it is the best one I have seen.

Generally, it is obvious that the bid is becoming very political in the sense of the issues that we have to address. In my view—and I think this is taking a very objective view—having visited the main competitor, our city and our sporting facilities are the best on offer. I have heard from one of the members of the Canadian team involved in the bid for the 1994 games for Victoria, British Columbia, that if we had been bidding to host those games, we would have blown the other competitors out of the water because of the quality of the bid and the standard of facilities that we are offering.

There has been speculation in the media about whether Victoria will be able to host the games. I want to put that to death: it is purely media speculation. Obviously, there is some degree of acrimony from some of the countries that competed to host the 1994 games and there is no doubt that Victoria has a significant amount of work to do. In fact, we are probably more advanced in our bid for 1998 than Victoria is in its preparations to host the games in 1994. However, that must be put in the context that there is a very strong commitment from Canada to host the 1994 games, and I think it will move heaven and earth to get Victoria ready by 1994. I do not see any likelihood of the games being transferred to another country. The process would be convoluted, complex and almost politically impossible. Therefore, I think we will see the games hosted in Canada in 1994.

From a sporting point of view, I think our bid is head and shoulders above those of our competitors. Of course, the issue of a third world country hosting the games must be addressed. There is a very strong argument for that and I am sure members in this Chamber have a very strong sympathy with the view that it should be shared around. It is a very political question, it is a complex question to answer and it has very strong sympathy. I too sympathise very strongly with it. At a reception last Wednesday night in Cairo I spoke to the Minister for Sports and Youth from Namibia. The first question she addressed to me related to this issue. If one looks at it as a simple question, it is difficult to respond to given that England, Canada and Australia have been the main hosts of the Commonwealth and Empire Games since their inception—of course, we are now talking about the 16th games. So, that is a very key issue to the whole question of which city should be the host for 1998.

CHOGM will deal with this issue in the coming month. A working party dealing with the achievement of sporting results for developing countries has suggested that such results are best achieved through the process of development of sport rather than through festivals of games. The best sporting success for developing countries is achieved through development programs such as Aussie Sport, sports institutes and so on. Yesterday I had the opportunity to speak with the Barbados Minister, the Hon. Wes Hall—the famous test cricketer—who is committed to establishing a sports institute in his country, as he sees that as the best way to develop sport. That is the very clear answer. For developing countries the answer is to develop sports programs rather than go through the process of a festival of sport.

I have mentioned the benefits to Adelaide. From the point of view of Government and Opposition, there is no doubt that we see tourism, economic and sports benefits flowing directly to our community from a successful bid. Even this process as it stands at the moment brings with it a reputation and a focus on our city that has not been there previously. More and more people now know of Adelaide, where it is, and what it is about. They know more about our city than they did 12 months ago when we started this process.

We are keeping the budget for our bid to a shoestring. If one looks at what Brisbane put up in the first round of its bid—it spent nearly \$5.5 million—one will see that our commitment of \$1.5 million is very tight. For that reason, people are being asked to stretch their capacity, but it is an exercise that will bring out the best in a lot of people in achieving the promotion of our city.

**Mr HAMILTON:** I have noted over a number of years that various marathons are run through Adelaide. I will not single them out. On many occasions the walkers—in whom I have some interest—leave the starting line about an hour before the joggers, and joggers and walkers are mixed up. Some people think that is a good thing and others do not. Those whom I know are very keen, particularly in race walking, have recently offered criticism that people who compete in these marathons are half jogging and half running.

At the end of the marathon, the walk or the run, the times reflected at the finish line, particularly for those walkers-cum-joggers-cum-walkers, are not fair to the general competitor. That leads me, in a somewhat convoluted way, to the question that I want to ask. Is the Minister aware of the Dutch walkathons—I understand they extend over four or five days and are of about 50 km per day—which attract tens of thousands of people in that country? If the Minister is not aware—I am not being smart about it—I suggest that the next time he or one of his officers is over there the Dutch scheme should be looked at.

I think there is a greater recognition, particularly in the community, that walking is one of the best pursuits for many people rather than injuring themselves by doing a lot of jogging. That may or may not be the case, but I think it is important that we address this issue. The other part of my question is that walking and the environment are popular topics. Therefore, will the Minister outline the department's achievements in this area in 1990-91, and will he address the previous part of my question?

**The Hon. M.K. Mayes:** I will take it as a supplementary and an initial primary question. I am not quite sure about the thrust of the honourable member's complaint as to how marathons-cum-walkathons are conducted. Is the honourable member suggesting that it is unfair to walkers given the times and the environment in which the competition is assessed; that is, it is addressed to joggers or runners?

**Mr HAMILTON:** I am saying that there are those who profess to walk the distance in a very quick time, but in actual fact they are walking and jogging.

**The Hon. M.K. Mayes:** I guessed that the honourable member was alluding to that. I think that he is suggesting there should be a dedicated walking marathon. In a not totally competitive environment, which may be regarded as one of those recreational activities where people are encouraged to go out, some people may take the opportunity not to abide by the traditional rules. I experienced that with the recent Qantas marathon program. I noticed, when I went to do my five kilometres along the Anzac Highway, members of the Liberal Party were on the way an hour earlier. I twigged to that the year before as well. They had an hour's start on us and it is difficult to catch up an hour. On a serious note, I appreciate the honourable member's point.

I am advised that the program is being looked at for a dedicated marathon or walkathon or a combination of those events to provide genuine walkers who participate at that level with an opportunity to do so. The Dutch model has been taken on board. It is being considered under the programs of the Recreation Institute. Given the honourable member's interest in that area—and I am not sure that we would use the route to Port Pirie as part of the program—

it may be that he will get certain credits for his efforts to date. I am sure that we shall be able to address the needs of the walking community. I agree that walking is an excellent outdoor activity. It does not attract the same injury levels as are incurred when preparing for a marathon, with perhaps a physio's bill as well. The exercise can cause injuries to the leg, the ankle, the muscular structure and the back.

With regard to recreation and walking trails, the recreational trails unit at the institute has achieved a number of things. We have developed 160 km of the Heysen Trail between Logan's Gap and Hughes Gap. A map covering the section between Newickie Creek and Logan's Gap has been published and work has commenced on the other maps covering these sections.

We have established 'Chapters' of the Friends of the Heysen Trail at Leigh Creek and Victor Harbor. A solid wooden bridge has been constructed over Cox's Creek in the Mount George Conservation Park as a further development of the section trail available to people with disabilities.

We have developed 189 km of the Mawson cycling trail between Adelaide and Marrabel and published a guide to that section. We have researched, designed and negotiated a further 200 km of the Mawson trail for the next map, Marrabel to Spalding. We have researched, designed and published the Torrens River Linear Park map. We have negotiated for the Spalding channels to be transferred from the E&WS to the Department of Recreation and Sport. The Channels Reserve will be developed as a linear park incorporating the Heysen and Mawson trails. We have investigated several disused railway reserves for possible recreational use. These include the Mount Pleasant to Charleston railway, Clare to Riverton railway and the Nuriootpa to Lynndoch railway.

We have carried out a feasibility study on horse riding trails in the Mount Lofty Ranges and developed Freeman's Hut near Wirra Wirra Peakes. This was commissioned for use on 25 August. That is also part of the primitive trail huts which are being provided as information for trail walkers. As I have said in the past, this is important. We have an enormous facility which other countries do not enjoy and we attract international walkers to these trails. Hopefully, the Heysen and Mawson trails will give walkers and cyclists enjoyment. Indeed, mountain bike-riding has become a very popular activity.

We have also arranged to transfer Mount Bryan East School ownership from the National Trust to the Department of Recreation and Sport. This area will be used as a camping and hut site for future activities. We have also acted as consultants for the Heysen Trail segment of the ABC television *Holiday* program which some members may have enjoyed. The unit has had a fairly busy year and I think that it augurs well for what we see as important outdoor activities.

**Mr HAMILTON:** As a supplementary, the Minister will recall that last year he opened the Locomotion program at the Semaphore Surf Life Saving Club. What is the present situation with regard to the funding of Locomotion, what progress has been made and is that program still enjoying community support?

**The CHAIRMAN:** The length of replies is important. I ask the Minister to bear in mind that this has been asked as a supplementary question and to make his answer accordingly.

**The Hon. M.K. Mayes:** I will take that on board, Sir. The honourable member was present when we launched Locomotion into the community. There has been a good

deal of activity. Probably the most important aspect of Locomotion is that it is seen as a community network, not as an imposed program. The activities which have been initiated have come through assisted funding of \$75 000 from the Commonwealth. The network team acts basically as a catalyst, as was explained previously, to individuals, clubs, schools, councils and businesses based in the community area. The existing network programs during the financial year 1990-91 were piloted in two local government areas—Tea Tree Gully and Woodville. It is fair to say that both have contrasting socioeconomic and demographic compositions. Therefore, it is an interesting exercise to see how they are developing.

It is fair to say that we are still developing the programs. They have a foundation. If the funding was withdrawn, we would not see it collapse because there is the seeding catalytic aspect that is part of the Locomotion exercise. I am sure the honourable member would agree about the enthusiasm exhibited by the two key players and officers involved and this can only offer success to the program. Perhaps later in the financial year I will report to the House on the progress made. It is a little soon now to make a wild analysis of what has been achieved, but we will be able to provide a better profile later. We are planning a kit which will go out to the community and which will be available for distribution. It will be appropriate then to make a public statement about the success or otherwise of the program.

**Mr HAMILTON:** Can the Minister inform the Committee of the current situation about the replacement of the synthetic hockey and lacrosse pitch at the Pines Stadium, Gepps Cross? I have been involved with a hockey club for some time and club members have expressed interest about what progress has been made in this matter?

**The Hon. M.K. Mayes:** I made a public announcement to the House about the replacement of the synthetic grass hockey and lacrosse pitch at the Pines. Indeed, I have received a generous letter from the member for Mount Gambier, and perhaps I ought to touch upon the process embarked on because members of the Public Accounts Committee who are here today always like to see the proper processes being followed in any expenditure of taxpayers' funds. We invited expressions of interest from hockey associations throughout the State that would be interested in taking the old Supergrasse surface, which can accept competition up to national standard. I understand that, because of the way it was laid, the pile provides a cross shot activity. If one strikes from the eastern side, the ball goes into a sort of orbit; and, if one strikes from the other side, the ball seeks to bury itself in the pile.

The international assessors have said that the surface is not capable of accepting international standard hockey because the ball should run true rather than going into orbit or burying itself in the pile, which makes playing all the more difficult. Nevertheless, that surface is capable of league and national standard games. Having been put down at a cost of about \$800 000 and being only three years old, it would be a crying shame not to use the surface in the future.

One aspect of future use is the cost of servicing the surface. It is a water-based surface that requires constant watering, and any club that took the surface would require access to fairly cheap water. For a number of clubs it was not considered to be a viable proposition. Each year it costs about \$8 000 to \$9 000 to provide the water prior to playing. By definition, that excluded a number of country clubs. There was enthusiasm within the department to see the surface go to the country region to support country hockey. Some parts of the State are strong on hockey and we need

to provide them with a surface accepted for national and international standards.

The existing Pines surface is the same as the surface used in Sydney, which was the venue for the recent women's world championships. If we review the track record, the Supergrasse surface should have succeeded, but sadly it did not. That went against the advice received from hockey as well as advice suggesting that it would succeed at international level. We now plan to relocate the existing surface to the Mount Gambier league. The cost to us will be about \$40 000, and all the other costs of establishing it will be met by the Mount Gambier community, which will achieve a national standard facility. It will be to its benefit and to the benefit of hockey in this State. As the member for Mount Gambier indicated to me, he is delighted that this will happen.

The new surface for the Pines will be an approved International Hockey Federation surface for international hockey competition. Selective tenders for Astro Turf five and Poly Grasse will be sent out, and this is at the request of the South Australian Hockey Association. Hockey SA is saying that it wants to keep to a selective tender so that we are dealing with two recognised and reputable surfaces in order to provide the required surface for international standard hockey.

It is expected that tender documents will be distributed to two companies. They will go out next week and the closing date for the tenders will be 15 October. The earliest date that work could commence on the site is 18 November. Both members and Hockey SA will be interested in that. Obviously, there is close collaboration with Hockey SA because we have to keep to a minimum the disruption to the programs set for hockey and lacrosse at that facility.

Obviously, there will be some disruption. It depends on the performance of the South Australian Hockey team in the National Hockey League. An alternative date for work to commence on site is 1 December 1991. That gives a picture of the replacement process. The total cost is \$750 000, which includes ripping up the old surface and the relaying of the new surface. It is a cost that we did not want to incur. It is a cost that we have had to incur, and the cost is being shared 50:50 with Hockey SA.

**The CHAIRMAN:** I again draw the Minister's attention to the length of his answers. We have been sitting for one hour and 10 minutes and we have not completed the second round of questions.

**Mr BECKER:** When interstate competition was cut out for SAPSASA, the Minister and South Australian Sports Institute officials claimed that the savings would be diverted to junior sports camps. Can the Minister advise what sports camps were conducted in the 1990-91 financial year and what camps are expected to be conducted in the 1991-92 financial year?

**The Hon. M.K. Mayes:** The short answer to the honourable member's question is, 'None in the past financial year.' Three have been initiated and 15 are planned.

**Mr BECKER:** Supplementary to that, if there were no sports camps last financial year, what happened to the money saved since interstate competition was banned?

**The Hon. M.K. Mayes:** The funds allocated were under the Education Department budget and are still with that department. We are currently negotiating with the department the funding arrangements for this year's sporting camps. So our commitment will be in this financial year; and the savings to which the honourable member refers will be realised within the Education Department.

**Mr BECKER:** Late last year Crown Law gave an opinion that the South Australian Sports Institute coaching contracts

were illegal and that payments should not be made. I understand that payments were subsequently made, even though Crown Law said that they were invalid. Who gave instructions that the payments be made, and why was Crown Law overruled? Did Treasury stop payment to the coaches and does that instruction still prevail?

**The Hon. M.K. Mayes:** Since the Crown Law advice was provided to the department regarding the contracts, the process of endeavouring to have the appropriate regulatory arrangements for those contracts has been initiated. Advice was sought from DPIR in regard to those contracts, and that has been followed through.

**Mr BECKER:** That does not totally answer my question. Who gave instructions for the payments to be made and why was Crown Law overruled?

**The Hon. M.K. Mayes:** Is the honourable member referring to a time prior to Crown Law advice or post Crown Law advice?

**Mr BECKER:** I believe there was more than one Crown Law opinion. I think they had to be asked twice.

**The Hon. M.K. Mayes:** No.

**Mr BECKER:** That is another issue. Who gave instructions for payment to be made and why was Crown Law overruled?

**The Hon. M.K. Mayes:** Crown Law has not been overruled. The advice from Crown Law has been taken on board and the matter has been addressed. All employees under those contracts are GME Act employees on a temporary basis.

**Mr BECKER:** As a further supplementary, when did Crown Law give that opinion?

**The Hon. M.K. Mayes:** We received it late last year.

**Mr BECKER:** When was the correction made?

**The Hon. M.K. Mayes:** The steps were initiated following that Crown Law advice and it was referred to DPIR for advice on the contracts.

**Mr BECKER:** Supplementary to that, in view of what the Minister has told us, is there a re-organisation of management taking place in the South Australian Sports Institute and, if so, why? Is the Minister aware of the allegations of misuse of funds, nepotism, favouritism in employment, and jobs not being advertised or filled on merit? Is the Minister aware of any other financial improprieties at the Sports Institute? Has Treasury withdrawn funding authority for the Director?

**The Hon. M.K. Mayes:** The answer is 'No' to the last question.

**Mr BECKER:** Is a reorganisation of management occurring?

**The Hon. M.K. Mayes:** There is no reorganisation of management as such. What we are doing is as a consequence of the advice to which the honourable member referred—to make sure that all employee contracts at SASI are brought under the appropriate umbrella of regulatory arrangements to ensure a proper and accountable base for those contracts. That is being initiated by the acting CEO. A committee has been established to assess the appropriate contractual arrangements. The honourable member must be aware of the degree of flexibility that may be needed. I am aware of accusations in the community of nepotism, impropriety, people being favoured and so on. To a large extent, once the committee has reported, it will put paid to those accusations. We have to balance that with what the advisory board has been endeavouring to achieve.

Through consultation with sport, its goal is to achieve success, and its ambition is to achieve the best results through the coaching programs and appointment of coaches. It has been in consultation with sport and there must still

be a marriage and flexibility between what we want to achieve as a Parliament—accountability and appropriate employment arrangements—and the needs of sport to achieve results. Where there are competing ambitions, there must be some compromise. The acting CEO has established a committee. Mr Young may like to comment on the process.

**Mr Young:** In recent times a committee of four has been established, the Chairperson being from the Department of Labour (the former Department of Industrial and Personnel Relations). Two members from that department are on the committee as is the Director of SASI and our Director of Human Resources. The terms of reference of the committee are to do precisely what the Minister has said—to determine what sort of negotiated conditions best fit the need of coaches at the South Australian Sports Institute and further to determine the appropriate level of remuneration for those coaches.

**The Hon. M.K. Mayes:** I am sure that the member for Hanson appreciates the situation that we have to work through, having had advice from Crown Law and subsequent advice from DPIR. It is not an easy process in that we want to take on board the needs of sport as well. The marriage has to work as there must be accountability to the Parliament and the taxpayer. I fully believe that the Director of the institute, the acting CEO and I can achieve that whilst meeting the needs of sport. However, we will need flexibility and some lateral thinking to achieve that. There is no doubt that there is no dereliction of duty in the sense of our wanting to address that issue. There is a good deal of scuttlebutt in the community about what has happened, but it is being dealt with efficiently and appropriately in order to arrive at the best possible solution to meet the needs of the taxpayer and of sport. In many cases they are one and the same, but often there is a different ambition.

With respect to the broader question asked by the honourable member about rumour and arguments within the community, the festering of issues and the suggestion that others are fostering their own interests at the Sports Institute, I am often contacted by members of the community and personal friends involved in sport who say, 'You have the wrong coach. This coach is a mate of so-and-so and that is why he or she got the job.' I am sure that from his long experience with sporting groups the honourable member would know that one is always being subjected to that sort of accusation. I do not feel that that sort of behaviour has been focused on in any way in the Sports Institute.

To a large extent, those comments have come from people who feel that their view might not have been taken on board with respect to the appointment of a particular person or that they should have been given the job themselves. The comments I have received have come from people who have been closely associated with a particular matter and who have felt that, to some extent, their opinions have not been taken on board. I am sure that the Director and the Acting CEO would vigorously stamp out any practices suggesting any degree of nepotism, any inappropriate appointment or any activity that would suggest favouritism or a particular leaning because of personal relationships or friendship between staff and other members of the Sports Institute. I would certainly stamp on that sort of practice from a very great height if it were discovered to be occurring in the Sports Institute.

Overall, the successes of SASI have been quite outstanding, and obviously we want to see that continue. SASI is the pre-eminent Sports Institute in Australia, and has been used as a model by other States, such as Western Australia and Victoria. Our relationship with the Australian Institute of Sport has been through a very rocky period. The Senate



inquiry certainly did not help the foundation of the Sports Institute but, to its credit, it has now found a good base. Although some arrows have been fired as a consequence of the World Athletics Championships in Tokyo—something of which I am sure the honourable member would be fully aware—the Sports Institute has achieved a terrific success rate with our swimmers winning American titles. This indicates that things are going well.

Charlie Walsh of cycling fame has never over-predicted results, but one feels a sense of confidence below the surface that we might capture two or three gold Olympic medals at the Barcelona Olympics with our cycling and track teams. I do not want to over-estimate that probability—and Charlie will castigate me severely for making any suggestion of certainty—but I think we are only a smidgin away from the Germans and the Russians. The Americans might have to produce some new technology to beat us, but I think our situation is pretty healthy at the moment.

The only cloud hanging over our head relates to the issue of drugs in sport, such as steroids and other stimulants and retardants. As a country, we can be proud of what we have addressed. Legislation in respect of the national sports drugs program is before us and we will fit in with that because we have been a leader in this area. Sadly, a number of significant Australians who have been at the top of the tree in their particular sport have been pinged. We are about to see the exposure of the East Germans through one of their champion athletes, which will blow apart the scene internationally. The level of drug-taking in the East German Olympic team during the past few Olympics has been staggering. Certainly, there is not an even playing field for the rest of the world.

**Mr BECKER:** What initiatives is the Government taking to ensure that all South Australian students get the same opportunities to learn and develop the same skills in sport, and will the Government provide any incentives to encourage teachers to take part in the high school sports program that existed until a few years ago?

**The Hon. M.K. Mayes:** This question probably should more appropriately be directed to my colleague the Minister of Education, but I will provide the background. The department and I are very enthusiastic about developing school sports programs. Part of the foundation of the junior sports policy was to enshrine within the education curriculum a recreation sports program with our active support. The honourable member is obviously alluding to the very serious drop-off rate in western countries. This is not peculiar to Australia but is endemic throughout the western world.

This situation came to my attention six years ago. I first started talking about this issue when I attended a State hard court championships, at which a parent, a constituent, raised with me the number of teenage girls playing competition hard court at the State titles. He was very concerned that we could barely muster sufficient numbers for the qualifying rounds. That led me to start asking questions within the department. I discovered that the department and the institute were very concerned about the situation. Consequently, we began to develop the junior sports policy, part of which enshrines the development in schools of a sports development package.

Aussie Sport has been a national success. Part of its success is because we realise that parents play a significant role in the development of sport in schools, and that role must continue. The department believes that it has achieved a breakthrough in its relationship with the Education Department. We do not believe that any other formula in Australia highlights the relationship between departments of recreation and sport and education departments as does

our relationship under the junior sports policy. Other State departments of recreation and sport are looking at what we have achieved with some degree of awe, because they have not been able to break through that barrier to achieve a partnership when dealing with sport in schools.

There is no question that we still have some distance to go, but we are enthusiastic about achieving it. We will not put down our policy and rest, because we need to continue to establish the foundation for that policy so that it can be implemented in schools. We are only at the beginning, and we need to continue to develop that policy with the Education Department. The acting CEO has met with the Director of the Education Department, and we will continue to have ministerial and CEO discussions as well as discussions at officer level to continue the Government's support and policy commitments.

It is important that we do this because I believe that sport as part of the school curriculum is fundamental to achieving success. There is no point in giving it lip service; we must give it a good nudge to get it up and running. It has come home to me in the latter years of my life that sport is not just good fun but creates an enormous physical benefit particularly in a stressful job such as ours. Keeping fit increases our capacity to undertake employment and improves our social and domestic life. Sport should be very much part and parcel of the curriculum in order to instil this belief in our children as well as giving them a better foundation with which to deal with the law and social and community needs. I am very strongly in favour of school sports programs continuing because of the benefits that flow to the children and to the community in the long term.

**Mr BECKER:** Was the Minister consulted by the Minister of Education when the curriculum policies were changed? I understand that teachers must now spend 85 per cent of their time in front of the class. This has seriously affected sport in schools. The impact in secondary schools has occurred only in the past 12 months so that there has been a dramatic fall in encouraging sport and recreation in high schools in this current year.

**The Hon. M.K. Mayes:** I will give a brief answer. The position prior to the junior sports policy was very serious from the point of view of sports as an emphasis in the curriculum. As Minister of Recreation and Sport I do not believe that enough attention was being paid by the Education Department to sport. To give it a proper focus was one of the reasons for our enthusiasm for our junior sports policy. At a policy level there is now an appropriate focus on sport as part of curriculum.

The Minister is responsible for the allocation of his funds, and it is inappropriate for me to comment on that, except to say that there is an ongoing open door discussion between the Minister of Education and me about the implementation of the junior sports policy. He has assured me of the commitment of the Education Department to the curriculum, including sport. He is one Minister who has an active interest in school sports from the point of view of his ministerial responsibility and personally. We will continue our ongoing discussion to ensure that, from our point of view in recreation and sport there is commitment to that policy.

**Mr HERON:** Referring to the Program Estimates, page 285, will the Minister give the Committee details of the upgrading at Hindmarsh stadium? Will this work satisfy the requirements of FIFA for the 1993 world youth championships?

**The Hon. M.K. Mayes:** The program for Hindmarsh stadium is proceeding very successfully. The total project cost for the grandstand seating, catering upgrading and

improved changeroom facilities for referees and players is predicted to be around \$890 000. The contract for the upgrading of the western stand has been let to Willis and Peake, which is already under way with that project. The upgrading will satisfy the requirements of FIFA for the 1993 world youth championships. We hope that we will be programmed to share the event with Sydney and Melbourne as part of the World Youth Cup championships in 1993. FIFA will inspect the facility in March 1992 to satisfy itself that upgrading has taken place. The work is expected to be completed on 26 November 1991, so we will be well and truly ready for that inspection by FIFA in March.

We met in Sydney about 2½ months ago with our FIFA Australian representative, who attended the FIFA general assembly in Barcelona at which he had to present to FIFA the outline of the program for 1993. The South Australian Soccer Federation, my officers and I briefed the Australian FIFA representative who attended that general assembly on the facilities and what we would be doing. He was very satisfied with the plans as initiated. Bearing in mind that we have spent nearly \$1 million on the upgrading of lights for the stadium, they have met all the needs. I have not heard one complaint, I have heard only praise from the media as to the standard of lighting.

I am advised that the executive officer of the Soccer Federation is delighted with the progress to date and is looking forward to it with great enthusiasm because we will now have two sides in the national league, as is appropriate. The facility there will add to the benefits of the national league as well as of the local league. It is all going to plan, and I hope that in March 1992 we get the green light from FIFA for the staging of the World Youth Cup.

**Mr HERON:** Also referring to page 285, will the Minister inform the Committee of what recreation and sport facilities planning is going on in the south of Adelaide?

**The Hon. M.K. Mayes:** This is an important issue for the south. Certainly, what the Government committed must be clarified and interpreted. We talked about a multiple sports complex that would offer regional facilities for sports in the south. I do not believe that it can be interpreted, as some people do, as a multi-million dollar Football Park located in the south of Adelaide. That could not be sustained by the population of the south, nor should it be a burden for the taxpayer. We propose a facility for a range of sports and it is important that we look at what is available already in the south.

The survey that accompanied the working report on those facilities in the south indicated that the majority of people wanted regional facilities rather than some huge monolithic complex. An overwhelming majority of people interviewed in that random survey wanted access to active rather than passive sporting facilities in the south. That is what we, with local government and the Federal Government, propose to provide in the south.

A number of interesting myths have been projected about the south. We did a comparative survey of the south versus the north. The south is slightly more affluent and has slightly fewer problems than the northern region. I am sure that the Chairman will agree that we have to address some of those problems in the north, which are much more critical than in the south, such as longevity of unemployment and social issues that can be addressed by Government. If one does an eye-for-an-eye comparison of local facilities, one finds about 50 per cent more facilities in the south (I am talking about over the hill) than in the Elizabeth and Munno Para areas. That is a comparison of equal populations.

There are about 895 facilities in the south and about 680 or 690 in the north. So, just to paint the right picture, the

southern residents are saying that they are deprived of facilities and we often get this north-south argument. I have seen it on numerous occasions. Members here get embroiled in the debate about whether we have a kindergarten in the north and not in the south and so on. It is important to focus on the fact that there is a good number of good facilities in the south, but I concede that there needs to be more regional facilities. Of course, that means that if we address the issue of, for example, A grade turf cricket, league football, netball, baseball or hockey facilities, and so it goes on, we need to focus on those sorts of facilities and where they are.

There is a particular focus on land at Colonnades. The Government has not committed itself to releasing that land for housing or any other purpose. In fact, it is under my control as Minister of Housing and Construction, and I have not made a decision about what will happen to that land. I am waiting to see the outcomes. An officer is working closely with the regional local government association to identify the needs and the possible outcomes of recreational facilities in the south. I am waiting to see what that report brings forward. So, the Colonnades area is a possibility. There were some suggestions in the local media that that was not the case. Let me put that to death straight away: it is an option and it may well be that it is seen as a very good alternative.

We have the Wilfred Taylor Reserve, which has a whole range of facilities, the St Vincent Recreation Centre, the Port Noarlunga Surf Life Saving Club, the Noarlunga Little Athletics facilities; and, of course, we have just committed ourselves to the Brighton Hockey and Tennis Reserve. I know that the member for Hayward and the member for Bright—whose electorates are involved—are both delighted with the facility that has been established because it will be a multi-purpose facility that will offer a focus for people from the south and it is 100 metres from the train and bus services to the southern region.

There is a commitment to provide a multi-purpose facility with local government and Federal Government support. It may mean that a regional facility is located at Colonnades, at the Wilfred Taylor Reserve, or it may be further down at Willunga as the city grows through Seaford and further on. It has not been put on the back burner. I understand the concerns of the southern region community and we will address them appropriately.

**Mr HERON:** Can the Minister advise what the department is doing to assist in the development of Aboriginal sport?

**The Hon. M.K. Mayes:** It is a very sensitive issue within our community and certainly within the Aboriginal community. I have had ongoing discussions with my colleague the Minister of Aboriginal Affairs and his Director. We intend to give some additional emphasis to our programs for Aboriginal sporting activities within our community. We have to assess the fact that we have not achieved all we would like to have achieved over the years. I think that probably goes for the whole of our development in terms of our commitment to policies relating to the Aboriginal communities within this State. We have achieved a hell of a lot more than most other States of Australia—whether it be in housing, health or whatever.

However, it is always a question of how we implement the policies. I have to be critical of some of the activities of the Federal departments. I recently visited the northern lands and went through Coober Pedy. We discovered a \$367 000 facility plonked on the Coober Pedy lands, just outside the main town. There has been no consultation with the community and the facility has become something of a

white elephant. It could have been a superb facility if it had cladding. It does not have any walls and it is in a windswept part of Coober Pedy. It has a sealed concrete floor that could be used for basketball, netball or any indoor sport that requires a solid or true floor. Again, there was no consultation with us.

It makes it hard when we are endeavouring to work with the South Australian Aboriginal Sports and Recreation Association to put in place facilities for Aboriginal communities. Things fall from the sky and land in the wrong spot, we are stuck with them and we have to try to use them effectively. The members of the communities just shake their head and ask what these white fellows are up to. They just drop something like this on the community and give them no choice. We need to look at our community liaison with the Aboriginal Sports and Recreation Association and I intend to improve that by developing a much closer working relationship with the Department of Aboriginal Affairs and the community as a whole.

I have requested the Acting Chief Executive Officer to establish a task force on Aboriginal sport. The terms of reference of that task force will be to investigate the opportunities and make recommendations for the advancement of Aboriginal sport. In particular, I anticipate recommendations on four key areas: first, the funding and support for the South Australian Aboriginal Sports and Recreation Association; secondly, the participation of Aboriginal sportsmen and women in, for example, SASI; thirdly, Aboriginal employment within the department; and, fourthly, Aboriginal participation in the Commonwealth Games bid. We need to address that because I think that they are the areas where we are being criticised.

There is some degree of justification in the criticism that we have not devoted enough effort or attention to the needs of the Aboriginal community. That is a view that has been expressed to me by some leading members of the Aboriginal community in this State. I give them a commitment that priority will be given to a strategy to assist the Aboriginal community and it will be done through a working partnership to achieve what the Aboriginal community believes we can achieve. However, I qualify that by saying that it has to be done within a realistic budget estimate. We cannot just make wild promises and not deliver. Too often the Aboriginal community has been led up the garden path, expecting some pot of gold at the end of the rainbow, only to find that because of budget requirements the promise cannot be fulfilled.

**Mr OSWALD:** I had intended to ask some questions about the TAB before the Committee adjourned so that the staff could return to their office. However, because of the long filibuster, I am afraid we will have to ask the TAB officers to come back. Why has the board of the South Australian Recreation Institute met only twice this year? When did the Minister last address the board and why has he not been there more often in recent months?

**The Hon. M.K. Mayes:** A series of events has caused the SARI board not to meet. One can probably take it out of context, but when the Director was appointed CEO of the Commonwealth Games bid, his activities in the department were disrupted to some degree. That came about because initially George Beltchev wanted to maintain both hats and it became increasingly evident to me and to him that that was not achievable.

As a consequence of the agreed decision with the bid committee that George Beltchev be appointed full-time CEO and that we bring in an acting CEO, there has not been the same level of activity in some areas that I or the department would like. I think there has been only one meeting of the

SARI board since February, and that is not acceptable. The next meeting is set down for next week. There has been ongoing activity with the grants subcommittee. I appointed the CEO as acting chairman of SARI early in June. I understand that he has had a series of meetings with members of the board to discuss a variety of issues confronting SARI. I do not think it can be read that there is any lack of enthusiasm for SARI and for the activities or programs that it runs.

I have an ongoing contact with the members of the board. I have not been down to address the board this year as a result of events and circumstances. I hope that I can now spend more time in South Australia. I see my function in terms of travel in respect of the Commonwealth Games bid having ended, although there is a suggestion that I should go to Africa. However, I do not think that is possible. I hope that I can now spend more time attending to local duties. That is one of the reasons why I have not been able to devote time to some of the other areas that I should have done.

**Mr OSWALD:** My next question relates to senior management appointments in the Department of Recreation and Sport. How does the Minister propose to assert his authority to resolve the year long running battle which has now erupted into open warfare between the Director of the Sports Institute and the present and previous Chief Executive Officers of the Department of Recreation and Sport over the running of both the Sports Institute and the Recreation Institute which has resulted in sporting associations not knowing where they stand any more and not knowing who to go to in their negotiations with the department?

What is the cause of the conflict? Why has the Director of the Sports Institute felt compelled on many occasions to go over your head as Minister and that of both your present and previous CEOs and use his personal friendship with the Premier in an attempt to override your individual or collective decisions? Finally, why did the Director of the Sports Institute find it necessary earlier this month to issue an ultimatum to the present CEO that he would not be giving up the Recreation Institute and then go out and openly lobby amongst several influential sporting administrators for letters of support to help him to get rid of the present CEO?

**The Hon. M.K. Mayes:** There are a number of accusations in that question. I could respond in a fairly sarcastic way, but I will not. I will endeavour to address the matters raised. They are unnecessary questions and they certainly reflect on individuals who have no right of response. I think the honourable member ought to reflect on how he asks those questions and what his motives are. Is it for the good of sport that he asks the questions or is it for a political point scoring exercise? I will not make any judgment; I will allow the community to make its own judgment about the manner and way in which those questions have been asked.

There is a need for some clarification of the role of the board of SASI in its relationship with the Government. I will be meeting the board in the next week or so to address that very issue, because I think there has been some confusion in the minds of board members as to its role and their functions. I do not see any diminution of the SASI board's role in Government. It is an advisory board; it is not a statutory authority. The board is advisory to me and is accountable through me to Parliament, but I am the ultimate person who is responsible for its activities. I want to see it playing an active role and giving sport a positive and proactive role in decision making with regard to sports in this State and the development of SASI.

What I need to explain to the board and what I will explain now is that certain accountability is required to the Parliament and to the taxpayer. That requires certain processes to be followed. I do not believe that they will in any way impact on the activity of the board or change what the board has been or will be doing in future. Obviously there is some misunderstanding as to the powers that the board has. I stress that it is not a statutory authority. Even if it were, it still has, as is coming out in hearings in another place, a certain degree of accountability, but some people in statutory authorities do not believe there is an onus on them to respond to the Government. I think that is the only issue that is involved in what the honourable member has referred to, and it is the one that I will address directly with the SASI board. I have already had discussions with a senior member of the board. I believe that the outline that I have given to that member has reduced any fears of a diminution in the role of the board. Certainly it enhances what I believe is important in terms of my accountability to Parliament.

**Mr OSWALD:** As a supplementary, the question was far wider than the role of the board. The question was prompted by discussion which is now taking place in almost every sporting association around the State almost every day. When one pays a visit to a sporting association, one is reminded of the conflict that is going on. The general discussion is an open conflict between senior managers of the department over who in fact is managing the two institutes and who is managing the department. I should have thought this matter would be of grave concern to the Minister. It is a situation that no Government department or Minister could be expected to tolerate. Other CEOs in other departments are discussing how such an intolerable situation could have been allowed to develop and run for so long. I should have thought that this matter would grab the attention of the Minister by now so that he could step in and, in the interests of Public Service senior executive management, resolve it. That does not seem to have been resolved.

The Minister's response gives the Committee no joy that anyone is getting on top of the problem. In the interests of the administration of the Public Service, when open conflict spreads out to the stage where we have officers seeking to undermine other officers in the public arena, something should be done. I believe several letters are in existence that have been raised in support. I put it to the Minister that no Minister can allow this sort of thing to be tolerated. He should be making a move to bring it to a speedy resolution so that it is put to rest in the many associations where it has become a topic of conversation every morning and afternoon tea break.

**The Hon. M.K. Mayes:** That was more a statement than a question and I will deal with it as such. The honourable member is renowned for digging up scuttlebutt and endeavouring to destabilise situations. The suggestion is that people are running around endeavouring to undermine other officers and so on. I would not exclude present company, but some people have inflated views of their role in society and in particular employment. There will always be a degree of acrimony among people who feel that perhaps they should have a more important role than they have. I am dealing with the issue of the overall position of the board. The acting CEO is head of the department, and he is the responsible officer. He is accountable to me, and SASI is accountable to me. It is part of Government. It will respond to Government policies and continue to do so.

*[Sitting suspended from 1 to 2 p.m.]*

#### Membership:

Mr Atkinson substituted for Mr Hamilton.

**Mr OSWALD:** I refer to racing and gaming at page 279 of the Program Estimates. The Minister is aware that the South Australian Jockey Club is looking again at fixed odds betting and possibly reviewing its position. One discussion point is that, if the TAB was willing to put up its capital account as a guarantee against any losses incurred in the scheme's trialling period, it could win the day with the SAJC and might help it come out in support of the proposal. What is the Minister's attitude to the proposal by the SAJC, and is it a feasible option for the club's committee to consider?

**The Hon. M.K. Mayes:** At this time fixed odds ought to be on the back burner to some degree. We have to look at the long-term situation. If there is a successful amalgamation of the Victorian, Tasmanian, ACT and Northern Territory pools with the South Australian pool, that could be the appropriate time for fixed odds betting to be considered. Again, it has to run the gauntlet of both the industry's tests and Parliament. There could be concerns about using the capital fund for any support, because it plays an important part in the development of TAB programs, systems and resources.

The fund is supplied by the industry and Government. What does not go back to the industry and the Government is used by the TAB for development of technology and resources within the TAB itself. That suggestion has not been put to me at this time. I would probably view it with concern because, in the current economic climate, there are far too many uncertainties about fixed odds betting for us to embark on it. There have to be more affluent and generous economic times for us to enjoy the concept of fixed odds betting. As I say, the other trigger is the combination of the pools, which gives a much better base under which to operate.

**Mr OSWALD:** Are there discussions about a combination of the pools?

**The Hon. M.K. Mayes:** Yes; it has been discussed. It has not reached a stage where I have commenced discussions with my colleagues, and there are a couple of issues that have to be resolved. One is the Victorian's deductions versus our deductions. At this stage Victoria wants us to move to its level and contribute more than half of the margin to it. That is a bit of a stumbling block for our TAB, and from the Government's and the industry's point of view it will be a real stumbling block. Certainly, at the ministerial council we supported the concept of a combined pool, and I see enormous benefits coming to everyone—the investors, the industry and the Government—by having a combined pool. It will come within time: it is being negotiated. People are talking of 1992, and that is a reasonable period to consider.

**Mr OSWALD:** As to the drafting of regulations to allow place and multiple betting for bookmakers, where are we with the regulations and when can we expect regulations in the House? When will additional betting opportunities be offered on course?

**The Hon. M.K. Mayes:** The honourable member knows that I responded to a question from him on this about two or three weeks ago, I think. The BLB is still drafting those regulations, as I have been advised by the manager of racing. We have been on the board's back to try to get those regulations in place. It is a fairly independent body and it has the responsibility to draft those regulations. I understand it is having some difficulty with a mathematical formula to design the matrices that would be required to ensure the arrangements with regard to returns and the structure

of the book. It is important to ensure that it is correct the first time. It is taking more time than I and probably the bookmakers expected. The board probably got the message three weeks ago. It certainly had a message conveyed prior to that to have the regulations up. Doubtless, today's question will be noted by it as well.

**Mr OSWALD:** Before Christmas, in November, it was mooted, and in February it was supposed to be well advanced. Turning to the TAB's new building, it has been suggested by developers and land agents around town that several vacant buildings would be appropriate for the TAB and at considerable savings to the TAB. Can the Minister or the TAB Manager justify the expenditure on this new building in the light of these allegations by developers and property owners and sellers that cheaper properties are available into which the TAB could move? In fact, these cheaper properties have the types of structures that would take the computer, which has been a selling point in the TAB's submission to build its own more expensive building.

**The Hon. M.K. Mayes:** The honourable member is correct in saying that there is concern around town. BOMA and other representative organisations are aware of the TAB's plan to build a new dedicated building for its use on its land, the old United Motors site in the city. The issue has been thoroughly canvassed. I have had a meeting with the Chairman of the board, Mr Taueber. My ministerial adviser and one of the senior property officers, the Manager of the Government Office Accommodation branch (Mr Frinsdorf), have met with Mr Smith and Mr Taueber. They have discussed it, and I have asked them whether or not appropriate existing accommodation is available and for them to explore the options.

The board would like to construct a new head office in Franklin Street. Because of my raising the question about the alternatives available, the board decided that it would further investigate its options and is looking particularly at one building at the moment. It has asked its real estate agents to discuss with the owners of the building the possibility of purchasing strata title space required by the TAB in total or in part. It is getting a technical assessment of the building. The board and management of the TAB are aware of the various issues being discussed within the community at a broader level. It is not only in BOMA but also in racing and Government circles that the issue is being discussed as it affects the return to industry with almost \$20 million going towards a new building. The issue is being canvassed and the board has resolved to further investigate.

**Mr OSWALD:** Is the transfer of the Bookmakers Licensing Board to the Department of Recreation and Sport now a dead issue? Will it no longer take place?

**The Hon. M.K. Mayes:** No, the transfer of the BLB processes will continue. It is part of our budgetary approach. Discussions are continuing and a review was conducted, which recommended that a number of steps be considered. It identified clear savings in the cost of administration that we want to realise. The savings that have been identified in the recommendations of the report have been incorporated in the budget allocations for the BLB this financial year. The identified savings and what can be realistically achieved may be different, but the BLB has been consulted throughout the review process. It is not aware of specific recommendations and the issue needs to be further explored with the board in terms of the implementation and the way in which all the savings can be achieved.

The point that needs to be stressed—and it captured the minds of a couple of board members in discussions I had with them—is the independence and autonomy of the board in making decisions, with accountability to me and the

Parliament. There is no attempt to undermine the role of the board or to change it one bit. It is purely administration, and we believe quite significant savings can be realised because of changes in the industry. Some of the practices are best described as early turn of the century clerical administrative practices which are not necessary in today's economic environment—it is clerical organisation by exception rather than by undertaking every possible clerical task.

**Mr HERON:** What is the role of the playground unit of the department and what were its achievements in 1990-91?

**The Hon. M.K. Mayes:** As a result of a question raised by an honourable member in another place, the playground unit came under some scrutiny. It is an excellent achievement of Government as it has provided essential independent advice to a whole range of organisations within the community. Those of us who grew up on jungle gyms and other devices tested our courage and skill. We find from the statistics that the number of serious accidents to children was significant. When I first became Minister it was brought to my attention that as a consequence of some unsafe practices in playgrounds, we were seeing an enormous number of serious head injuries and limbs broken. We talked to the Playgrounds Association of South Australia which assisted greatly in the development of the unit. We recruited the President initially as one of our advisers although she has now gone to Canada. That establishment with Tony Miers and other staff members has been excellent and we have made significant achievements. There were visits to approximately 200 schools.

Approximately \$10 million worth of equipment alone is involved in the playground asset within schools in this State, leaving aside the ground on which they are situated. To change from unsafe to safe practices with chip bedding, sand and more modern and safer playground equipment, has been an enormous task. Council playgrounds were visited, along with kindergartens and other play areas. My local council has initiated significant improved safety standards in playgrounds in its area. It has produced reports and conducted planning sessions.

No doubt members have been privileged to have a unit member visit kindergartens in their area and address people on how to design and put together a good play environment. They aim to test children's skills while taking into account safety issues, the care of the child and the adults looking after them. Advice for playground development was provided and information packs were dispatched to 50 organisations throughout the State, including local government, which has a huge responsibility in this area as it is directly liable if anything should happen. Participation included local government, the Children's Services Office, SA Play, and the Education Department; there were Family Day care programs, play groups, and overseas seminars and conferences. In consultation with the CSO and the Australian Standards Committee, there was participation in the preparation of a standards document on playground safety.

The honourable member from another place referred to the need for legislative requirements. The responsibility falls on three areas: local government, the Education Department and consumer affairs. That responsibility rests with those organisations. One cannot take away the liability from an owner of a playground, namely, local government, and place it with some other body at whatever level of government. Local government would be offended as it has responsibility, which it accepts. The playground unit provides effective advice both on the development of creative play and also with regard to safe play equipment and environments. It makes a significant contribution to our community. It has

dramatically improved play opportunities for South Australian children and reduced the number of injuries children receive whilst playing in playgrounds.

**Mr HERON:** What stage has the construction of the velodrome at the State Sports Park reached?

**The Hon. M.K. Mayes:** Work has commenced. The total expenditure to 10 September was \$1.13 million. The construction manager is Sabemo, a division of Transfield Pty Ltd. Contracts for 11 of the estimated 40 trade packages at a total value of \$5.275 million have been let. It is fair to say that these buildings are very expensive to construct. In order to bring the cycling program to Adelaide, the Government had to make a commitment to the establishment of a velodrome of international standard. There are two basic choices of surface: concrete and timber.

The cycling lobby worked very hard to ensure that the velodrome had a timber surface, thus placing us equal to Western Australia and Tasmania, which are the only other two States that have velodromes with indoor timber surfaces. The main difficulty that we had to counter was the moisture level, which can range from nought per cent water vapour in the air to a reasonably high level when a northern tropical cyclone affects our weather. That variation in humidity affects a timber track, and direct sunlight heat on the surface can vary the temperature from 55 degrees to almost freezing point. So, the timber has to be pretty versatile. Timber with an uneven growth rate—the sort of timber grown in our climate—is placed under enormous stress and can be subject to marking. For example, if cyclists follow a particular track, they will make grooves, and we cannot afford to have grooves on a timber surface.

We decided to go for a timber surface in order to provide the best possible facility in this State for track cyclists, given that some of the best in the world reside here, but the track will not be exclusively for the elite. As in Perth, we will probably have bikes available for hire by the average citizen to have a ride on the track. If we stood on the top of the 42½ degree incline at each end of the track, we would find it a staggering and slightly frightening experience, but obviously that is something we can explore. The track will be available for people to enjoy when it is not being used by the elite in State, national or international competitions.

To achieve such a track we decided to use not virgin timber but timber from a man-cultivated forest. In order to ensure that we were not being hypocritical in telling the rest of the world not to cut down forests while buying our timber from Indonesia, Malaysia or the Soviet Union, we are constructing this track with Finnish spruce from the northern part of Finland where temperatures do not change greatly and where there is an even growth rate. That timber will be protected from the extremities by a roof, and other measures will have to be taken to ensure that its longevity is enjoyed by all.

For several months we have been having discussions about the stanchions with Mr Ron Webb, the designer and builder of the track. So, construction has begun. Cyclists have constantly asked me when the velodrome will be completed and whether its construction is under way. They tell me that there have been quite a few spectators at The Pines sniffing around to see whether the dirt is being moved. While travelling in an aeroplane a couple of weeks ago I overheard a man on the northern side of the plane say to his colleague, 'At last, the bloody thing is being built; I can see the hole in the ground.' That probably sums up the situation.

**Mr HERON:** What is the current situation regarding the use of the central multi-sports area of the velodrome?

**The Hon. M.K. Mayes:** This matter is of interest to many associations and we have explored the options with a number of them. Basically, we have identified five sports that could be accommodated in that area: association soccer, netball (and the association is fairly keen to use that area), table tennis, tennis, and volleyball (which requires a 12 metre ceiling height for national competition). Meetings have been held with the State associations of each of those five sports and with members of the community who will use the facility to ascertain the preferred surface for the central area, whether it will be acceptable to each sport and whether each sport will use the facility. People may decide that it looks good on paper but in practice it may not suit their needs. We want to get maximum use out of that central area. We have received some written responses to this information from these State associations, but I think we will probably lean towards the soccer and volleyball associations as the likely users of that area of the velodrome.

**Mr OSWALD:** As a supplementary question, what is the size of the inner arena?

**The Hon. M.K. Mayes:** In my opinion, it could accommodate three volleyball courts or an indoor soccer pitch, allowing for the fact that we do not want people to run onto the track. However, I will take that question on notice and provide the actual size of the inner arena to the honourable member.

**Mr OSWALD:** Is the Minister aware that steroids are available in gymnasiums, and does he propose to introduce sports drug testing in that area?

**The Hon. M.K. Mayes:** I am aware of that situation, and I am very concerned about it. The honourable member has raised a question that has been put to me previously. Late last year, I spoke to a young league footballer and his fitness coach, who happens to be a mate of mine. He remarked that in the second week of being at this gym, which is not the one that he goes to now, he was approached by someone who offered him steroids. That is of concern to everyone in the community. This young bloke wisely rejected the offer and left the gym permanently.

We are concerned about two aspects of this: the operation of gymnasiums, and particularly the standard of coaching and training offered. There are circumstances where advice can be given that may be damaging in the long term. The other aspect is the matter to which the honourable member referred: random drug testing. Legislation is being drafted by our Parliamentary Counsel to fit in with the national legislation, which will provide our drug testing unit with the legal power to random test in any gymnasium or any operation in this State, so we will be able to address that issue, and the sooner the better, to eliminate this heinous activity from our gymnasiums and fitness centres throughout the State. As the honourable member would appreciate as a pharmacist, what might be seen as good in the short term has horrible long-term consequences for the individual involved. It undermines the whole meaning of sport and true competition.

**Mr OSWALD:** When will the Government legislate to prevent consumers losing money when fitness centres go broke? I understand that Lifestyle at the Hilton closed a few months ago and was still selling memberships the night before. Does the Minister support three months membership? How long is it since he met with the industry? Is he aware that another centre is about to close, and that the Government promised fitness accreditation last year?

**The Hon. M.K. Mayes:** The financial viability is not my area but that of the Minister of Consumer Affairs, and the Minister is dealing with it. In my earlier question I alluded to what the honourable member has called 'accreditation of

fitness centres'. My aspect of the legislation would not capture the financial side of the activities of these centres. I was and am aiming at requiring, preferably by self-regulation or reverse licensing process, a standard of training being met by those people who undertake fitness training for anyone in the community.

Ongoing discussions with industry representatives about the accreditation process have been part and parcel of the whole exercise. They have asked for it to be implemented on the basis of establishing a very creditable industry, which at the moment because of several unscrupulous operators has had its image somewhat tainted. That is the aspect that I will deal with, but the financial side is a matter for the Minister of Consumer Affairs. We are working with her to ensure that both issues are addressed in the legislation.

**Mr OSWALD:** As the Minister is a Cabinet colleague, perhaps he could apply some pressure because I am aware that another centre is about to go down with a very large debt, which is of concern.

**The Hon. M.K. Mayes:** I did not answer the honourable member's question about my views on three months membership. Most gyms require some sort of up-front payment of membership subscription. It is like my membership of SACA, or the Crows or Sturt Football Club. One is required to go in up front. One cannot really change that because if there was a week by week arrangement the cost to the fitness centre could be large. But there have to be certain guarantees given when those funds are paid in advance. That may be addressed in the legislation with regard to a trust or some reserve account that is there and identified for future use if things go wrong. I am aware that my colleague is very concerned about this as well. The honourable member's information is fairly accurate. Most people are concerned about the general accounting standards that have been adopted by some of these operators.

**Mr OSWALD:** What is the long-term future for tenants at State Association House? Can the Minister give a categorical assurance that sporting associations will still have access to the building under the present conditions for at least the next three years, other than allowing for the normal CPI rent rises that everyone would expect to occur?

**The Hon. M.K. Mayes:** We have given those assurances with regard to the State associations. If the honourable member is alluding to the rent arrangements, we have indicated how that will operate with CPI adjustment, and that is it: it stands for the next three years.

**Mr OSWALD:** I heard some concern expressed there when I was visiting tenants recently but that will put it to rest. They will be phased out.

**The Hon. M.K. Mayes:** There has been considerable agitation and concern in the process of discussion that is part of change. It is an important facility in this State and has offered enormous benefits to those sports that have had the opportunity to use it. I now have the area details available in the centre of the velodrome: 1 342 square metres.

**Mr OSWALD:** Under 'Recreation for the disabled', what percentages of funds go into the recreation and sporting fields for the disabled?

**The Hon. M.K. Mayes:** The honourable member's question related to disabled sports associations?

**Mr OSWALD:** Disabled generally. We are told that 13 per cent of the disabled community now is brain damaged: is that percentage reflected in the recreation and sport budget for the disabled?

**The Hon. M.K. Mayes:** I can give some information but I will take it on notice to give it all.

**Mr OSWALD:** I do not mind if the Minister does that. Obviously, disabled associations have asked the question.

**The Hon. M.K. Mayes:** Of SARI's budget, 41 per cent goes to such organisations, but that does not include SASI or the overall budget. I will take the remainder of the question on notice and supply the information to the honourable member in the prescribed time.

**Mr OSWALD:** The 1991 specific targets/objectives state:

A ministerial supplementary development plan for State regional recreation and sport planning has been prepared.

Can the Opposition have a copy of that plan?

**The Hon. M.K. Mayes:** That document has not actually been to Cabinet yet. Once it has been scrutinised by my colleagues, I would be more than happy to supply a copy to the Opposition.

**Mr OSWALD:** It says it has been prepared, and we are now well into the 1990-91 financial year, but I am happy with the assurance the Minister has given me. In November last year, at the State Recreation Awards, the Minister stated that some recreation programs and strategies need to be specially targeted to reach teenagers to combat alcohol and tobacco use. What programs have been implemented since then to meet those objectives?

**The Hon. M.K. Mayes:** I will ask the Director of the SASI to answer because he obviously has first-hand involvement in these programs. In effect, he wears two hats in addressing these issues of alcohol and tobacco consumption. To some extent we do not set a good example for our children in that we tell them not to take speed drugs and other stimulants and, while we are doing that, we are probably leaning on the bar having a beer. There is some inconsistency in how we approach this issue of drug consumption in our society. However, we have to educate teenagers to be as aware as we are of the dangers associated with alcohol over-consumption. We all talk about moderate and sensible consumption and the enjoyment of alcohol. Enjoying the benefits of being a wine State, however, we may find it a difficult task.

As part of a measure being instituted in some parts of South Australia, SASI is undertaking activities (for instance, through its weight-lifting program) in order to address these issues. Foundation SA also has a very clear charter to advocate these policies. Obviously, that is part of the reason why the Government introduced the legislation to establish Foundation SA. The foundation has been actively addressing these issues. The honourable member is probably as aware as I am of the activities of Foundation SA in combating alcohol and tobacco consumption by young people.

I very firmly believe that encouraging young people to participate in sport and recreation is the best way to get the message across. We have seen the ads that the Road Traffic Board ran last year in an attempt to prevent road accidents, but there is a way in which we can set an example through Foundation SA's supporting sporting bodies and discouraging excessive consumption of either of those drugs. That is what Foundation SA has done and I applaud that activity.

**Mr OSWALD:** What support will sports receive to ensure that they have access to the ASDA drug testing program and who will pay for it?

**The Hon. M.K. Mayes:** It is a mixture. I will ask the Director of SASI to respond, because he has been directly involved in programs.

**Mr Nunan:** Under the ASDA legislation, access to random drug testing in South Australia will be on the basis that any amateur sport will not be charged—the cost will be borne by the Federal Government or the ASDA. Professional sports—for example, the Australian Football League, or the Crows under the AFL—will be charged directly, as will the Rugby League. So, at the moment the testing will be done at no cost to the majority of State sporting bodies.

Under the complementary legislation, there will also be an opportunity for testing to be commenced at gyms at no cost; for example, testing of power lifters, and so on.

**Mr OSWALD:** Two years ago the Government was going to transfer aquatics from the Education Department to the Department of Recreation and Sport. I understand that the Government is still considering this. Will the Minister advise the Committee what is happening?

**The Hon. M.K. Mayes:** I firmly believe that should happen. There are enormous benefits to the community if that occurs. The Director of SASI has had discussions with the Director-General of the Education Department about that process. It is still in the GARG brief and I hope we can initiate that as soon as possible. The simple answer is that nothing has happened other than the commencement of discussions on the transfer of aquatics to the Department of Recreation and Sport.

**Mr OSWALD:** How many centres are involved?

**The Hon. M.K. Mayes:** It involves more than centres: it is the whole area of aquatic activities, which could see some direct benefits as a result of not only an improved professional service but a dedicated service in an appropriate department that is committed to that specific service. We have identified three or four aquatic centres at the moment, and they would be those facilities outside the curriculum. By that I mean that the swimming pools at Black Forest Primary School, Kidman Park and Burnside would not be part of this transfer arrangement; that would be a local school program. However, we are talking about all activities outside of that, including the Learn to Swim program, which we run and which is the most extensive program of its kind in Australia.

**Mr OSWALD:** Will the seven sports that have been allocated AIS funding through the intensive training program still get the same level of funding from the State Government as they received in previous years? If they will not, why not?

**The Hon. M.K. Mayes:** A couple of significant things stick in my mind. One is the acknowledgment that the Australian Sports Commission gave to South Australia's level of development within the State. It recognised my earlier comment regarding the status of SASI in terms of its national focus and the status of other institutes in other States. That was recognised when the funding was allocated. The agreement between the South Australian Government and the Australian Sports Commission was that the funding would be maintained unless the standard of athletes under the program could not sustain or warrant that level of funding. An agreed formula has been used as the basis for assessing performance related to ratio to decide on the funding. I recall the top 20 in Australia or the top 10 in the State as being the criteria for saying they had reached that level and warranted continuation of the funding. Otherwise, the arrangement is that we will divert those funds into other sports.

**Mr OSWALD:** What has been the income from the sale of publications and how much sponsorship has been gained by the Recreation Institute's publications?

**The Hon. M.K. Mayes:** Perhaps I can take that on notice. The general comment made by the Director of SASI is that basically we have covered the cost of these publications. It is only in the past few months that we have sought sponsorship in some of those areas. I can give the figure for the sale of publications, but I would need to give more detail later. The sum of \$21 091 was received in 1990-91, and the proposed figure for 1991-92 is \$20 000. That is probably only part of the answer to the question.

**Mr OSWALD:** I am happy to take it on notice. I am advised that the *Getting Out* program has fallen away. What is the status of that program and what does the Minister intend to do to rejuvenate it?

**The Hon. M.K. Mayes:** I guess that the honourable member is referring to the supplement in the *Advertiser*. Initially, in order to offer a nucleus for the establishment of the *Getting Out* supplement, we provided an officer and some funding. That process has now been handed to the advertisers. As will have been noticed from the supplement on Fridays, the people involved in the recreational and sports industry are advertising their services and equipment through the *Getting Out* column. Our role of getting it established and of promoting it has finished. The Government's role in many cases is to start these things and to lay the foundations and the networks by which they continue. We do that in a number of areas.

**Mr OSWALD:** A national study, published in the *Advertiser* of 16 August this year, shows:

Australia's status as a sporting nation is rapidly deteriorating because of a diminishing number of volunteers in sport.

Dr John Daly of the South Australian Department of Recreation and Sport said:

... the decline in volunteer involvement in Australian sport has affected activity at all levels—local, State and national.

In responding, the Minister told us what we already knew, namely, that there was a shortage of volunteers and that few organisations had recruiting or training schemes. He said:

This trend must be reversed if sport is to remain healthy. All too often the attention is focused on the high fliers, the sporting stars.

In view of his statement that recognising the problem is becoming acute, what plans does the Minister have in this budget to redress these concerns?

**The Hon. M.K. Mayes:** My opening remark is to congratulate Dr John Daly on his efforts, and Judy. People tend to refer only to John's efforts, but this was a joint family effort. When we made the announcement with John we had a press release, and the Federal Minister was present as well. It may be felt that we have restated the obvious. We need to pay attention to this matter, and I think the question is reasonable. The advantage is that we do have John Daly in South Australia. Through his activities with sports organisations throughout the State, he can initiate the implementation of his recommendations. That will be of definite advantage. I am advised that he has already started the process. We can see that to a large extent it has to be a self-help exercise.

The bodies which have the good message to sell are the sports bodies themselves. It would be very hard for the Government to involve itself. In fact, I am not sure that it is the Government's role to get involved in selling the sports volunteer role to potential volunteers. The sports will have to pick up the cudgels and go for it. The recommendations can be a useful focus. We have a part to play in drawing the public's attention to that and supporting it. I think that the department has a part to play in following through the volunteer involvement program. The Federal Minister and I gave a commitment to follow this up. Within the volunteer involvement program we have discussions with the sports organisations, resulting in what Dr Daly has referred to under the headings gain, train, sustain and retain.

That is very important. As the honourable member may know, Dr Daly said that we need to recognise the support and services that volunteers offer. I can think of the secretary of one State organisation who has been there for 35 years, and he is still a very effective administrator. Those people have to be recognised. One way of doing that is



through the SARI awards, which are growing every year, and through life membership. Volunteers need training and they need to be encouraged and supported in that process. They also need reinforcement in their activities as volunteers and encouragement in their efforts to bring in other volunteers.

**Mr OSWALD:** How much of the Heysen trail was completed in 1990-91 and when will the total project be completed?

**The Hon. M.K. Mayes:** In 1990-91, 160 km of the Heysen trail was developed, between Logans Gap and Hughes Gap. The completion date really depends on what one means by 'completion' because, to the manager of our walking trail section, that would be an infinite time. His expectation is that we will be forever developing and completing huts. If the honourable member is referring to the signage of the trail itself, I think we are talking about the next year or so. We will get to a certain part in the Flinders Ranges and there will be debate about whether we go any further because there are environmental arguments and safety arguments that have to be addressed about the more arid areas. The Government will also have to address some serious questions with respect to the trail's heading out through Arkaroola towards Lake Torrens. To its predicted end, the trail is due for completion later next year. If you ask Terry Lavender that, he will tell you that it will never be completed.

**The CHAIRMAN:** There being no further questions, I declare that the examination is concluded.

Housing and Construction, \$30 691 000  
Works and Services—Department of Housing and  
Construction, \$122 614 000

**Chairman:**

Mr M.J. Evans

**Members:**

The Hon. H. Allison  
Mr M.J. Atkinson  
Mr H. Becker  
Mr V.S. Heron  
Mr I.P. Lewis  
Mr J.A. Quirke

**Witness:**

The Hon. M.K. Mayes, Minister of Housing and Construction.

**Departmental Advisers:**

Mr G. Inns, Chief Executive Officer, SACON.  
Mr R. Lambert, Director, Program Services.  
Mr D. Mitchell, Director, Corporate Services.  
Mr P. Hankinson, Director, Maintenance and Construction.  
Mr I. Carter, Director, Aboriginal Works.  
Mr R. Frinsdorf, Director, Office Accommodation.  
Mr B. Griffin, General Manager, Government Employee Housing.  
Mr M. Rose, General Manager, Security Services.

**The CHAIRMAN:** Has the Minister an opening statement?

**The Hon. M.K. Mayes:** Yes, Mr Chairman. I would like to make some introductory comments, both about the future role of the Department of Housing and Construction and its activities over the past 12 months. It is important in the current environment, considering the attention given to

SACON, that some general overview statement be made about SACON's role and function in the 1990s, leading up to the turn of the century. First, I am committed to the maintenance of a viable and effective SACON well equipped to respond to the special challenges of the 1990s. Recently I had the opportunity to attend the Construction Ministers conference, and we had an address from one of the CEOs in the New South Wales Government on the maintenance of Government assets. It becomes increasingly evident that there are some short-term economies to be enjoyed by not addressing the maintenance of assets which in the long term cost the Government and the community more.

In these times of financial restraint the Government must have access to independent, specialised advice so that our limited resources can be utilised to maximum effect in maintaining the public infrastructure. To a large extent the quality of life obtainable in a modern, western eco-society is determined by the quantity, quality and condition of its public assets. I recognise that their effective management is a major factor in the maintenance of a healthy and fulfilling society. My task, in order to meet the taxpayers' demands, which I fully endorse, that our limited resources are used to their maximum effect, is to ensure that SACON as an organisation provides the service Government requires efficiently and competitively. Unless SACON can meet this demand its continuance cannot be justified. To this end I would seek to indicate the significant changes taking place in the agency, many of which reflect the commercial directions being taken.

The past 12 months have been particularly challenging. A considerable amount of time and effort has been spent in consultation with the unions and employees over a number of issues including the proposed restructuring. Also, there has been considerable discussion with industry about these changes, as well. The accelerated pace in moving to a more commercially driven direction led to industrial disputation early in the year. Resolution of the disputation resulted in the formation of the Corporate Plan Advisory Committee (CPAC) consisting of Government management and union representation to assist SACON in putting together a corporate plan that would steer it to become a more efficient and cost-effective organisation. It is important to stress the speed of the change process which is placing great stress on old systems, processes and attitudes.

The timely establishment of the Hudson review group assisted SACON's proposals to meet the aims of the Government Agencies Review Group (GARG). The Hudson report was presented to Cabinet in March 1991 and recommended that core businesses be retained, and endorsed the commercial directions undertaken over the past several years. The following initiatives are being implemented following full discussion and consultation with unions and staff:

- reduction of the corporate and business unit overheads;
- retention of the office of Government Employee Housing as a separate office within SACON;
- examination of the apportionment of work between SACON and the private sector and the introduction of performance measures;
- the management of office accommodation remaining as a significant part of SACON with target rates of performance;
- the fine tuning of the structure of the Aboriginal Works Division.

The following issues have been subject to continuing consultation and progressive implementation:

- a more area-based organisation reducing layers of management and supervision;
- substantial restructuring of the Construction Branch establishing it on a competitive basis;
- endorsement of the centralisation of the workshop areas throughout the public sector as proposed in the Capital Works Budget Committee's report to GARG;
- the future structure of security and cleaning services.

The following matters are linked and are equally important for the long-term effective operation of SACON. They are all areas that have consumed considerable energy and time within the agency:

- customer services training for all managers and employees of SACON with follow-up programs;
- addressing issues relating to award restructuring, multi-skilling of employees and equity;
- the offering of voluntary separation packages to employees;
- the ongoing establishment of business units within SACON and the implementation of commercial accounting practices. In this regard, I am concerned that SACON does not have sufficient appropriately trained staff in commercial accounting practices. It is not possible to provide such training to staff in the short period, and I am afraid the Government remuneration packages are not sufficient to attract the calibre of staff required to assist SACON in this process. Properly qualified and experienced staff are difficult to attract and retain, particularly in the fields of financial accounting and systems where private enterprise offers significantly higher remuneration packages.

The department has a mandate to make itself commercially competitive. It is embracing commercial practices and techniques and reducing the size of its work force. The past 12 months has been a period of considerable change, but the challenge for the next 12 months is even greater.

**The Hon. N.T. PETERSON:** I thank the member for Murray-Mallee for allowing me to ask the first question. I refer to a proposal to upgrade accommodation in Parliament House and I note that \$750 000 has been allocated for phase one. We have exchanged correspondence and there have been some media reports on the matter. Whilst we agree that accommodation needs to be upgraded, I am concerned that, having completed phase one, that will be the end of the matter. Will the Minister give a commitment to the implementation of all four phases of the development strategy?

**The Hon. M.K. Mayes:** It is unique to have the Speaker address a question to me. Considerable correspondence and discussion has occurred on the upgrading of Parliament House. An allocation of \$750 000 has been set aside in the budget. The proposal that I put forward, having put it through Cabinet and my Party, has fallen on stony ground. I am referring to phase one. We could discuss the various stages, but I regard it as stages one and two, stage one being to consider the space as identified by the Schilling committee that could be converted to a temporary use by the services provided in Parliament House, namely, *Hansard*, and to improve accommodation standards for the Democrats and Opposition members. I have had discussions with the Leader of the Opposition and it was quite clear that the proposal I put forward to the Parliament for consideration, involving the release of the billiard room on a temporary basis and the release of space as a consequence, was not likely to succeed. In fact, the Speaker was less than keen on that option. It is apparent that that proposal would not receive the endorsement of the Parliament.

As a consequence I have now reviewed the options that I will put to the Parliament with regard to several stages in order to deal with some of the more urgent matters requiring attention, such as improved air-conditioning for Opposition members' accommodation on the second floor. That issue must be addressed. About \$380 000 of the \$750 000 is required for that purpose. The relocation of the Democrats must also be considered and obviously space is not available in this building to accommodate them without the release or eviction of some other function of the Parliament. At the moment that seems to go down like a lead balloon, so I have not addressed the question to the Speaker or the President as the Presiding Officers of the Parliament. However, in due course I will address those most urgent matters that require attention.

I am still in favour of stage two, but it will have to run the gauntlet of the budget and I hope that next year we can address the issue. It involves the agreement and acceptance of the Parliament. Other events are occurring which may change that, and I would welcome with open arms such events occurring before I have to make that decision. I am sure that the Speaker knows what I am alluding to. However, it may not be the case, so I may be saddled with it. In due course I may be back to the Presiding Officers to raise with them the issue of stage two and whether we should embark upon that proposal to develop office accommodation across the top of the Legislative Council Chamber to provide considerable extra space for members' accommodation.

Again, it is a decision of the Parliament: I am merely conveying, through Cabinet and Executive Government, the wish to see the building upgraded. I have an obligation to do that, even though I may have to consider that I lost round one in not getting the release of the billiard room for temporary accommodation. We must seriously consider accommodation needs. Although this budget will not allow that, I hope that we can address the issue in the next budget so that we can embark on a series of discussions at Party level, with Presiding Officers, Whips and other Party functionaries within the Parliament.

**The Hon. N.T. PETERSON:** That means that options A and B are forgone. The use of the billiard room for some other purpose was never in dispute, only how it is used. Will the Minister now consider A and B options of phases two to four, as they were the same in each case and only phase one in each option was the problem? Will the Minister consider the suggestions put forward by the joint Presiding Officers? We had some support for option A, to which we received no response. Will the Minister consider the use of the basement of the Library and Old Parliament House, which would solve the problems very quickly and relatively inexpensively?

**The Hon. M.K. Mayes:** In essence, the Speaker has a greater responsibility in this matter than I, as I am only one member of the Parliament and the Parliament must make a decision as to how it will use the space within this building. If the Speaker feels that the Library issue should be addressed (and I do not disagree with him), he and his fellow Presiding Officer can address that point. I am happy to respond to their initiatives in this area. I do not have a responsibility, nor do I claim one, in terms of the running of the Parliament or the use of the parliamentary building: I am merely a provider of services to the activities undertaken within the four walls of this Parliament. If the Speaker and the President wish to pursue that point, I am more than happy to discuss how we can release space within the Library area to enable more effective use, if it is felt that such can be achieved.

**The Hon. N.T. PETERSON:** There has never been any objection to the development over the Legislative Council Chamber by the Presiding Officer of either Chamber or by the Parliament, and a proposal to use the basement of the Library and Old Parliament House has been put to the Minister, but I am not aware of a response to that suggestion. Will the Minister undertake constructive and in-depth discussions with all interested parties in this Parliament to come up with a plan that is acceptable to all people in this Parliament for a sensible and economical upgrading of the facility?

In none of these proposals put forward have we looked after the staff of this place. There are still people working in passageways and masonite cubby houses in stair wells. None of the proposals has catered for the staff of the place, or even for the members completely. Will the Minister give an undertaking that we can now talk in a round-robin and try to come up with a proposal that is acceptable to all parties?

**The Hon. M.K. Mayes:** I am more than happy to do that. I differ on just one point with the member for Semaphore: what might be regarded as phase A of the first stage addressed the accommodation needs of *Hansard*, albeit in a temporary way, in the billiard room of the House of Assembly. That is apparently not acceptable to Parliament. Consequently, I have moved away from that position. I am more than happy to enter meaningful discussions. I am writing to the Speaker—the letters are being prepared—to deal almost seriatim with some of the items that must be addressed. I have mentioned two of them: the air-conditioning of the upper floor for a number of reasons, not only for the comfort of Opposition members but for the salvation of our antiquated, deteriorating, obsolete air-conditioning equipment, which will probably fade out and go to that great air-conditioning grave in the sky very shortly unless we do something about it. One thing that we can do, I understand by my officers, is to install equipment on the second floor in order to supplement it.

**The Hon. N.T. PETERSON:** It has been suggested.

**The Hon. M.K. Mayes:** A number of people have suggested a number of things to me. I am more than happy to enter those discussions with the Speaker, the President, the Leaders of the Parties and the Whips, who are key in this whole event. I only hope that the other events to which I alluded happen very soon, because this could be my undoing!

**Mr LEWIS:** Before asking a question, I acknowledge the gratuity of the offer, but I need to point out that the Parliament is not just the separate Presiding Officers, the joint Presiding Officers, the Parties and their Whips: it is also, if not more importantly, the Joint Parliamentary Service Committee. Anything that is done in the Library, of course, would have to be referred to the Joint Parliamentary Service Committee in the first instance, since it is that committee that not only has responsibility for the space but also has responsibility for the employment of the people there, who would need to be consulted by their employer. Other places in the Parliament are also the domain and responsibility of that committee.

Candidly, the sooner the Parliament appoints a committee headed, as the Joint Parliamentary Service Committee happens to be at present, by rotating on an annual basis the job of Chair between the Presiding Officers, to deal with the budget of the Parliament, the administration of affairs in the building, and the affairs that are relevant to members rather than to Ministers, the better. If that does not soon happen, it is likely that more time than this will be spent in the formal proceedings of the Parliament in determining

how it ought to function in the future. I mean no offence to anybody: I am simply letting the Committee know and putting on the record how the Opposition feels about that at present. If the Parliament itself cannot be responsible for the management of its own affairs, God help the State, because nobody else will.

Regarding HomeStart (Financial Information Paper No. 2, page 29), will the Minister please take on notice and detail at his earliest convenience the number of HomeStart loans approved since the scheme began through and until 31 August last in the categories of new houses and established houses, and will he break that up into categories in value of the other assets?

**The Hon. M.K. Mayes:** I am sorry to interrupt the flow of the honourable member's question, but that now comes under the Housing Trust banner. I thank the honourable member for the question, and I can probably get the information together for him by this evening when we deal with the Housing Trust. We have rationalised SACON and identified it with particular functions.

**The CHAIRMAN:** The Minister will prepare a response and give a full answer?

**The Hon. M.K. Mayes:** Tonight we will deal with it and I will give a full answer to the honourable member's question.

**Mr LEWIS:** What percentage increase for overall salaries and wages is being budgeted for employees in the Department of Housing and Construction? Are any employees receiving extraordinary increases in salaries or wages during this financial year due to awards or for any other reason? If so, will the Minister provide details? I do not mind if he takes that question on notice.

**The Hon. M.K. Mayes:** I will take the detail on notice. We can give the honourable member the percentage details of what has been allocated in terms of a figure for inflation. Effectively, we will have to absorb within the existing budget any wage and salary movements beyond those that have been allocated within the CPI figure, which I think is 2.1 per cent.

**Mr LEWIS:** On a somewhat related matter, in an average working week—

**The CHAIRMAN:** Is this a supplementary question?

**Mr LEWIS:** No. The Minister has given a commitment to provide us with that detail: there is little point in pursuing it. What percentage of his time would the Minister allocate to his portfolio as Minister of Housing and Construction?

**The Hon. M.K. Mayes:** That is really a googly. It is very hard to quantify. I do not know about other members, but I work on weekends predominantly in the recreation and sport portfolio. This weekend I am involved in sporting functions from Friday night to Sunday evening: football, Adelaide junior Juventus Soccer Club presentation on Friday night, racing and basketball. It tends to absorb the whole weekend. I am sure that the member for Morphett would endorse that many recreation and sport functions occur. One interested person said, 'You are not required to go,' but if one does not appear there are questions about why one attends one function and not another.

I have not done a calculation on this, but I work from about 7.30 a.m. until 1.30 or 2 a.m. the next day in order to keep up with my commitments in my electorate and as a Minister. I am sure that my situation would reflect that of other Ministers and present members of Parliament. On most weekends I attend functions from Friday evening to Sunday evening. I concentrate on housing functions quite a bit: about two-thirds of my paperwork at night, which would occupy from three to five hours, depending on whether or not I have a function to attend, relates to housing and

construction matters. That paperwork would comprise at least two-thirds or three-quarters of my effort. However, as I have said, my weekends are pretty well devoted to recreation and sport with the occasional housing event.

**Mr LEWIS:** Last year's figures for employment excluded support services for members of Parliament and HomeStart personnel. Are those support services also excluded from this year's figures and, if so, will the Minister provide the number of employees involved so that a proper comparison can be made? What is the breakdown of work performed for HomeStart, work performed under the Minister's jurisdiction which relates to the Parliament and its members, and work performed for SACON?

**The Hon. M.K. Mayes:** The number of employees involved in HomeStart is 15. The number of full-time equivalents performing work on behalf of the Parliament and members of Parliament, including their electorate secretaries, has not been included in these figures. The number of full-time equivalents performing work for the Parliament is 47 and the number of part-time employees working the equivalent number of full-time hours is 17.3.

**Mr LEWIS:** We want to make a comparison between the last financial year and this year. Obviously, other people employed in SACON are doing work for the Parliament, and we want to include them in this category. The Minister has said that 47 electorate assistants are employed, but I think the number would be greater than that as the figure shown in last year's table is higher.

Notwithstanding that point, there are people, other than personnel working in electorate offices, who spend their entire time dealing with matters relating to the function of the Parliament and of its members that do not relate to SACON.

**The Hon. M.K. Mayes:** That is right. I will take that question on notice and provide that information for the honourable member, as there are employees who provide intermittent services to the Parliament. The last thing that I do before I go to bed on most nights is to sign responses to questions from the member for Hanson that people spend considerable time preparing. There is also support staff for electorate offices. My Chief Administrative Officer spends a good deal of his day dealing with inquiries from members of Parliament. The member for Murray-Mallee mentioned that he had a problem with his landlord. My Chief Administrative Officer spends a good bit of his day on the telephone talking to various landlords, encouraging them to upgrade their services, because they are responsible for ensuring that a decent facility is available to members.

However, I cannot say whether the Chief Administrative Officer or the Minister of Housing and Construction devotes half a year to servicing offices of members of Parliament. The number of hours devoted by SACON to the exercise that the Chairman just raised with me would be enormous. For the past six months, a senior architect has been allocated to address these issues in order to get the best possible result. Certainly there are people involved in policy and information matters. One senior officer is virtually involved full-time on the Housing Cooperatives Bill for the select committee.

**Mr LEWIS:** Will the Minister provide again this year information that has been provided for the past several years listing House of Assembly electorates by name, the location of their offices and other details?

**The Hon. M.K. Mayes:** I will take that question on notice and provide a table within the prescribed time.

#### Membership:

Mr Hamilton substituted for Mr Atkinson.

**Mr HAMILTON:** Page 257 of the Program Estimates refers to significant housing service projects continuing for special needs groups, including youth, the aged and people with disabilities. Will the Minister provide a comprehensive explanation of how the needs of those groups have been addressed, because I think it is important to recognise the work that SACON has done over past years?

**The Hon. M.K. Mayes:** Again, there is a problem in terms of the division of the portfolio. The breakdown is that SACON looks after asset management and advice, property management, office accommodation and Government employee accommodation; the Housing Trust deals with all housing matters and we are accumulating different groups under the banner of the Housing Trust. For example, the Office of Housing has moved from SACON, under my direct wing, to the Housing Trust, where it is obviously under the guidance of the General Manager. We believe that that has reinforced the Housing Trust by strengthening its policy arm. I have no problems with that in that the trust will provide me with advice on policy issues—whether that relates to heating, or whatever else. There have been some changes; we are not comparing last year with this year as apples with apples. I understand the difficulties facing members because they are working off these papers under that banner and we have gone ahead and made some changes. I accept that it is our responsibility to enlighten the Committee as to what we have done so that everyone can be better informed. I am happy to take any questions on that.

**Mr HAMILTON:** Perhaps next year that should be clarified, because it is obviously misleading members of the Committee in relation to addressing these particular issues. We are guided by the Program Estimates. It is a criticism of how the papers are prepared and I hope the Minister takes it in that light. Will the Minister inform the Committee of the current rate of vacancies in Government owned and leased office accommodation and say how that compares with the rate in the private sector?

**The Hon. M.K. Mayes:** That is a very relevant issue and I am sure it is of vital interest to all members. I am very proud of the unit under the guidance of Mr Roger Frinsdorf, as we have a very efficient and effective organisation. Mr Frinsdorf and his staff provide an excellent advisory service to the Government and their success rate has been outstanding over the past few years. The Government Office Advisory Committee is also worthy of praise. It is a very important committee and has played an increasing role under the chairmanship of Mr Mike Schilling, Chief Executive Officer of SACON. With fairly high powered representation, it has been a very effective body in advising the Government on the most efficient and effective use of office space and the achievement of the best return on investment.

The vacancy rates in Government owned and leased accommodation as at 30 June 1991 were 2.23 per cent and 3.59 per cent, respectively, and this represents an average total vacancy at the time of 2.96 per cent. BOMA, which produces six-monthly reports on office vacancy, reported in its July 1991 report that the current private sector vacancy rate was 15 per cent for the Adelaide, Greenhill Road, Fullarton Road precinct. This impressive result on Government figures can be attributed to the benefits derived from the initiative taken to centralise management of office accommodation in one agency.

Basically, the Premier has given me the responsibility of working with GOAG through my division under the guidance of the CEO and the director of that section to achieve

the best result for the Government and I think that we have done so. We constantly question where we are going and what we are doing. It has been a very successful combination of talent and commitment on the part of the people involved, and I am very proud of their achievements.

**Mr HAMILTON:** Will the Minister explain why the Office Accommodation Division did not have its accounts audited in time for inclusion in the Auditor-General's report to Parliament?

**The Hon. M.K. Mayes:** There have been some ongoing discussions about that. The Office Accommodation Division experienced some systems problems that caused delays with the completion of financial statements. However, the statements are now complete and will be published in the Auditor-General's supplementary report to Parliament and in SACON's annual report. The financial statements show that the division has recorded an operating surplus of \$2.39 million from its activities to 30 June 1991. The division has produced a surplus in each year since it was established in 1988 and has returned \$6.527 million to Treasury from its operations up to 30 June 1990.

I appreciate the honourable member's interest, which obviously stems from his involvement in the PAC. It is important that we meet the reporting standards set down by the Parliament. We have endeavoured to do that. I do not think it detracts in any way from the success of our Office Accommodation Division. It is just one of those gremlins that got into the system and we have sorted it out. We have also satisfactorily sorted it out with the Auditor-General, and the matter rests there.

**Mr HAMILTON:** I refer to the Program Estimates and the information relating to the work force numbers in the Department of Housing and Construction. It has been claimed in the media that Government agencies, in their work force reductions, are reducing the numbers of base grade workers, but are increasing the proportion of higher paid managers and executives. What is the correct situation in relation to this department?

**The Hon. M.K. Mayes:** This has been the focus of a number of discussions and negotiations that have taken place over the past 12 months. It has certainly been claimed in the media that in their work force reductions Government agencies have reduced the number of base grade workers but have increased the numbers of highly paid managers and executives. In terms of SACON, the situation is no different from that which has been claimed publicly and there is a good deal of anxiety on the part of the union representatives of weekly-paid employees particularly that we will do what was done in the ABC. Members are probably aware of the experiences of the ABC. If one talks to anyone who was a technician or working on the floor—actually hands on, delivering the services—one will know that when the ABC effected its cuts four floors out at Collinswood were filled with people in order to implement the cuts of those on the floor. That is a sad event and a reflection of how the bureaucracy can sometimes cushion itself from the cuts, whereas those not able to be involved in the management decisions actually suffer the cuts.

That is not the case in this department. We have deliberately focused our efforts to ensure that management is not excluded from this process. In its submission to the Government Agency Review Group the department outlined as an objective the reduction of its numbers over the next two to three-year period. I am referring now to the period from when the GARG submission was made in March 1991. We are talking in terms of achieving a reduction of 366 employees by 1993-94. Of that breakdown, the Government Management and Employment Act employees

number 202, and the trades and weekly-paid employees number 164. So, this involves almost 50 per cent more white-collar employees—management—versus blue-collar weekly-paid employees.

That to date is the way in which things have gone with regard to the voluntary separation packages as well. We moved in on corporate services before we moved in on anything else to identify those management levels where we could get more efficiency or where services could be reduced without having a major impact on the quality of services overall offered to our clients.

I note the thrust behind the honourable member's question and his background, being the President of a union which traditionally would be very concerned that the bosses get away with blue murder and the workers cop it in the neck. It is a fair and reasonable comment. I have seen it happen in organisations, and I am sure that he has, but it will not happen this time. The bosses are getting it equally, if not slightly more than the workers. It is sad to embark on this. It contradicts what I have always stood for in the provision of public services to the community. I have always stood by the view that the public sector provides the basis for the quality of life that we enjoy in this community. Unfortunately, because of budget constraints, over the past three years we have had to see cuts in our numbers. Hopefully it will not reduce the quality of maintenance to our assets. If it does, it means that in the long term the costs will be greater. That is the formula that we have used.

The breakdown in terms of those numbers is: 28.5 per cent of the total of executive officers; 27 per cent of the total of branch managers; 24 per cent of the total of supervisors; 24 per cent of the total of GME Act employees; and 17.7 per cent of the total of trades and weekly paid. The percentages are well above those of the weekly paid, because we believe we can make the service continue more efficiently but reduce the overheads.

If one talks to a weekly paid bloke at Netley, whether in maintenance or construction, the first thing that he will say is, 'The reason I am getting clobbered by my clients is that I am carrying the overheads of these buggers sitting up here in Wakefield House. I want you, as Minister, to do something about that.' It is a fair and reasonable question that has been put to the CEO on numerous occasions, and I have encountered it at public meetings with employees, particularly in the northern region. It was a repetitive question to me, and I think that it has been dealt with on the basis of an appropriate arrangement. I can assure the honourable member's constituents, who are obviously concerned about this as well, and we all have SACON employees somewhere in our electorates, that this is the way in which it is being approached.

**Mr BECKER:** SACON undertook a regionalisation program from 1985 to 1988. This included new offices in Port Augusta and Elizabeth, a new building at Marion and a refitted site at Netley. Just three years later there is a proposal to deregionalise SACON following the Hudson report. Will the Minister advise the Committee whether deregionalisation is proceeding; what is the budgeted cost of deregionalisation; and will he provide a detailed breakdown of the cost of the earlier regionalisation program?

**The Hon. M.K. Mayes:** I think that I shall have to take the latter on notice because it is quite a detailed question. I now know what the member for Hanson was doing on the plane back from London, because he warned me that he was doing some figures on me. The question is very sensible and his recollection of history is accurate. We are committed to deregionalisation as a consequence of the Hudson review. In a sense, it is centralisation really. It is

mixed. Let us look at what might happen in the northern region. We are moving some services to Whyalla, reducing others in Port Augusta and rationalising some in Port Pirie. I think that rationalisation is the appropriate word. We are combining and rationalising in that process. It is a mixture to achieve savings, and there will be real savings.

**Mr BECKER:** Will the Minister advise the Committee whether financial statements have yet been presented to audit for three SACON business units: maintenance and construction, security and Aboriginal works? I refer to the Auditor-General's Report at page 110. What has been the reason for this extraordinary delay?

**The Hon. M.K. Mayes:** The honourable member is referring to page 110 of the Auditor-General's Report where he highlights the fact that financial statements were not produced for Aboriginal works, security and maintenance and construction. The explanation is that Mr Inns, the CEO, was in dispute with the Auditor-General about the requirement to produce separate financial statements for these businesses as they are included in SACON's financial statements. The matter has been discussed with the audit manager and written advice was given to the Auditor-General in May that we were not planning to produce separate statements. I understand that we have now conceded and waved the white flag and will be providing the Auditor-General with those statements. We have conceded defeat. They have already been provided to the Auditor-General.

**Mr BECKER:** We will look at that when the Public Accounts Committee meets the Auditor-General.

**The Hon. M.K. Mayes:** I presume they will be part of the supplementary report from the Auditor-General.

**Mr BECKER:** Are all persons employed by SACON fully engaged at all times; in other words, is there always work for them to do? If not, what happens when there is insufficient work; what do these persons do then?

**The Hon. M.K. Mayes:** We are in a phase-in period. I am not seeking to avoid the question, but we are moving to what we have called our business plan or competitive program. There are times when we are faced with the construction branch work level declining. I do not think any other section of SACON faces that problem. I cannot imagine maintenance being in that situation at any time. As we move to client base competitive tendering—that is, we are in the market-place and the clients are not bound to us—we have some hard issues before us. In a sense, we are between a rock and a hard place. Over the past financial year there was no idle time in the construction branch. We are endeavouring, through a variety of processes, to ensure that that does not happen. One is ensuring that we win the work to keep the branch going, and another is to look at some reduction in the size of the construction branch, perhaps turning down the burner slightly, to give us a base that we believe can be more efficiently used.

**Mr HERON:** Will the Minister provide information on what steps have been taken by SACON to take advantage of incentives currently being offered in the market by building owners to attract office tenants in Adelaide?

**The Hon. M.K. Mayes:** The activities of our office accommodation division and of GOAC have been outstanding. A number of recent initiatives resulted in substantial savings to Government in office accommodation costs, and I will name some of them specifically. We relocated the Department of Labour and the Attorney-General's Department to Natwest House at a net cost of \$400 000 after receiving a capital cost incentive of \$4.7 million. In addition to the rent-free period of three months, savings in excess of \$5 million were achieved with this project.

At the Capita Centre we achieved a free fit-out and three months rent free to the value of \$143 000 in consolidating the Department of the Arts within the former Local Government Department in that building. With respect to the location of the Department of Mines and Energy on Greenhill Road, SACON also obtained substantial savings in lease renewal negotiations when it managed to peg rentals for the next two years at 1988 levels and obtained \$150 000 in a cash incentive payment from the owner in return for taking out a three-year lease. That represents just some of the achievements and we will be embarking on some more projects in the near future that will bring direct additional savings to Government.

**Mr HERON:** I refer to the restoration of prestigious buildings (Estimates of Payments, page 179). South Australia has an impressive array of Government-owned heritage buildings. What measures are taken by the Government to preserve those buildings?

**The Hon. M.K. Mayes:** Our heritage unit is outstanding. We have achieved some significant results and I will highlight the unit's prestigious achievements. During the Adelaide/Penang sister city week, the CEO took to Penang a representative of the heritage branch because the Malaysians are looking at a number of projects that would be ideal for our branch to undertake. That is a significant plus. The branch has also undertaken jobs interstate and it worked on one job overseas, so it has a very significant track record. It is continuing its ongoing program of judicious repair and restoration of our historic public buildings throughout South Australia.

Since the heritage unit's formation in 1985-86, over 30 significant historic public buildings have directly benefited from this program. Many others have been conserved through sympathetic adaption. Particular care is being taken to ensure that the essential conservation works are being implemented on a priority basis in a manner appropriate to the period in which the buildings were constructed. When the Address in Reply to the Governor's speech was delivered to Government House, members may have noticed that Government House is being appropriately treated for salt damp using new technology. That will save the Governor massive inconvenience and, we hope, restore the walls to their original condition. At least the walls will be maintained in a sound way for the use of future Governors of this State. Such a project can only be achieved through the expertise of our engineers and the people in the heritage branch, and that is essential for the maintenance of our old public buildings.

The Treasury building is one significant building that requires constant attention, and anyone who has an old house would understand that. Indeed, I have a house that is about 100 years old and it requires ongoing maintenance and attention. In this regard, the heritage branch has an outstanding track record, and it remains cost effective. It is supplemented by specialist consultants and contracting resources as required.

In the 1991-92 historic building conservation program, the following principal works have been cited: State Library, South Australian Institute building facade restoration (that is of particular significance to me because I went to school there); State Library, Jervois Wing facade and roof restoration; and Government House facade restoration, stage 1. That building is in urgent need of repair and, when I recently toured it with the Governor, she pointed that out clearly to me. It is important that we recognise the role of this unit and reinforce it, because it is essential to the maintenance of the older public buildings that bring a sense

of history and a great deal of charm and character to our city and State.

The unit won an architectural award for restoration work at Holland House, which is a reminder that many of our old public buildings are located throughout the State rather than in the CBD. Therefore, acknowledgment of the work of the heritage unit is important for the benefit of the whole community. There is nothing more enchanting or nothing that reminds me more of our heritage than when I drive into Terowie and see the wonderful old public buildings that are still standing and in good repair.

**Mr HERON:** I refer to the Entertainment Centre (Estimates of Payments, page 179). The Opposition made numerous criticisms of the Entertainment Centre during the course of its construction. What is the true position in terms of meeting the budget and programs in delivering this magnificent facility to the public of South Australia?

**The Hon. M.K. Mayes:** It is a significant achievement. From the community's point of view, there has been a fair bit of controversy about it. I have always been a supporter of this facility and, when I was a backbencher, I presented to Parliament a petition with 35 000 signatures, mostly from teenagers or people in their early 20s, which had been collected by SAFM. That petition called on the Government to establish an entertainment centre. Those teenagers are now in their early 20s and they can enjoy the likes of the Rolling Stones or Megadeth. The Entertainment Centre will be a proud focus for this State.

The fit-out of the centre was within the approved budget of \$45.4 million. There are no outstanding funding requirements and no claims have been presented by the contractor or are anticipated. I congratulate the project manager and his staff and Jennings and its workers on their achievement because it was completed well before time and it was within budget. Although privileged to attend the opening night, my joy was in being there to see the place work, and it did work very successfully. It will be an asset that our children and their children will enjoy because it provides a focus for a range of opportunities.

When I first entered Cabinet the Premier asked the Minister of Tourism and me to work with him to look at the options for an entertainment centre to cater for mass entertainment and sporting functions. We have already had a sporting function with the world squash titles and entertainment with Torvill and Dean and the Russian skaters. We have also had a motocross, and I look forward to the Jose Carreras concert, because it will show the versatility of the centre.

We can say that it has been a success. We did have to allocate additional funds, which were approved in March 1991, and a further \$720 000 was approved for traffic control, pedestrian safety, catering equipment and seating. We had to install a higher fire retardant standard seat for the protection of patrons. We also had to meet improved fire safety standards as set out under the Australian Code. Those things were established. The building has a fully automatic alarm system linked directly to the South Australian Metropolitan Fire Service with a very early smoke detection alarm and an emergency warning and evacuation system and emergency power and exit lighting. It is the only centre in Australia with all the facilities of this type.

I am sure that those members who attended the opening night would appreciate the speed with which the vomitory, the area around the arena and the seating, was vacated, which was within five minutes. I have attended functions at the Tennis Centre and the Sydney Entertainment Centre, where one can be blocked in narrow passageways and corridors to the vomitory, that is, the area surrounding the

entertainment arena. Because of the way it has been designed, with the major doors opening, the centre works effectively and has proved to be an outstanding success.

*Members interjecting:*

**The Hon. M.K. Mayes:** I have not had any problems at Football Park in the past few years.

**Mr LEWIS:** Why does the Minister not arrange to have North Adelaide railway station opened so that people coming by train from the north—

**The CHAIRMAN:** Given how long it has taken the Minister to respond about one entertainment complex, I do not want him to start on another.

**The Hon. H. ALLISON:** I will be happy if the Minister takes this question on notice. How many people in SACON were offered voluntary separation packages in 1990-91? How many accepted those packages? Will the Minister provide details of the occupational classifications?

**The Hon. M.K. Mayes:** I can provide some of that information now. As at 25 September 1991, 531 invitations had been offered to GME Act employees, and 443 for weekly paid employees, which is a total of 974. As to the number of employees expressing interest, we had 110 under the GME Act and 171 weekly paid, which is a total of 281. There were 79 offers of voluntary separation packages under the GME Act and 43 for weekly paid employees, which is a total of 122. A total of 80 voluntary separation packages were accepted: 59 under the GME Act and 21 weekly paid. As to a further breakdown of levels, I will obtain that information within the required period.

**The Hon. H. ALLISON:** The State Government appears to have decided in 1991-92 that it will lease space almost exclusively in buildings owned by the Government or by Government agencies. Can the Minister confirm whether this is so and give his reasons? While property values generally throughout Australia have been in decline, the owners of many large new buildings have had to offer substantial incentives such as free rent for a period in order to attract tenants, yet I recall one case in a Government publication—the South Australian Superannuation Fund Investment Trust Annual Report—where for the past three years its valuation seems to have increased.

This carries implications for SACON if it is looking at an increased valuation and rental when all around it are diminishing valuations and rentals. Another example that comes to mind involves SGIC Mount Gambier. That organisation is looking at an increase in rentals from Government tenants, or it has been in the past few months. Negotiations may still be continuing, yet generally in country South Australia valuations are declining. I seek the Minister's comments on the policy and the impact it would have on rentals through SACON.

**The Hon. M.K. Mayes:** We look for the most efficient use of our resources and, in most cases, we use our own buildings for that purpose in order to provide the most efficient and economic accommodation. Let me give an example of one situation. We have to look at improved accommodation for the police—there is no question of that. The police building in Angas Street is wearing out and we will have to address that issue urgently, and we will be doing that.

We are looking at a number of options to provide improved accommodation for the Police Department. I am not talking of the executive offices but of the actual facilities and services provided through Angas Street. Our strategy is to consolidate in those areas where the Government has an interest or commitment, but it will not be on the basis of our paying any premium. We will look at it in an economic sense, because our performance is judged on the rate at

which we get that accommodation. We will seek the most economic rate.

We will be dealing with those areas, particularly if we are dealing with another arm of Government or statutory authority, and trying to get the best value for our accommodation. We will not go in blindly and accept, as the honourable member seemed to suggest, Government accommodation at a premium. We will be paying as little as possible for that accommodation because our returns are based on our performance and obtaining the cheapest possible arrangement for Government departments.

**The Hon. H. ALLISON:** The Minister might also take this question on notice because it requires a detailed answer. Can the Minister quantify and provide a schedule of locations and amounts of vacant space now available in Government owned buildings, first, in the city of Adelaide, secondly, within metropolitan Adelaide and, thirdly, within country South Australia?

**The Hon. M.K. Mayes:** I will have to provide on notice some breakdown for the honourable member, but I can give an overview of the area vacant, and this is an average for the whole State. In 1989-90, the area vacant was 1.68 per cent; in 1990-91, 2.96 per cent. The rent paid for vacant space as a percentage in 1989-90 was 1.37 per cent and in 1990-91, 2.94 per cent. So, vacant accommodation has increased marginally. This is part of the impact of GARG rationalisation. Obviously, some departments—for example, Local Government and Corporate Affairs—have vacated leased accommodation. If one looks at that carefully and compares it with the figures that BOMA is putting out, it does not look too bad. I will undertake to give a breakdown of the honourable member's request, because it was CBD, metropolitan and country regions in terms of vacant area which is subject to rental.

**The Hon. J.P. TRAINER:** As a general philosophical or fiscal question, a constituent who is employed by SACON rang recently with a detailed story about what he called the poor funding arrangements made for all Government departments. He claimed that, since the funds of the majority of them do not flow through with certainty until October or November, which is very close to the Christmas holidays when things come to a bit of a halt, the majority of the effort goes into the last six months of the year after January and before June, in order to get everything done rapidly in order to balance the books before June. They tend not to be as active until the funds flow through again in the following October or November.

He said that whatever effect there is would be negated to a large extent if we had triennial funding as has been sought for Federal funding; we would have two years of smooth running and the factor that he says exists would happen only in the last of those three years. He says that the same thing happens in other departments than SACON and creates a morale problem. I am not certain whether or not those allegations are fully correct, but I am interested in what the Minister says about the validity of that and whether, if that is the case, triennial funding would be of assistance.

**The Hon. M.K. Mayes:** To some extent it is true. The honourable member's constituent is obviously out there at the quarry face or the farm gate doing the job. It is a reasonable criticism, applying particularly to one of the large departments where outside influences affect that client's decisions, namely, MPs, schools and school councils, all of whom want a say about what should be done in their electorates or their schools.

That is one issue that we are endeavouring to address, particularly relating to minor works and maintenance. There have been discussions with the department concerned to

ask it to address in an earlier process the question of minor and maintenance works in order to give us a more even timetable and program over a year. It is true that it occasionally happens. We are aware of it and we have made the department aware of it.

We believe that we will be able to address that by getting a more even spread of work over the year. I am sure that the honourable member will communicate the answer back to his constituent and he can be assured that we will endeavour to do it. The proof is in the eating of the pudding and we will have to see whether we can implement those changes as a service department to that client. The honourable member may want to ask my colleague for his commitment to ensure that that will happen, because it is frustrating for our managers and our workers, who are endeavouring to schedule their work programs, when this sort of thing happens.

**The Hon. J.P. TRAINER:** The next question relates to Parliament House accommodation and it stems from remarks made and questions asked in the Committee earlier this afternoon. If proposals to use Old Parliament House as a way of resolving part of the problems of the accommodation of staff and members in this new Parliament House were adopted, how much usable space would be gained? First, how much usable space would be gained if the expensive conversion of 1978, 1980 or thereabouts—those conversions of the shell of Old Parliament House to the Constitutional Museum—were to be reversed, thereby depriving the voting public of their unique Constitutional Museum and, in particular, depriving the schoolchildren and students of South Australia of a priceless component of their education?

I am sure that the Minister would have the figure on space available at his fingertips. Will he also provide an estimate of the structural cost that would be involved and enumerate what educational facilities and State heritage would be lost, much of it irretrievably, and how much of the expense involved in the original conversion of Old Parliament House to the Constitutional Museum would be wasted if it were again converted to be an extension of new Parliament House?

**The Hon. M.K. Mayes:** I have to acknowledge the structural arrangements. The member for Murray-Mallee referred earlier to the Joint Parliamentary Service Committee. I wrote to the committee and was approached by the President and told that it was inappropriate for me to address the issue that committee. I did pay attention to the detail of the Parliament's management. The President said that I should go to the Parliament, which I consequently did through both Presiding Officers.

In relation to Old Parliament House, in response to the Speaker's question and his particular enthusiasm for gaining access, I acknowledge that his intentions are very well meaning in his endeavours to address the accommodation of staff of this building. The space available may not answer to the needs if it is a simple office ratio of square meterage per person. Because of the arrangement of Old Parliament House (the constitutional Museum), only 75 square metres is available, and I am told that that would not give much accommodation because of the configuration. We are talking about a miniscule amount of office space—less than the size of most members' electorate offices. It would not provide adequate facilities for the Parliament. There would be a huge outcry from the History Trust, supporters of the conservation movement in this State and the National Trust.

*Mr LEWIS interjecting:*

**The Hon. M.K. Mayes:** That is true. Other issues in front of us must be dealt with. I am not an enthusiastic supporter



of the idea of Old Parliament House being adapted, even though I understand the Speaker's theme. Whilst it is an appropriate place for us to be accommodated, as we originally commenced our Parliament in that building and there is a continuity in using it, at the moment the public have access to it. The old Chamber in its excellent prestigious form is terrible accoustically. I do not think that anyone would want to see it disrupted or in any way altered to accommodate the accounting section of the Parliament. It is important for us and our children to see that room in the original form in which our predecessors forged ahead to create this State. It is a significant part of the heritage of this State. The door is open to talk to the Speaker, Presiding Officers and the Joint Parliamentary Service Committee. I was told by the President that I should address the issue to the Parliament, and I took his advice and did so.

**The Hon. J.P. TRAINER:** Supplementary to that, there are subjective reasons why it may not be a suitable option, but the information that I am trying to elicit from the Minister is that there are objective reasons that can be put forward in terms of a cost benefit analysis with regard to dollars expended for square metres gained. It is important that those figures be on the record so that when the Parliament approaches the issue it does so knowing the costs and benefits. Apart from the proposed option of resuming all of Old Parliament House, will the Minister delve into his resources and, on notice, provide the same sort of cost benefit analysis on what would be involved if only part of the Old Parliament House was resumed by Parliament House, leaving the Constitutional Museum facilities in place and perhaps moving the administration to other premises.

**The Hon. M.K. Mayes:** I do not have that cost benefit figure available. It has been identified that 75 square metres—probably an area immediately adjacent to our attendants' office—would be gained. In terms of the cost involved to establish the functions that we could consider putting there, such a move is not warranted. In addressing this question to me earlier, the Speaker made reference to the Library area and asked whether or not, given that it is on the Ausnet system, we could release some of that area. Material could be released to the State Archives for its benefit, thereby making available that area. I will look at that option with the appropriate Parliamentary representatives, bearing in mind that I have no rights other than as a single member of this Parliament.

**The Hon. J.P. TRAINER:** I refer to an article in the *Back Chat* column of the *Advertiser* written by Samela Harris which claimed that six toilets located in the stairwell of the Festival Centre car park adjacent to the area most frequently used as the members' car park on sitting days were intended for members. I am sure that the Minister could give an assurance that those toilets are actually part of the Festival Centre car park and have nothing to do with Parliament. What standards prevailed whereby a car park of that size would require, in 1973 (or whenever it was established), six toilets?

**The Hon. M.K. Mayes:** The toilets were not exclusively provided for members' use. I am not sure whether the suggestion is that members are incontinent.

**The Hon. J.P. TRAINER:** They may be used as extra seats in the case of a redistribution.

**The Hon. M.K. Mayes:** That is a very sensitive point at this end of the table. They are not for the exclusive use of members. I have no explanation at my fingertips on why such an extensive toilet facility was provided for a car park, but we will delve into the history books. It will be an interesting topic. I am sure that, when the member for Walsh takes guests around Parliament House on his enter-

taining tour, that he will add this story to his repertoire about the history of the Parliament.

**Mr S.G. EVANS:** I refer to electorate office staff and, without knowing the view of my immediate opposite in the position of Whip, I put forward my personal position, because I am concerned. Will the Minister consider increasing the allocation of staff for the Whips, particularly in the lower House, as we have a greater role to play in a comparison of the Whips of the two Houses? The Speaker has extra staff in Parliament House because of his extra role, responsibilities and work load; he also has extra staff in his electorate office. An extra allocation of one person is given also to the Chairman of Committees and Ministers have an extra allocation of staff, although they do not have any more work in their electorate office than any other member as their ministerial work is done in their ministerial office and there are separate staff.

The position of Whip entails more work than ever before, although it is not all parliamentary work. A Whip's Party provides extra work through the Secretary or Treasurer with regard to organising appointments or replacement of representatives for those who cannot attend functions. The number of pairs requested and the level of correspondence is much greater now than ever before in my memory—and I have been Whip or close to the Whip for 20 years.

Years ago, I put to Deputy Premier Corcoran that there was some merit, where requested, in placing a junior in an electorate office on the basis that the junior would work in that office for no longer than 12 months and then seek work elsewhere. That would not create a heavy burden on the public purse but would give juniors the opportunity to meet people in the community and obtain some work skills, and it would be quite likely that they would obtain a job before the end of that 12-month period. Has the Minister considered this aspect?

**The Hon. M.K. Mayes:** This matter must be dealt with by the Executive Government. The allocation of staff for electorates is one of those issues that seem to engage everyone's attention—probably with good reason. A good percentage of the staff of my electorate office is engaged in dealing with matters that should be dealt with by my ministerial office, because people wishing to make inquiries look up my name in the telephone book and ring my electorate office. Those inquiries take up a good proportion of the time of my staff, apart from demonstrations and effigies of me being burnt in front of my office, and other events that have occurred.

I am strongly sympathetic—and I have expressed this view on occasions—towards Whips in the Lower House being given additional resources, and I make no apology about that. I think there is a good argument for Whips having additional resources at their disposal. As officers of the Parliament, they have a lot of responsibility. They are appointed by their Party, but that does not in my opinion detract from their responsibilities.

I have faced this budget with a reduction in funds. I am still negotiating with the Minister of Finance to maintain the existing electorate staff structure in order to provide training and other facilities, but I have been less than successful at this stage. Obtaining additional resources is a major problem. I assure the honourable member that it certainly will not occur this year, nor, I assure him, will it occur next year. All I can say is that I detect among my Cabinet colleagues sympathy for the honourable member's view.

The Government Whip has put the argument for both sides of the House on occasions when he has raised the matter with me. I think he has been justified in doing so,

as has the member for Davenport. The view among my Cabinet colleagues is that there is a need to address the issue of resources made available to Whips. I have endeavoured to offer some sort of help through the provision of equipment. I know that that does not assist the Whips with regard to support services, because they probably need the provision of additional physical resources, and I hope that during the life of this Parliament those resources will be provided.

**Mr S.G. EVANS:** My former electorate secretary resigned after 10 years because of a work-related injury. She could not continue working and instead of claiming workers compensation she retired from work altogether. I think she had a justifiable claim, but that was not her attitude to life. My present secretary had a motor vehicle accident on the way to work about 16 months ago, in May last year. She reported the matter and continued to work full time for a considerable time while suffering a lot of pain. She is a dedicated worker and did not want to live off the system; however, in the end she was forced to seek a further assessment and to have more treatment.

She was told to work only four hours a day after which a relief person would take over. She was then told to work four or five hours a day, alternating 20 minutes of work with a five-minute rest, and then the relief person would take over for the balance of the day. More recently, she has been told to work for 20-minute periods with five-minute breaks, but a relief worker takes over for the final hour and a half of the day. In the case of my former secretary, a relief person was employed because she had a lot of duties to perform, so there were two people in the office for most of the time.

This matter is quite serious because the work in my office has fallen behind. I am not blaming my secretary, who is most probably doing harm to herself by trying to get through the work under the present conditions. Will the Minister look at this matter? I do not know whether WorkCover or someone else should pay for extra staff, but it is unfair for this lass to continue working under these circumstances without extra help.

**The Hon. M.K. Mayes:** I cannot provide a comprehensive answer, but I will refer this matter to the Electorate Secretaries Division of the department. I have a brief outline of the issues raised by the honourable member and I will be happy to investigate them.

**Mr S.G. EVANS:** Recently, I sent a letter to the Minister about this matter in fairly strong terms.

**The Hon. M.K. Mayes:** I will look at this matter tonight. I suffered the same situation recently with one of my part-time electorate secretaries who shares the responsibility in my office. It is very difficult to manage in those circumstances.

**Mr LEWIS:** On page 252 of the Program Estimates there are a couple of unexplained anomalies in the table headed 'Resources summary'. Why has there been an 11.5 per cent cut-back in capital expenditure from \$224.3 million last year to \$198.4 million this year (a 15 per cent reduction in real terms) and a shortfall in capital receipts of \$10 million from \$60.4 million to \$50.4 million; and why are capital receipts projected to double to almost \$106 million this year?

**The Hon. M.K. Mayes:** I think it is fair to say that there has been some change in the allocation of capital funds within each portfolio and that the figures have been calculated on a different basis from the recurrent allocation. So, there has been some change in the continuity of the capital fund arrangements. TAFE has been removed from our allo-

cation, as has Correctional Services. That is the background to the significant difference in those figures.

**Mr LEWIS:** I refer to property acquisition and disposal services, which is also mentioned on page 111 of the Auditor-General's Report. Is the Minister satisfied that there is an accurate and comprehensive asset register of all buildings owned by the Government? If so, what is the current value of these buildings?

**The Hon. M.K. Mayes:** I make a distinction between buildings and land. The register of assets relating to buildings under my charge is not comprehensive of all Government owned buildings—some are vested in me and some are vested in other Ministers. For example, the entertainment centre is vested with the Treasurer. Even though I and my department had direct control of its construction, it was handed over to the Treasurer, who has the ownership of that particular facility. One has to segregate the buildings. The honourable member will not get a complete picture of the Government's asset register from my response. However, we do have an asset register, but I cannot give the honourable member a full picture and will take the question on notice.

The honourable member's question could be extended by asking whether I am satisfied with the asset register and with the valuations on that register. I am prepared to take the question that step further. First, the asset register is adequate in the sense that it is an actual physical registration of those assets. In relation to the question about whether I am happy with the valuations, the answer is 'No', because we are going through the process of revaluing to bring the register into the current accrual accounting procedures that we are required to adopt. That also depends on my getting approval to interface our computer network in order to achieve our accounting information systems.

We are in the process of establishing a true value—as an accountant, I say that with some qualification—in accordance with the accounting system that we have been asked to adopt by Treasury and the Auditor-General in order to have a consistent approach in the valuing. That revaluation is under way; it is not yet complete. We do not expect it to be completed for some time. Again, that does not make us happy, but it is in the process of being undertaken.

**Mr HAMILTON:** I refer to page 259 of the Program Estimates. What community infrastructure initiatives have been implemented to improve efficiencies of essential services delivery in Aboriginal communities?

**The Hon. M.K. Mayes:** This is an issue that concerns all members in terms of what we provide for our Aboriginal communities throughout South Australia. Through the Aboriginal Works Unit we have the responsibility of providing that service to Aboriginal communities. I am very pleased with the quality of work of that unit, its achievements and the leadership exhibited by its Director. The Government is always sensitive about claiming any successes in terms of service delivery to Aboriginal communities, because on numerous occasions we have had some difficulty in achieving what the community wants in providing the quality of services that are genuinely desired or should be provided.

In fact, the Aboriginal Works Unit is one of our success stories and will continue to be so. It works tirelessly to achieve what the community wants. On occasion, it has to offer advice as to what is realistically achievable by the community but, again, that is an important function because these communities, like any community or individual without expertise in building, sometimes have unrealistic expectations or expectations that cannot be achieved within the budget. So, our works unit has that responsibility and I

believe it provides an excellent service through the leadership of the Director, Mr Ian Carter.

The works unit constantly looks at alternative technologies to assist in the delivery of infrastructure for our Aboriginal communities throughout the State. It has constantly looked at the most reliable, functional and least costly services that can be provided. Basically, we are charged with the responsibility of providing those infrastructure facilities. Given the funding arrangements from the Federal Government there has been an ongoing difficulty in achieving the results we would like to achieve. ATSIC now has that responsibility and we have been negotiating on a variety of fronts to achieve the most efficient use of resources and their delivery to Aboriginal communities throughout the State.

I could go on almost for the rest of the day outlining some of the difficulties we are encountering in trying to deliver those services. However, I can precis some of our achievements in terms of effectiveness of delivery of those infrastructure facilities. For example, there is the water filtration plant to improve water quality in specific communities—of course, that is a fundamental requirement; water treatment plants to recycle water for growing purposes and environmental health—again technologies are being examined thoroughly by our Aboriginal Works Unit to see what improved technologies can offer for those communities; data logging equipment to provide invaluable information on bore performance, which facilitates recognition of pump failures prior to the event; a relining of the community water storage tanks, which increases the lifespan of the tanks; battery inverter and converter systems to improve generator efficiency; and load monitoring of generators to measure load and performance. In fact, we can monitor load and the generators in are as such as Indulkina and Amata. It is amazing that from our central office we can flag to our maintenance staff 900 kilometres away from Adelaide that there is a fault in one of our generators, and, of course, that can prevent an expensive failure occurring.

If one does up one of those huge motors in the process, one is talking of tens of thousands of dollars. That sort of alarm system, the technology that is available that we are installing, reduces our overall capital and maintenance costs very significantly. We have the trained staff in our division who can now bring in their skills, or bring in E&WS or E&WS skills, to prevent such a disaster occurring which may involve a total water or power failure. We are looking at all of that technology to improve the quality of services to our isolated communities and to our inner communities as well. It is one of the success stories that we can talk about.

From the point of view of our Aboriginal communities in isolated locations, the working relationship between the community councils and the Director of our works unit and his staff is excellent. I can say that from first-hand knowledge, because I have spoken to the councils. I try to get out there once a year. Whereas constituents closer to the city can see Ministers and members regularly and have the opportunity to visit their electorate offices, it is difficult for someone from Amata to get down here to see me in my office or to see their local member, even though he is very mobile and gets out there as often as he can. Indeed, it is a hell of a task for him to get out there as well. I think there is an onus on all Ministers to go out at least once a year and meet the councils to hear what they have to say, and that has been my policy over the past two years.

I think that the communities appreciate this and I appreciate it, because I can see first-hand the difficult circumstances in which our employees provide these services to

those communities. As long as I am Minister I intend to continue to do that and to provide at least a sympathetic ear to what is happening out there. I am confident that whatever I get by way of information is not filtered by my Director, because he tells it as he sees it. He does not care who is around when he says it, because he tells it honestly. That is the way that it should be and I think that the Aboriginal communities appreciate the honesty with which our branch operates.

**Mr HAMILTON:** I refer to the details of recurrent and capital receipts (Estimates of Receipts, page 43) applying to receipts for Government employee housing from the sale of land and buildings. What rationalisation of housing has occurred during the past four years since the Office of Government Employee Housing was established to provide all the Government's employee housing requirements?

**The Hon. M.K. Mayes:** Government employee housing is a sensitive issue with which I am sure every member has had some contact or discussion about and which is fairly significant to those who are serving this State as servants of the Government. One of the significant reasons for establishing the Office of Government Employee Housing as a single management focus for the provision of employee housing in South Australia was to achieve a more efficient use of the State's employee housing resources. There has been significant rationalisation. Probably not a week goes by without my approving the sale of one or two of our Government employee housing facilities.

Considerable effort has been applied to assisting Government departments to examine critically their employee housing needs. Expensive duplication of effort has been avoided and overall a more consistent and efficient use of housing has been achieved. Members will probably cite a number of examples where we have seen unnecessary duplication when departments were flying their own flags and wanting their own autonomy. As Minister of Agriculture, I encountered that situation on occasions. There was always a good balance, because local constituents of the member for Flinders are among the first, when there is a problem in an area, to point to duplication or competition between Government departments.

Since 1988, the total employee housing stock of owned and leased houses has been reduced from 3 825 to 3 067 at 31 June 1991. I will give a breakdown of the figures and the funds received. Of the total of 55 houses sold in 1987-88, 36 went to public auction, 19 were tenant purchases, and the funds received amounted to \$2.254 million. In 1990-91, 66 houses were sold: 54 went to public auction, 12 were tenant purchases, and the funds received totalled \$3.023 million. In addition, the number of leases held during this time has been substantially reduced, particularly those previously obtained from the South Australian Housing Trust.

In the last financial year, 66 properties were sold, as I said, realising \$3.023 million. Proceeds from the sale of houses have been used to fund purchases of housing in locations where shortages exist and to upgrade existing housing stock or to reduce the debt applying to the employee housing assets. Some 37 properties are currently in the process of disposal, and capital receipts of \$2.040 million are projected for this financial year.

**Mr HAMILTON:** On page 265 of the Program Estimates, under '1991-92 Specific Targets/Objectives', it states:

Improve asset rationalisation initiatives and financial analysis skills to maximise returns from property.

Inherent in that I take it there has been difficulty in this area in the past. Will the Minister advise the Committee what those problems have been, if my assessment is correct,

and what improvements he is seeking from that statement in the paper?

**The Hon. M.K. Mayes:** The honourable member has touched on an issue that probably not many members would expose in terms of the overall estimates. I might have to take this on notice in terms of giving the detailed information. We have been trying to get an overall picture of our assets and assets value. Each department has a responsibility, as part of GARG, to identify an asset which may be relinquished. About 2 500 properties are held in the name of the Minister of Public Works and associated titles. Of these, 167 have been short listed for detailed investigation. We are looking at rationalisation, which is part of a broader picture but is also part of the GARG exercise.

A number of schemes are being entertained which would involve the rationalisation of Government assets and facilities. For example, a central workshop exercise is being undertaken that will look at the amalgamation and cooperation of departments in servicing Government facilities and vehicles. In doing that we will identify within SACON and within other departments a number of facilities that may not be needed. Other issues and exercises are going on as well. The Minister of Marine is going through a process of identifying the resources that he can relinquish, and the Minister of Health is going through a similar process.

There is individual identification, which we are doing under the public works portfolio, which has identified 167 properties, and there is a combined central agencies exercise to identify what can more effectively be achieved by bringing together a whole range of identical activities which can provide a service to the full range of government. In itself, that exercise will probably realise some significant sales of our assets because we can achieve the same service without having those facilities under the ownership of the Government.

**Mr HAMILTON:** As a supplementary, can the Minister indicate whether the department has an objective of disposing of a certain percentage of those 2 500 properties?

**The Hon. M.K. Mayes:** No, there is no percentage goal. What we are looking at is the most efficient delivery of Government services to the least cost to the taxpayer. If it means bringing together all the sheet metal works into one location, thereby releasing one or two physical facilities not required by Government, the servicing costs of that facility are reduced and there is a capital gain realised in the sale. However, the service is still provided through a central Government sheet metal works location and that is how we are dealing with it. We are not handling it on the basis of the department's having to reach a percentage goal of sale of assets. It is not a sale of the farm just for the sake of a sale. It is an efficiency exercise to realise more appropriately those assets that can be sold and a more efficient use of the assets that we own.

For example, in the Ministry of Agriculture, there are separate functions for the servicing of equipment, whether it be tractors, horticultural equipment or heavy vehicles. Those functions could be brought together, releasing several properties in doing so. That is another Minister's portfolio but that is the sort of exercise that I am talking about. It maintains service to the department and the equipment is maintained, but it provides some economies of scale by bringing it together.

**Mr HAMILTON:** By way of a further supplementary, I take it that inherent in the points that the Minister has just outlined there will be a reduction in the work force associated with that rationalisation or disposal of property where consolidation occurs in maintenance depots. If so, to what

extent can the department anticipate a reduction in the work force?

**The Hon. M.K. Mayes:** What the honourable member said applies across Government. It may not apply to individual departments. There may be circumstances in which we can consolidate truck servicing, say, but we do not see a reduction in staff numbers. Overall, there is anticipated to be a reduction in staff numbers that is not in any way correlated to the reduction in floor space and equipment requirement. SACON's central workshop is a good example because there is no reduction in the work force in that exercise but there is a significant increase in the amount of work that will be done. The productivity increase measure is about 14 per cent. So it is not necessarily that we will see a rationalisation of workers. I want to make that quite clear. Over the whole of Government, it is anticipated that there will be a reduction in work force numbers.

**Mr BECKER:** Does the Minister believe that some of SACON's activities can be performed more cheaply and more efficiently by the private sector? If so, does he have any plans to contract out any services or activities of SACON such as property maintenance services? If so, what other services does he have in mind?

**The Hon. M.K. Mayes:** It is fair to say that the Hudson report identified those areas of SACON's activities that were less competitive. I have used that as a basis of negotiations with the Trades and Labor Council to identify some areas where we cannot satisfy accountability to Government, Parliament and the taxpayer because, on the face of it, the private sector could provide those services more economically. We have already taken some steps to initiate those economies.

We have identified the professional services area. I do not think it is as straightforward as some commentators and the media suggest, and I am sure that the member for Hanson appreciates that as much as anyone does. It is important for us to have professional architectural, engineering and surveying services available to Government. In essence, the old adage that you have to keep the bastards honest applies. Whether we should do the extent of architectural work that we undertake is a moot point and it is one that engenders considerable debate. Sometimes I find incredulous the amount of debate it generates. Professional associations have approached me on several occasions about this issue.

There is a balance and we have to be aware that the Government needs independent advice that does not owe anything to anyone else other than its loyalty to Government. We have reversed the ratio in the professional services division. We are now in the process of commissioning 40 per cent of our design and documentation work to the private sector. We previously commissioned 20 per cent, so we have increased the amount of activity for the private sector by 20 per cent. The ratio is now 60:40. Members can argue about whether that is the appropriate ratio, but it was suggested by the Hudson committee, and a fairly senior representative of the private sector was a member of that committee. We have partly achieved that goal, presently being at 62:38 per cent, which is a significant move away from the 80:20 ratio. It has had a marked impact already in terms of the services provided through SACON.

Another area that I am sure the honourable member is aware of concerns the cleaning services that we provide. No-one runs away from the fact that the cost of our cleaning services per square metre was significantly higher than those of the private sector. We are now providing a very small cleaning service to the courts, although I might stand corrected on that point. That is the extent of our cleaning

service. The courts have particular requirements that warrant certain services being provided. We have 43 employees in the cleaning division and 33 have accepted VSPs, so we will have a very small cleaning staff who will specialise in looking after the courts area in particular. The honourable member's question in terms of our efficiency is being addressed.

The other area is security. There is an ongoing myth about the cost of our security. On any figures that we take, and we are being very honest because our figures have produced a degree of honesty in the construction branch and in the cleaning division, our security division is very competitive with the private sector. There has to be a degree of Government involvement again, like providing us with independent advice. There has to be a very close employer-employee relationship when it comes to the security of Government information and information with regard to what members of Parliament deal with. I am not sure that members would feel comfortable if we had outside contracts with security for this building as well, when we know that members deal with very sensitive information and one wants a specific relationship between that security service and the Parliament. The other area is construction. We are in the process of negotiating with the unions the future role and functions of the construction branch.

**Mr BECKER:** Does the Minister propose to increase the level of maintenance contracts let out to the private sector for Government employee housing? As at 31 August 1991 what was the stock of Government employee housing in Adelaide and the country areas, and how many of those Government employee houses were empty? I want to know the number of stock in the city and in the country, the number of vacant houses, and whether it is proposed to increase the level of maintenance contracts contracted out to the private sector for Government employee housing.

**The Hon. M.K. Mayes:** I have had a question on the rationalisation of Government employee housing, but not on the total numbers. I will have to take the question on notice to give the honourable member the total numbers and the breakdown between metropolitan and country locations. In relation to the first question regarding the maintenance contract of Government employee housing, there is no intention to go out to the private sector at present. There is an agreement between Government Employee Housing and SACON maintenance, and that contract is currently being conducted by maintenance. We are reasonably confident that that is an efficient service provided at a competitive rate.

**Mr BECKER:** I would have thought that the Minister would have the figures for Government employee housing with him. I am surprised that they are not there.

**The Hon. M.K. Mayes:** We have the total, but we do not have a breakdown. I mentioned the numbers earlier when I gave an answer to the member for Albert Park or the member for Peake. The total employee housing stock is now 3 067, and 88 are in the metropolitan area.

**Mr BECKER:** I refer to page 263 of the Program Estimates. Which Government agency buildings are in greater need of property maintenance services, repairs, painting, etc.? Does the Minister have a forecast of the expenditure levels required to maintain the state of Government buildings in good order and condition over each of the next three years? I refer to the old Treasury building and the Lands Department buildings in King William Street, which are plagued by salt damp. They were treated two or three years ago, and no sooner was the treatment completed than one could see the salt damp come back through the paintwork again. They are in terrible condition. I was there a few

weeks ago and was amazed. There have been several broken windows in those buildings. The condition of some of the window sills and general paintwork has deteriorated rapidly in a short time. I would like to know whether these buildings are again on the top priority for property maintenance. What other buildings require proper repairs and maintenance?

**The Hon. M.K. Mayes:** I suppose that one could separate this into two areas. Obviously they are heritage buildings. I think that the honourable member is referring to the Old Treasury building next to the Town Hall, on the corner of King William Street and Flinders Street. The building is receiving attention at the moment. The office accommodation division is undertaking an ongoing audit of the state of our assets. The building that the honourable member mentioned has been identified by three separate exercises: by that process, by the heritage buildings for which we have an extended program, and also as part of the process of what we will do with the Government assets around Victoria Square.

So we are fully aware of that building's needs. We are aware of the accommodation that is currently provided to those departments located there. The whole building is devoted to the Department of Lands: about 6 000 square metres. There is an ongoing audit and the Director of our division is undertaking that so that we have a clear picture of the status and condition of our asset. That needs to be examined carefully, but the point is real. An interesting story is associated with the colour of the Treasury buildings, but I will not embark on it now.

**Mr BECKER:** Is there a list for the maintenance of those buildings over the next three years?

**The Hon. M.K. Mayes:** It is an ongoing audit that we prepare.

**The Hon. J.P. TRAINER:** As to another heritage building—Parliament House—is the Minister aware of any program for the replacement and maintenance of the carpets in this building? A red carpet with an inappropriate French fleur-de-lis pattern, because it was the only red carpet available in bulk in Adelaide at the time was installed in the Legislative Council for the royal visit in 1954. It was replaced in 1973 with more of the same design made to order by some brilliant person who believed that there was deep political and parliamentary significance in the French fleur-de-lis pattern, and so it was repeated. As patches have worn out they have been replaced, but I understand that there is no remaining spare carpet available for any replacement and probably, if it gets too threadbare in any places, the whole carpet will have to be replaced. Similarly, I understand that we are running out of green replacement carpet for this House and, from time to time, we see it stitched or held together with masking tape, which sometimes is even visible on the television news at night.

In addition, there is this horrible ochre carpet in some parts of the building. Unfortunately, it is of high quality and will not wear out. On the other hand, it has some severe disadvantages in so far as it was poorly laid. The direction in which it is laid is okay for that part of the carpet running in the north-south oriented corridors but, where it is laid in the east-west corridors, the direction in which it is laid is across the general direction of the corridor, which means that the movement of pedestrian traffic plus the various trolleys scuffs up the carpet into mountain ranges and opens up the seams, and I am sure that that presents a tremendous occupational health and safety danger in terms of broken ankles, plus it probably costs the Parliament a great deal in masking tape as well.

In addition, in 1973 the architect involved apparently had some sort of mania for carpet, even to the stage of using it for wallpaper and that is why we have pyjama striped carpet on the wall of the members lounge. I understand that the architect had a nervous breakdown afterwards, but I am not quite sure how that was related. It might have been a cause, rather than an effect. There is the bilious green carpet on the wall of the House of Assembly billiard room and the burnt orange carpet on the wall of the Legislative Council billiard room, plus the hotel front bar vomit-type carpet on the floor of that room, not to mention the tatty bone carpet that is coming apart on the walls of our Caucus room. Given the current financial stringencies what can be done is obviously very limited.

However, a couple of years ago I did look at the House of Assembly corridor, where there is carpet identical to that installed in the House of Assembly Chamber. That carpet was put down in 1973 over the top of the slate and marble tiles. It occurred to me that we might be able to do two things at the one time, that is, restore the corridor to its original splendour and simultaneously provide a stock of matching green carpet that could perhaps keep us going for another 10 or 20 years before the carpet in this Chamber has to be replaced.

However, it turns out that, when that corridor carpet was laid in 1973, the hook battens along the wall onto which the carpet is stretched were attached to the slate by concrete nails being hammered into the slate and then supplementing that effort with epoxy resin glue. Has any professional assessment been made as to whether it is feasible to restore the tiles at a reasonable cost and reduce noise by simply having a narrow, plain carpet runner down the centre of the corridor? Is there any value in the existing carpet being taken up and used for the maintenance of the carpet in this Chamber, because I fear that time may be passing by and the carpet in the corridor is getting nearly as threadbare as the carpet it could possibly replace in here?

**The Hon. M.K. Mayes:** I recall the honourable member asking me a similar question last year, and my brief answer then was that it is a matter for the Presiding Officers. However, given the honourable member's anxiety about the state of the carpets in this Chamber, with the agreement of the Presiding Officers, the Joint Parliamentary Services Committee and other informed and relevant officers of the Parliament, we will assess the parliamentary carpets and I will report back, through the Presiding Officers, on the state of the carpets in the building and on what restoration will be required in order to restore not only the carpets but the surfaces to the original state. I will try to do that before the next Estimates Committee.

**The Hon. H. ALLISON:** It is claimed in the PPB papers that SACON is moving towards a more businesslike approach to its activities: can the Minister say what specific advantages SACON has over the private sector, if any, and, if it does have specific advantages, will they be delineated in the next SACON annual report?

**The Hon. M.K. Mayes:** Advantages can be offered. Significantly, if one goes through the range of activities with which SACON is involved, for example, the professional advice and the maintenance services can be delivered with more efficiency and greater accountability because of the relationship that exists between the employer and the employee.

There are some practices within the industry that need to be addressed, and they are being addressed by a national committee. Construction Ministers met in Brisbane about a month ago and addressed some of our concerns about practices in the national context. Those practices have been

identified in South Australia as well. They are inappropriate and cost the taxpayer money directly. By providing services through SACON, we have avoided enduring those costs. There is no question that we get hit for additional costs because we are government.

I have no doubt that, if we were in a situation where we needed services urgently, some premium would be added to the cost. But we can avoid some of those costs in some areas by providing a competitive service through SACON. I shall be pleased to detail those areas to the honourable member privately, because some of them involve sensitive matters already being discussed nationally between construction Ministers and the industry.

BOMA has referred to those practices and is public and active at the moment in ensuring that they are eliminated from the industry. It is a fairly sensitive matter and, if one makes a general statement about the industry, one captures the people who have been practising fair trade in the industry. I do not want to do that, because I have a great deal of respect for some of our significant builders in South Australia who have been good in delivering their services in an honest and fair way.

If I make a general statement and say that there are foul practices in the industry, they might be captured by that as well. I do not want to cite them, but I am happy to share my concern with the honourable member privately just as I am sure BOMA would be happy to share with any member its concerns about past practices. We can avoid those practices but it does not mean that in some areas we cannot improve our efficiency or that the private sector can do it at less cost.

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

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Minister of Housing and Construction and Minister of Public Works, Miscellaneous, \$4 477 000—Examination declared completed.

*[Sitting suspended from 6 to 7.30 p.m.]*

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South Australian Housing Trust, \$52 952 000  
Works and Services—South Australian Housing Trust,  
\$80 356 000

**Chairman:**  
Mr M.J. Evans

**Members:**  
The Hon. H. Allison  
Mr S.J. Baker  
Mr H. Becker  
Mr K.C. Hamilton  
Mr V.S. Heron  
Mr J.A. Quirke

**Witness:**

The Hon. M.K. Mayes, Minister of Housing and Construction.

**Departmental Advisers:**

Mr R. Parker, General Manager, South Australian Housing Trust.

Mr J. Messner, Assistant General Manager.

Ms J. Connolly, Director, Regional Operations.

Mr R. Laundy, Ministerial Liaison Officer.

**The Hon. M.K. Mayes:** The housing portfolio has entered the 1990s in sound condition and with a number of recent achievements but also facing some very significant challenges. This year I have made progress in streamlining the portfolio. It now comprises:

- the Housing Trust, with its massive housing asset and dominant share of the State's total rental stock;
- HomeStart finance, which has continued to grow very strongly over the past year and has had a crucial impact on maintaining both home ownership affordability and building activity in the new housing market;
- the housing cooperatives group, which will be reconstituted under the new legislation to be the South Australian Cooperative Housing Authority; and
- the Aboriginal Housing Board.

Major changes that have come to fruition in recent months include the amalgamation of the office of housing with the Housing Trust, and the operational amalgamation of the emergency housing office with the newly restructured regional operations area of the trust.

During 1990-91 the South Australian Housing Trust completed 1 450 dwellings. The funds available for this program totalled \$111.3 million; however, in 1991-92 the trust will only have \$86 million available for the acquisition of new stock. The continued erosion of funding in real terms under the current Commonwealth-State Housing Agreement means that South Australia's share of Federal funds for its public housing program continues to decrease, with a corresponding decrease in the number of housing units constructed.

In response to these challenges the Government has been active in a number of areas. During the past year the Government:

- remained committed to community and customer involvement in the development of housing services, and a vigorous process of consultation has been conducted in the preparation of this year's State housing plan under the Commonwealth-State Housing Agreement;
- continued the promotion of sales of trust houses to sitting tenants. 1 028 dwellings were sold, generating income of \$46.5 million which was reinvested in the acquisition of new stock;
- as part of the social justice strategy, introduced a new low-deposit home purchase scheme for low-income households in Elizabeth and Munno Para in April 1991. Under this scheme, known as the special home ownership plan, or shop, 200 loans have been made available initially. To date over 700 inquiries have been received and 50 loans have been approved;
- made progress in the establishment of revenue earning joint ventures with the private sector in order to augment public housing resources. The first of these commercial joint ventures is with the Hindmarsh Adelaide Building Society at Mitchell Park;
- approved a major change in the Housing Trust's revenue collection system, with savings in the vicinity of \$1 million per annum. From 30 June 1991 the trust ceased to collect revenue. Australia Post has been contracted to collect all trust revenue and, in addition to the savings in administrative costs, this has provided trust clients with a significantly increased number of payment points (from 60 to about 500 across the State);
- supported steps taken by the Housing Trust to reduce its gross management expenses through award restructuring, structural efficiency initiatives, including a

reorganisation of its service delivery operation, and so on;

- approved a change in the Housing Trust's policy in respect of excess water. From 1 October 1991 most trust tenants will become responsible for the cost of excess water they consume. The cost of excess water to the trust was climbing steadily (\$6.9 million in 1990-91) and the change in policy will begin to reduce this figure noticeably from the 1992-93 year when tenants become fully responsible for all excess water they consume;
- approved a proposal by the South Australian Gas Company to provide heating appliances to trust tenants living in homes with reticulated natural gas connected to the property. Details of the scheme, which have only just been finalised, involve the Gas Company offering tenants an opportunity to purchase their own heater on interest-free terms over three years.

It should be noted, Mr Chairman, this is the first year that the South Australian Housing Trust's financial operations have been fully incorporated in the Program Estimates.

The development of program performance budgeting by the trust is a new initiative and is in accord with my desire to provide full disclosure of trust operations.

The format used in preparing the budget Program Estimates has been based on the concept of the trust divided into a number of business entities, or programs.

By contrast, the format used in preparing the trust's annual report is in accord with that required by professional accounting standards, is based on full accrual reporting, and shows results for the trust as a whole entity.

The trust is committed to reporting its 1991-92 and future year results, both in the Program Estimates and in its own annual report in the business entity (or program) format shown in the Program Estimates.

It is not easy to reconcile figures between the cash basis used in the budget and the accrual approach in the trust's published reports. It is better to see each reporting system differently; the two together provide a very comprehensive picture of where the cash is being sourced and used and the trust's financial performance.

Despite the difficulties I have mentioned, there have been some significant achievements in housing over the past year, some of the highlights include:

- 8 053 new tenants were housed in 1991-92. Of this number 768 (or 9.5 per cent) allocations were made on a priority basis. Housing assistance is strongly geared towards those in need, in both rental housing and home ownership areas, for example, almost all new tenants of the trust in 1990-91 had incomes less than 85 per cent of average weekly adult male earnings, and over 70 per cent of tenants receive a rent rebate;
- the trust's emergency housing service assisted a total of 47 403 households. Financial assistance of \$6.278 million was provided through bonds, rent in advance, furniture and removal expenses. A pool of 125 emergency houses was used to provide short-term accommodation for 234 households in immediate crisis;
- 7 380 households renting in the private market were approved for assistance under the rent relief scheme. At 30 June 1991, 5 923 households were in receipt of assistance and the total value of payments made for the financial year was \$4.6 million;
- 100 dwellings were leased through the trust's community tenancy scheme to non-government organisations sponsoring accommodation and related support services for special needs groups, such as victims of

domestic violence, homeless youth, the disabled and so on. The number of dwellings leased through this program totalled 574 at 30 June 1991;

- introduction of a direct debit facility to enable tenants to pay their rent through their bank. The interest in this payment option, which involves no cost to the tenant, has been growing steadily since its introduction in May 1991 and currently 420 tenants are paying by this method. Plans are being developed to extend the facility to incorporate other financial institutions in the near future;
- 10 504 households were granted relief from stamp duty on the purchase of their first home;
- at the close of the financial year 45 housing cooperatives and 21 community housing associations were managing a total stock of 1 446 dwellings.

Specific programs of assistance continue to be targeted to seriously disadvantaged groups, such as the disabled, the aged, Aborigines, supporting parents and youth.

- At 30 June 1991 the Housing Trust had built or modified 4 529 rental dwellings to meet the needs of tenants with disabilities. Modifications range from relatively minor work, such as the installation of ramps and grab rails, through to major remodelling of kitchens and wet areas. Through the community tenancy scheme, the trust leases 138 dwellings to organisations assisting people with physical and intellectual disabilities and mental illnesses.
- During 1990-91 the trust made 967 allocations to aged people and at 30 June 1991 its stock of cottage flats stood at 6 676 units.
- The stock of Aboriginal housing totalled 1 465 units at 30 June 1991. 232 new tenants were housed in 1990-91.
- The demand for public housing assistance from young people has been growing steadily over the past few years. In 1990-91 nearly 41 per cent of applications received were lodged by people under the age of 25 years. 967 (12 per cent) of all allocations in 1990-91 went to households in this age group.
- Although the number of applications from single parent families has declined in recent years, they still represent a significant proportion of those seeking trust housing (20.3 per cent of applications in 1991-92). 1 827 (22.7 per cent) of all allocations went to this household group in 1991-92.
- Of special interest during 1991-92 was the completion of four major restoration and conversion projects of historical significance. Two of these projects—one in the city and one in Unley—have expanded the trust's stock of low-cost boarding and lodging accommodation available for single people.

The trust has begun reviewing its operations in a number of ways to further improve customer services and reduce costs. A major business plan has been prepared, key long-term strategic directions are being developed, asset management policy is receiving attention, and a functional review of operations has been launched.

In a move to ensure equity between Housing Trust tenants and tenants in the private sector, the Government is considering a proposal that trust tenancies be brought under the limited application of the Residential Tenancies Act. In conjunction with the Minister of Consumer Affairs, I will be introducing the proposal to Cabinet in the near future prior to the introduction of the necessary legislative changes to Parliament. The intention is to provide trust tenants with the same rights and responsibilities as private sector tenants, although it will clearly be necessary for the trust to be

exempt from some clauses of the Act to ensure consistency with public housing policy (for example, subletting, and the period for rent increase notices for rent rebates).

In line with the provisions of the Commonwealth-State Housing Agreement, I intend to give effect to commitments to strengthen consumer rights under all housing programs funded by the Commonwealth and State Governments. The trust will shortly be introducing an internal administrative review process through which all clients may appeal against any decision which they feel is incorrect or which adversely affects them. If they are dissatisfied with the outcome of that review, clients will have the right to appeal to a separate appeal mechanism which is external to, and independent of, the trust. Tenants will also have a right of appeal to the Residential Tenancies Tribunal (once trust tenancies are brought under the Residential Tenancies Act) in respect of issues relating to the tenancy agreement. Administrative arrangements will be established to provide appropriate linkages between the judicial processes of the Residential Tenancies Tribunal and the independent appeal mechanism required under the Commonwealth-State Housing Agreement.

The establishment of the independent appeal mechanism required under the CSHA will not come without cost—it is estimated that it will cost \$320 000 in a full year. Although provision has been made in the State budget for this amount, I have written to the Commonwealth Minister of Housing requesting funding to assist in the implementation of the appeal mechanism.

The trust continually monitors demographic change and the pattern of consumer demand to ensure, as far as possible, that there is an appropriate match between customers' needs and housing supply. This has resulted in a continuing switch to smaller dwellings located in the central metropolitan area, in recognition of falling household size and a desire on the part of customers to live closer to the city.

Public housing has set the pattern in South Australia for urban consolidation, and this trend will continue in 1991-92, with 66 per cent of commencements in the central metropolitan area.

In conjunction with the South Australian Urban Land Trust, the Housing Trust is about to conclude negotiations for another major joint venture development at Northfield.

This project involves the development of the former Agricultural Research Station at Northfield and when I was Minister for Agriculture I was keen to see this land released for housing use. It gives me great pleasure to know that it is now well under way.

While the Commonwealth is presently promoting urban consolidation through its better cities program, we in this State have been leading the country in this kind of project.

Northfield will be an innovative medium density housing project. As well as being commercially successful the project will pay particular regard to the social interface with surrounding areas which are at present a rather poorer standard of housing.

The new Greenfields development will not be surrounded by a six foot brush fence, rather it will be carefully integrated into the surrounding suburbs by new road links, open space wedges and community development programs. These are the aspects that make this project particularly exciting and unique in Australia at this time. The joint venture partners with whom negotiations are now well under way are the Hindmarsh group in conjunction with Jennings home builders, both of whom are very sound organisations with good track records in urban development and commercial success.



To the south, the major development at Seaford is under way. This joint venture, involving the Housing Trust, the Urban Land Trust and Southern Horizons Pty Ltd, is expected to have a life of 10 years, in which 703 hectares of land will have been developed, yielding approximately 7 000 dwellings, of which up to 1 050 may be for public housing. The population of the Seaford development area is expected to reach approximately 30 000 people once all stages of development are completed.

The trust is actively participating in the new social justice initiative for Elizabeth and Munno Para. One of the key strategies in this project will be a substantial improvement of the urban environment and over time a progressive reduction of the trust's share of the housing stock. This will be achieved by sales and selective redevelopment.

The concept of tenant management is one which I fully endorse and support. The Housing Trust has been fostering tenant participation in the management of the public housing stock since the early 1980s and at the present time there are 151 active tenant groups around the State. These groups form regional advisory boards (16 in all, coinciding with the number of trust regions), which in turn nominate representatives to the Trust Tenants' Advisory Council (TTAC).

TTAC is the peak body for trust tenants and promotes the development of tenant management and advises the trust on policy and procedural issues. TTAC also produces a tenant newsletter known as 'Focus 2000'.

Thirty-nine of the individual tenant groups are directly involved in the maintenance of their dwellings and landscaped garden areas.

Tenant management is also evident in the cooperative housing program. This program commenced in 1980 in response to housing needs emerging at that time and drew together the resources of the trust, private lenders, community groups, and the skills and commitments of individual tenants. The program grew rapidly in the second half of the 1980s and was the subject of a major review in 1989. By this time it was clear the program was catering for two distinct groups:

- tenant-managed housing cooperatives; and
- housing associations sponsored by community groups and organisations

and the review recommended the division of the old program into two.

Legislation proposed for the new cooperative housing program has been reviewed by a parliamentary select committee and will shortly be reintroduced to Parliament for further debate. The proposed legislation outlines new legal, financial and administrative structures for the program. The Government is committed to the expansion of the cooperative housing sector. In 1991-92, 250 units will be added to the stock.

Housing stock for the Community Housing Association program is also provided by the Housing Trust. This program caters for various special needs groups such as the disabled, victims of domestic violence, people of non-English speaking backgrounds, and so on. The program is currently being reviewed to ensure the provision of flexible housing to meet the variety of special needs to which the program is targeted. Hundred units are being added to the program this year.

Another important aspect of the Government's housing strategy is to promote and support home ownership. Since its introduction in September 1989, HomeStart has provided loans to more than 7 700 South Australians. These loans have a value exceeding \$500 million.

Statistics show that HomeStart loans from July 1990 to April 1991 accounted for 26 per cent of the South Australian

market dwelling approvals for construction, and 18 per cent for established properties. New home builders, as well as the main subdividers on the fringe, have indicated that HomeStart accounts for up to 50 per cent of their business. HomeStart has played a key role in maintaining the activity in the South Australian housing industry while other States suffered dramatic downturns.

HomeStart refinancing loans are also available to those currently experiencing difficulties with their mortgages. To the end of August 1991, 1 145 refinancing loans had been settled with a value of approximately \$67 million.

With the success of HomeStart, the Government is considering widening its scope this financial year to include a progressive home ownership program. Guidelines and procedures are currently being developed, but the product will be based on shared equity between borrowers and HomeStart. The minimum borrower's share will be 30 per cent. This scheme will be another innovative first for South Australia in the home finance market.

As I mentioned previously, the sale of existing Housing Trust homes to sitting tenants is also a major policy objective of the Government. The sale of homes to tenants not only generates much-needed capital in the face of declining funding available under the Commonwealth-State Housing Agreement, but it also promotes tenure mix in larger public housing estates and can raise the value of the remaining stock.

During 1991-92 a record 1 028 sales were achieved, including 173 under the trust's shared equity sales program, known as the progressive purchase scheme. This record level of sales has been achieved through some innovative marketing approaches adopted by the trust, including direct mailing campaigns and the use of display homes for short periods.

The Government also is continuing negotiations with the Commonwealth to facilitate the introduction of a scheme to deduct rents directly from social security pensions. This will replace the trust's pension warrant scheme, which was introduced in 1975, but effectively closed in 1988 when the Commonwealth blocked any further tenants being admitted to the scheme. The Commonwealth anticipates an introduction date of March 1992 for the new scheme, which will have many benefits, including simplicity and convenience for clients, savings for the trust in revenue collection costs, and the capacity to reduce the overall level of rent arrears by helping tenants to more easily manage their rental payments.

The Government is taking action to address the issue of disruptive and anti-social behaviour by a minority of trust tenants, to supplement the trust's existing procedures for dealing with difficult tenancy situations, a State-level liaison committee has been established with representation from the trust, the Health Commission, the police and the Department for Family and Community Services, to ensure a coordinated response to the problem. Additionally, a pilot scheme between the trust and the police is being undertaken whereby police will compile affidavits in responding to complaints of disruptive or anti-social behaviour. The affidavits will assist the trust in proceeding with eviction if all other regional action is unsuccessful in resolving the difficult tenancy situation. This scheme will shortly be extended to all trust regions.

I would point out, Mr Chairman, that new directions in housing policy are emerging at the Commonwealth level. A paper has been produced for the functional review of Commonwealth-State relations on the division of roles and responsibilities in the housing area. Options include:

- untying of housing funds;

- complete assumption by the Commonwealth;
- an enhanced CSHA;
- broad-banding of housing funds.

These options will be further discussed at the special Premiers Conference in November and longer-term directions will be clarified.

At the recent Housing Ministers Conference, the Commonwealth Housing Minister made certain proposals of far-reaching consequences. These proposals arose from the national housing strategy and outlined plans to renegotiate the CSHA. Key elements include:

- continued secure funding through the CSHA;
- plans to provide a new form of assistance to private renters through payment of housing allowances related to rents and incomes;
- off-budget funding to develop private sources of capital for social rental housing;
- refocusing of public housing;
- greater Commonwealth involvement in policy, planning and outcome measurement;
- reduction of tied programs within the agreement;
- enhanced linkages to related programs;
- no increase in total Commonwealth outlays;
- possible extension of housing allowances to public tenants to promote tenure equity.

The Commonwealth proposes to establish housing affordability benchmarks against which housing assistance would be provided.

I have requested my officers to remain in touch with developments at the Commonwealth level in order to be fully informed on possible policy changes.

In conclusion, Mr Chairman, although it has been a year of fiscal restraint, I can say it has been possible to maintain services at a high level, and to pursue policies which actively improve the well-being of many thousands of South Australians. In the coming year, through a vigorous program of cost containment, program development and strategic review, I hope to further enhance the scope and quality of housing services in this State.

**Mr S.J. BAKER:** I refer to HomeStart. Given the complexity of the question, the Minister may like to take it on notice. Will the Minister supply details of the number of HomeStart loans approved since the scheme began through until 31 August 1991 for, first, new homes and, secondly, established homes? Can we have a breakdown in the categories where the value exceeds \$100 000, \$125 000, \$150 000, \$175 000, \$200 000, \$225 000, \$250 000, \$300 000, \$350 000, \$400 000, \$450 000 and \$500 000? I presume that the information will be on computer and not too difficult to supply. Will the Minister detail the number of successful HomeStart applicants whose annual income exceeds \$60 000, \$80 000, \$100 000, \$120 000, \$150 000 and \$200 000?

**The Hon. M.K. Mayes:** I can provide some of that information, but to keep it accurate I will bring back a reply.

**Mr S.J. BAKER:** Will the Minister provide details on the number of HomeStart loans by suburb, country town or postcode from the start of the HomeStart scheme through to 31 August 1991?

**The Hon. M.K. Mayes:** We will endeavour to do that. It is a question of whether or not we have details as to postcode: we may have it by address, but we will supply the information by regional address, suburb or town.

**Mr S.J. BAKER:** There is currently an eight month wait for HomeStart housing loans for established houses. Does the Minister agree that it is inequitable for a person on an income of \$50 000 buying a \$150 000 house to be receiving a HomeStart loan ahead of an applicant on an income of \$30 000 purchasing a \$75 000 house?

**The Hon. M.K. Mayes:** This question has been raised before and, obviously, the information that the honourable member is seeking is in relation to the number of loans over \$125 000. We would be concerned if a predominance of higher income earners were seeking to use HomeStart to finance their houses, but that is not the case. Only 3.4 per cent are in the higher income bracket, so I do not think there is an equity problem at this time. There is a potential if an excessive number of people on high incomes apply for HomeStart finance, but we would be able to make an assessment at the time. To draw a line at, say, \$150 000 versus \$75 000 or a person on an income of \$50 000 versus \$30 000 is something we have not embarked upon, as it complicates the process.

If we were talking in extremes about someone earning \$300 000 and applying for a \$500 000 house or some factor thereof (as they are able to apply for 2.8 times their income), we would start to question the intentions of the scheme, as it is designed to assist not only first home buyers but people who would normally have difficulty raking together the equity for their first purchase or to refinance in the case of a marriage separation or whatever. I do not see that it is a major problem of equity. We have a penalty by way of an interest charge above a certain level: it comes into effect with loans above \$125 000. That loan capacity is related to income, so if we divide it by 2.8 we arrive at the maximum level at which a person can seek a loan. If we get into sub categorising these loans, we would find an enormous bureaucracy erupting, and that is something I endeavour to avoid.

With the housing cooperative area, the select committee deliberately embarked on the principle of avoiding another bureaucracy. That is very wise and part of the reason why we have not embarked on segregating the market and applying greater penalties or eliminating access for those higher income groups. I do not think there is inequity in the examples suggested but, if there was a predominance of applications for loans over \$125 000 (and under the current criteria people are entitled to apply and receive a loan), we would have to look at reviewing or introducing an equity formula into the equation. About 3.4 per cent of HomeStart loans are for properties valued at over \$125 000. Those people have a penalty of 1 per cent on the interest charge. In today's climate the current rate is about 13.5 per cent on a 12 months average. I doubt that they would want to go to a HomeStart loan. If they were in that income bracket, they could rake together the equity and get a lot more for less at the same price.

**Mr S.J. BAKER:** The current rate of 13.5 per cent is above the rate applying to a number of new home loans. I saw an advertisement by the Co-op for a rate of 12.75 per cent. That rate appears to be above the market rate, but the Premier has indicated that the Government will lower it to below 13.5 per cent. When will this occur?

**The Hon. M.K. Mayes:** HomeStart rates are based on the loan formula, which is set in accordance with the CPI, or on an average 12-month figure calculated every six months. People on the variable rate would currently be enjoying a rate of about 8.5 per cent because of the negative CPI. Therefore, if one looks at the average for the next month, with the CPI as it is, for that 12 month average the rate could reduce to about 11 per cent based on those calculations. As we get further into the lower CPI figure, the figure will adjust quite dramatically for those people on the average 12-month rate, because they can choose to have that rate in order to take advantage of the average interest rates. Based on the one month figure for last year, the variable rate could have been as high as 18 per cent. Those people

can now enjoy a much lower rate on their loan. There are two aspects of the variable rate which, according to the nature of the CPI, will adjust downwards automatically.

**Mr HAMILTON:** One of the targets listed on page 274 of the Program Estimates is to further develop the direct payment scheme which allows tenants to arrange for rent payments to be directly deducted from nominated bank, credit union or building society accounts. The Minister would be aware that many members of Parliament are particularly interested in this area. I applaud the Minister and the Housing Trust for being involved, because I believe that this matter is of critical importance to many of my constituents who live in Housing Trust homes. I am aware of what the Housing Trust and the Government have done in this regard. Will the Minister provide an update of the progress made in this area and say what obstacles stand in the way of resolving this particular problem?

**The Hon. M.K. Mayes:** With regard to direct deductions from social security benefits, the Commonwealth is trying us on. It has basically conceded that an equity argument is available to those people on social security payments. Pensioners are the most likely people to want to use this scheme. Aged people often have difficulty getting to the shops and the bank, and family members are often involved. If they do not have family members to help, it is a real problem for them. That fact has been conceded, certainly by Ministers.

Bureaucrats at the last Housing Minister's Conference tried us on. They wanted to attach a series of conditions to the arrangements for direct deduction, but the States said, 'Fair go! We are prepared to pay for it. You can't hang something else on this that is absolutely unrelated to these issues.' I will not go into those issues here because they are not relevant. Basically, we told the Federal Minister that we wanted this scheme. A social security officer who was due to report back to his Minister, was present. I told him that the community wanted this scheme, and that not one member of the South Australian Parliament with whom I had spoken did not want this scheme, which is voluntary. I know that the pensioners in my electorate want it, as it would be an enormous convenience for them.

The officer concerned was feeling fairly uncomfortable in the face of seven Ministers of States and Territories who unanimously presented him with the fact that they were not prepared to negotiate. We said, 'We want this scheme because the community wants it, and it's about time that the people in Canberra came out of their castles and dealt with real people for a change.' He got the message. The Deputy Prime Minister is the responsible Minister, and we sent him off with the same message. Brian Howe was also very supportive of this scheme. We need this scheme. It will cost a bit, but the convenience for the community is valuable. It is certainly something that most aged pensioners want because it will be one less chore for them and they will be satisfied that the payments are being deducted. The scheme is totally accountable, it is under total scrutiny and is completely audited. I do not know what the problem is, because a computer could make those payments in a lump sum.

**Mr HAMILTON:** I ask a supplementary question. Can the Minister indicate whether there is a question of confidentiality with respect to the taking of money for rent through the Department of Social Security? I understand that there was a problem in the past with the Department of Social Security—the Federal Government had some sort of a hang-up about this particular issue. Whilst I understand what the Federal Government is about, I cannot see a major problem with allowing this sort of scheme to continue if constituents are agreeable. As I understand it, this scheme

would not only assist my constituents and Housing Trust tenants but also the trust itself particularly with regard to those people who do not have the ability to budget properly. Their rent could be taken out of their social security benefits immediately.

**The Hon. M.K. Mayes:** I am not sure whether the Department of Social Security was not filibustering: I have a feeling that it was trying us on again. As I understand, this matter was referred to the Privacy Commission, which does not see it as a problem and has cleared it. There is total security on social security files under the Social Security Act. Our access to these files would be on the basis of information that we supply to social security, so our files are confidential to the South Australian Housing Trust. Again, the provisions that we apply to those files in terms of non-disclosure, etc., would apply. If the transaction is between two departments that are bound to respect the privacy of their clients, I cannot see how that could be an issue of concern to social security. If the department were allowing access to credit organisations or banks, that would be totally out of context and improper, but that is not a question here.

**Mr HAMILTON:** I will bring that matter to the attention of my Federal colleagues to see what they are prepared to do to hasten the process. I refer again to the statement on page 258 of the Program Estimates that significant housing service projects will be continued for special needs groups, including youth, the aged and people with disabilities. Will the Minister provide details of what has been achieved in this particular area, because it is an important issue. Unfortunately, some people in the community do not care, are not generous and do not understand fully the particular needs of these groups.

**The Hon. M.K. Mayes:** Under the agreement with the Commonwealth Government there are certain arrangements to direct particular funds and efforts into the areas highlighted by that report, which addresses such groups as youth, the aged, the Aboriginal community and the disabled. It has been a fairly successful program in some areas. We still have significant work to do in some areas, but we are making inroads.

One aspect of our Housing Cooperatives Bill will address the issue of the disabled in terms of flexibility in allowing those groups independence—and I know of two housing cooperatives represented by disabled groups. This measure will allow these groups the freedom and flexibility to choose the housing, make the alterations and establish their own social independence, which is what they want. Disabled people do not want to be seen as a millstone around the community's neck. That is an area we can address as part of the cooperative housing program. The trust has done an excellent job, but it is a very difficult task when we are trying to meet specific demands of individuals, whether they be quadriplegics, paraplegics or have some other disability that warrants special attention.

It is very hard to design houses around those disabilities, whereas a cooperative group run by the disabled for the disabled can satisfy those specific needs. I have seen two cooperative housing complexes where the houses are designed with low switches, ramps, shower and ablution facilities with taps that are easy to handle by someone who may be partly paralysed, lower kitchen sinks, lower fridge doors, access to a pantry with lower and deeper shelves, and so on. All those things are special designs that are required by disabled people in order to be independent.

I cannot imagine anyone who, after getting over the trauma of an accident—and the majority of our quadriplegics and paraplegics have been disabled as a result of car accidents—does not want to get back into the mainstream of the

community, to be independent and free of being pushed around in a wheelchair, or to go back to work. Many of them are highly skilled; they come from all walks of life. They virtually demand the right to independence and I believe our society has an obligation to assist them to regain their independence and freedom.

I know that there are some houses of this type in the honourable member's electorate. The cooperative in the member for Playford's electorate is very successful. The select committee visited it and I think the members were very impressed and surprised. One does not have to ask any questions at such a place; the enthusiasm is obvious; one can see it shining in their eyes. There is a tangible feeling of freedom. We have some difficulty in accommodating that within the trust program because of the nature and demands that we have on those properties. We do accommodate it, but there are probably more effective ways to do that through the cooperative program. We have been through the exercise financially and the subsidies work out about the same through the cooperatives in the current environment. However, this gives them that extra freedom.

I am sure that the honourable member is aware that the Burdekin report gave every State a pretty heavy savaging about what we ought to be doing with regard to homeless youths. I think we have come out better than most other States. When he last visited here, Mr Burdekin summarised our position as being fairly reasonable. He gave most other States a bucketing by saying that they were not addressing the issues that he focused on in his report and said that South Australia was making some serious attempts to address the issue of homeless youths. We have made some excellent progress in that area, both in short and long-term accommodation. That is another area in which we can be reasonably proud of our achievements. We still have more to achieve and we will move down that path in this budget, the next budget and the budget after that, because it needs to be focused on. It is an issue of concern to the community. Many of these kids come from disrupted environments; their home situation has been unpalatable to them and they make a conscious and voluntary decision to leave. They then find themselves without any abode and that is a very great strain on them.

**The ACTING CHAIRMAN:** Will the Minister keep his answers as short as possible? I know this is a very important issue.

**The Hon. M.K. Mayes:** There has been an increase in demand from youths for services from the Housing Trust and the Emergency Housing Office, particularly from those aged between 15 and 18 years. The number of allocations to young people through the District Lease Scheme in 1991 totalled 301; that is 3.7 per cent of the total allocations.

**Mr HAMILTON:** I would like more statistical data from the Minister in relation to the number of people, particularly those special needs groups by category, and information on how we have assisted them.

**The Hon. M.K. Mayes:** I will provide that information.

**Mr HAMILTON:** Reference is made in the Program Estimates to the role of the new managers within the trust. From 30 September these people will look after 400 to 500 Housing Trust homes each. I am pleased to see this initiative, because I believe it will provide closer contact between the trust and its tenants. I also believe that through this initiative the trust will be able to weed out those people refusing to pay their rent and also those people who have abused properties. The trust will be able to put subtle pressure on those people to honour their obligation to look after the Housing Trust units that have been provided for them. As I understand it, there is a considerable demand on the

Housing Trust to provide accommodation to more than 40 000 prospective tenants. Will the Minister give the committee a run-down on what these new housing managers hope to achieve under this restructuring?

**The Hon. M.K. Mayes:** That is a very important issue. It has obviously brought some attention to the activities of the trust. It is fair to say that we are endeavouring to provide a better and more efficient service to our clients, as well as providing a more rewarding functional role for our staff. Those three points go hand in hand.

I think that they are critical to the achievement of a satisfactory performance by the trust as a whole. I will cite an example drawing on my own experience as I was there 20 years ago. I am sure that other members will have had this experience. When a constituent went to a regional or city office of the trust for information, he or she would be shoved from pillar to post. We would have one officer dealing with rent assistance or an application, so constituents were moved around. If they were too hard, they were sent to the Emergency Housing Office if they were lucky. It was a hit and miss situation. I am sure that all members have had complaints of that kind.

We are turning around the skills and recognising the important role that service staff have. That flows through the organisation. It may be more appropriate for management to comment, because they have instituted and put this together. It is important to have more responsibility with the regional managers, greater budgetary control, greater policy involvement and greater recognition of where services can be improved. In order to do that, they need a better information system about what the client wants. To do that, they need people skilled in picking up that information to pass it back to them. Now when one walks into a regional office, one will be received by a person who can answer a multitude of questions because that person is multi-skilled. One will not be shunted off to someone who might look after emergency housing, rent relief, maintenance, an application for housing or a complaint. Now one gets that person and that person will handle it all.

In addition, I believe that information flow will improve because we will have better trained people. It will be the same people doing that task, but with a bigger hat. The regional manager is critical to the whole function. The trust is only as good as the people who provide the service. Therefore, the regional manager has a much greater role and recognition in the organisation. We have had some teething problems getting there. It has been a change and it has caused some discomfort and stress to individuals. I am sorry that has happened, because it does not help, but it is important that we achieve this new structure for the improvement of the service to the community.

**The Hon. H. ALLISON:** Will the Minister advise the Committee, or obtain details on notice, of the number of HomeStart applicants from the commencement of the scheme to 31 August this year who had been on the waiting list of the South Australian Housing Trust prior to going on the HomeStart scheme?

**The Hon. M.K. Mayes:** I can go through to 31 August 1991 and give the honourable member the statistics that I have in regard to a broad range of inquiries right through to the number of applications and refinance as well, if he would like that. I shall have to take on notice the number of applicants for Housing Trust accommodation prior to and after HomeStart. There have been 89 250 inquiries through the hotline, currently averaging about 130 a day; 39 911 parcels of information mailed to inquirers, currently running at 55 a day; 23 929 registered applications, currently running at 40 a day; 18 291 referrals sent to registered

applicants; 7 746 loans settled as of 31 August 1991; and 2 336 refinance applications, and over 1 900 refinance applications have received an interview. That is the picture as at 31 August. I will take the rest of the question on notice and provide the information later.

**The Hon. H. ALLISON:** Will the Minister give the names of the current board members of the Housing Trust and their professional backgrounds?

**The Hon. M.K. Mayes:** There have been two alterations. Mr L.T. Sykes, the Chairman, is a Bachelor of Technology (Mechanical) and a Fellow of the Institute of Engineers (Australia). Mr B.R. Abbey is a Bachelor of Arts (University of Adelaide) and is currently a Ph.D. student. Mrs S.K. Hall has a Diploma in Social Work—I am not sure whether it is Master of Arts in Social Work—and is a member of the Australian Social Work Association. Recently, Mr Gerry Karidis, AM, retired from the board and was replaced by Mr Peter Humphries, who I think is well known to the member for Mount Gambier. He is a Bachelor of Law (University of Adelaide), a practising solicitor and senior partner in Downs, Humphries and O'Reilly. Mr J.F. McGurr, Secretary of the Painters and Decorators Union, JP, OAM, is a distinguished trade unionist. Mr Pleydell was formerly the General Manager of the ANZ Bank in South Australia. He is an Associate of the Bankers Institute of Australia and a Fellow of the Australian Institute of Management. There is also Mrs Sue King who has a BA in applied sciences. I understand that she has two degrees, but I will check that. Of course, there is the General Manager, who is beside me, who is a Bachelor of Economics, Master of Science, and has an English qualification and a Diploma of Town Planning.

**Mr BECKER:** Is there a tenant representative on the board and, if not, why not?

**The Hon. M.K. Mayes:** Not at the moment.

**Mr BECKER:** It is your policy.

**The Hon. M.K. Mayes:** There is a view in some quarters that it is probably not appropriate to have a tenant representative, and there is an argument that there could be a tenant representative. I do not feel strongly about it one way or the other. With the trust going through a large financial reorganisation, the senior members of the board were very keen to have replacement members with financial and legal experience as well as a broader community perspective. That is why those replacements were recommended.

**The Hon. H. ALLISON:** What percentage increases of average salary and wages have been budgeted for employees of the Housing Trust in 1991-92? Are any employees receiving extraordinary increases in salaries due to awards or for any other reasons? If that is so, will the Minister give the details? Are increases granted to all Government departments, or are they being held by Treasury in a round sum allowance, unallocated? Is there a distinction?

**The Hon. M.K. Mayes:** As with other departments, we are being allocated a 2.5 per cent CPI factor. I cannot predict what salary movements will occur. Anything above 2.5 per cent is absorbed. If there is any additional information, I will be happy to take it on notice and supply it.

**Mr QUIRKE:** Will the Minister give the Committee some idea as to how we are progressing in the area of Aboriginal housing for 1991-92? What is the funding allocation for this activity under the Housing Trust umbrella?

*Mr S.J. BAKER interjecting:*

**Mr QUIRKE:** I do not know whether the Deputy Leader would want those sort of comments in *Hansard*. I will be happy to oblige him if he wishes.

**The Hon. M.K. Mayes:** It is an important and critical area, to which we have had to devote considerable attention in regard to the delivery of services, as the honourable member is aware. He has been very concerned, through the questions that he has raised with me both privately and in our Party room, about ensuring that a quality of service is provided. In looking at the delivery of our services we have to comment about the review that is being undertaken of the Aboriginal Housing Board: not the objectives as such but the delivery of services and the role that the board has in the administration of that service to the Aboriginal community. It is fair to say that there are some concerns within the community about the efficiency of delivery of those services, and the equity question has been raised as well. We initiated a review team to look at the administrative processes that the board adopts. I hope that in the not too distant future we will have a report from that review group, which is made up of senior officers from outside—from the Government Management Board—who will look fairly closely at the whole operation of that board.

That moves between two areas because the board basically reports to the Federal Minister, but is also indirectly accountable to me, and I have a responsibility to keep the Minister of Aboriginal Affairs involved. So we have a dual role. The terms of reference for the review are: to identify the objectives of the Aboriginal housing program and assess the effectiveness of the Aboriginal Housing Board and Aboriginal Housing Unit in meeting these objectives; propose options for an organisational structure that will lead to the most efficient and effective means of meeting the program objectives, taking into account the special needs of the target group; establish an appropriate formal relationship between the Aboriginal Housing Board, the Minister of Housing and Construction and the South Australian Housing Trust; guarantee coordination in the delivery of Aboriginal housing services in South Australia; recommend strategies for ensuring financial accountability and efficient management practices; and recommend strategies to increase Aboriginal participation in the delivery of housing services.

Another factor in which the honourable member will be interested concerns the Aboriginal Housing Unit, which is under the responsibility of the General Manager. I am not trying to put words into his mouth, but the General Manager is looking at the current effectiveness in the delivery of services of that unit as well, independently of what is happening with the Aboriginal Housing Board. I hope that this financial year we will see some significant financial improvements that will be of benefit to the Aboriginal community and the community as a whole.

Our current funding allocation is \$2.687 million. The program at page 180 cites capital funding as \$6.848 million, which is up on last year's actual expenditure. So, we are making some inroads into the issue and are addressing some of the difficult questions that occur in the metropolitan and country regions. Members of this House in particular have been concerned about dealing with difficult tenants, management of the asset and control within the Aboriginal Housing Board itself. Those issues have to be addressed urgently or we will find ourselves in a situation where we are unable to manage, the board and the unit are unable to manage, and the community will feel that it has been neglected because of the activity of initially me and then the General Manager in not addressing these issues. I can assure the honourable member that we will address these issues and get on top of them in this financial year.

**Mr QUIRKE:** My second question follows on from that. As the Minister has alluded to in his previous answer, there have been a couple of problems in recent times in my

electorate, and one in recent days in Pandanya Avenue, Ingle Farm. What process is to be adopted in this transition phase for dealing with these problems? How does the instance that I have raised with the Minister and the trust in recent days fit into this program? What can I say to the constituents in my area who have raised many concerns about the events in Pandanya Avenue, which I have relayed to the Minister, in terms of vetting the next tenant of this property?

**The Hon. M.K. Mayes:** The honourable member has raised a very sensitive issue, and he has very justifiable grounds for concern about this property. From the report that I have, some fairly antisocial activities occurred at this location. If one takes the individual case and draws that into a general analysis, this brings us back to the point that I made in the closing part of my answer to the previous question: we have to deal with this in a more effective way, from me to the General Manager, right through the whole organisation.

I know there is no lack of enthusiasm on the part of the General Manager or on the part of the directors to get on top of this. Ms Connolly has first-hand responsibility in terms of endeavouring to manage the situation as it occurs. We do not need it; it is not creative. The honourable member does not need it and the neighbours do not need it. We have to work out how we can eliminate this type of situation. In the process of the review of the unit and the review of the board, I know that the General Manager is very anxious to address this issue as a whole and I am sure that he will with his usual endeavours and thoroughness.

What can the honourable member say to his constituents about Pandanya Avenue, Ingle Farm? He can say that the house is now vacant and that it has been secured. When it has had maintenance to bring it up to the required standard, the trust will put in a decent family who will fit in at that address without causing disruption to their neighbours. The honourable member can give a clear commitment along those lines. We are not sure that the previous tenant was occupying it, anyway, having vacated the property some few days or a week ago and that it was a relative or some other acquaintance who was occupying the property in the few days before the issue erupted.

**Mr QUIRKE:** I thank the Minister, the General Manager and all other personnel in the Housing Trust for dealing with this difficult, intense problem as quickly and as resolutely as they have done. I thank you on behalf of the constituents who raised this matter for the speedy response. What is the cost to the trust each year of damage to general Housing Trust properties? I do not ask this question on a racist basis but across the board in terms of wilful damage. What sort of figure does that cost the community each year?

**The Hon. M.K. Mayes:** There are two aspects to this question. There is an insurance aspect because some of the damage is covered by insurance. There is also the damage that we have to meet as a liability. I am advised that the figure for what has been termed by the Assistant General Manager as extreme damage is about \$1 million. Our maintenance bill is about \$50 million per annum, of which \$1 million is devoted to malicious damage or damage with intent rather than accidental damage or wear and tear. Tenants are charged for the cost of any damage that they cause to property owned by the trust, but we are addressing the process of recovering that as another part of our activity in terms of the trust's overall accounting and financial management.

**Mr QUIRKE:** Although \$1 million is a great deal of money, it is about 2 per cent of the maintenance budget.

**The Hon. M.K. Mayes:** Yes, 2 per cent of the maintenance budget is for malicious damage or damage with intent. I can assure the Committee that the trust does not like that \$1 million and will do everything it can to eliminate it.

**Mr BECKER:** *Australian Business*, a national financial magazine, stated the following at page 35 of its 18 September 1991 issue under the heading 'The rise of the incompetents':

In their recent pursuit of efficiency, Governments are trying to encourage the departure of many of their employees. Trying hard to be businesslike, they opt for incentives to leave and offer big lump sum payments to departing employees. . . . These packages have proved popular. . . . But they are also ridding the country's public service of its best people. . . . An employee whose skills and competence are obvious knows he can get work outside the public service and will readily accept a golden handshake to leave.

The nongs who cannot get work outside, however, are reluctant to accept the blandishments to depart. . . . So, they stay. The talent is gone; the nongs remain. . . . To this simple outside observer, it looks as if the pattern of reducing smarts, rising incompetence—indeed rising incompetents—and committee disruption is severely damaging Government efficiency.

Once great public service organisations such as the Victorian State Electricity Commission, the Federal Civil Aviation Authority or South Australia's Housing Trust are typical of the decline in standards. Once sharp, proud and professional, these organisations are becoming dull and obtuse bureaucracies, where it would be generous to call middle management ordinary.

Does the Minister have any comment to make about the observations in this article as they affect the South Australian Housing Trust?

**The Hon. M.K. Mayes:** The writer of this article said it all with his statement 'to this simple outside observer'. He summed it up adequately: simple in mind and simple in action. At the time of writing that article, Ms Connolly advises me that we had not identified or made any offers to any employee of the trust under the VSP arrangements. Since then, 13 invitations have been offered and they are not to any senior management people. They are being identified, so the derogatory way in which Gilmour has described some of these public servants does not apply because we have actually identified positions in the process. It does not warrant any attention other than the scorn and derision that is heaped on someone who has done no research and is generally desperate to earn a buck by writing something outrageous in a magazine of this sort.

I understand that the General Manager has been endeavouring to contact Mr Gilmour without success to point out to him the error of his ways. It does not apply to our reorganisation of the trust and, from my observation, it is quite the opposite to what is being done.

**Mr BECKER:** As a supplementary question, will the General Manager write a letter to the editor correcting Gilmour's article?

**Mr Parker:** My first approach was to endeavour to get Mr Gilmour to identify his sources and perhaps write a retraction himself. However, in the absence of being able to contact him, I am now intending very soon to pen such a letter and send it straight to the editor.

**Mr BECKER:** I think you should, because people who write such derogatory comments should be told in no uncertain terms that we will not cop such nonsense, even if they are across the border. Will the Minister provide the name of each tenant-based housing cooperative and the number of houses in each cooperative as at 31 August 1991? Will he provide the name of each community housing association and the number of houses in each association as at 31 August 1991? Will the Minister provide details of the financial subsidy received by each housing cooperative or community housing association in 1991, and the estimated subsidy payable in 1991-92? Some of that information would be in the select committee report.

**The Hon. M.K. Mayes:** I will take that question on notice. Yes, the information is available.

**Mr BECKER:** What is the number of new tenant-based housing cooperative dwellings expected to be commenced in 1991-92? Will the Minister provide the names of the housing cooperatives, existing or new, that will be building these new houses, together with the number proposed for each housing cooperative?

**The Hon. M.K. Mayes:** That is dependent on the vagaries of this Chamber and another place. The Bill has not gone through and, although we are temporarily financing some new housing for co-ops, we are not processing, because the Bill has not passed, any activity that would be regarded as new cooperative programs that were programmed as part of the budget. We are dealing with a small number of housing cooperatives by agreement between ourselves, Treasury and the Treasurer, but it all depends on what happens in this place and in another place concerning the Bill. I will take on board the question concerning those cooperatives with which we have dealt since 30 June this year.

**Mr HERON:** Is there a cost to the taxpayer through subsidies to the HomeStart program?

**The Hon. M.K. Mayes:** There is a cost to the taxpayer. It is not a significant cost and is based on what we would regard as the top-up payment for HomeStart. I will take the question on notice. It is a minimal cost.

**Mr HERON:** As the demand for the Emergency Housing Service is at an all-time high and is still increasing, how are the trust and the Government coping with the high demand?

**The Hon. M.K. Mayes:** I alluded to this earlier. For example, in youth housing we are under additional pressure. In 1991, 47 617 households sought services from the EHO compared with 34 754 for the previous financial year. Sole persons and sole parent guardians with dependants comprised about 68 per cent of households assisted.

As to how we are coping, in February this year the decision was taken by the trust to integrate the Emergency Housing Office services with a range of other services provided by the trust and currently available for applicants in this category. This new community service function will improve the coordination and delivery of services at the regional level to households seeking access to urgent and youth housing through priority and direct lease housing schemes, and services to low income households to maintain or re-establish private rental accommodation through the provision of rent relief and emergency housing financial assistance grants.

Housing and related information will also be available. The new service delivery model will be progressively integrated from Monday. In response to recommendations of the Domestic Violence Council report, 1987, the EHO implemented a domestic violence policy and a program in October 1990 in partnership with the Department for Family and Community Services, women's and family shelters, Housing Trust regional offices and other emergency services, including services for non-English speaking and Aboriginal people.

The program aims to coordinate the provision of housing and welfare services to survivors of domestic violence to minimise resource duplication and to fast-track access to services to mitigate immediate issues of safety and protection. In 1990-91 about \$215 000 was provided by the EHO in financial grants to families escaping domestic violence. The EHO has committed resources to work on a project in addition to developing a housing information guide for consumers and human services agencies throughout the State.

This will be a key resource for agencies handling housing-related inquiries. The guide will also be a comprehensive housing guide produced in South Australia and it will be available in 1991. The honourable member can see that we are trying to address not only the demand side but also the supply side to assist people in terms of their needs without having to hold their hand all the way. They are given information to be independent and free to make decisions.

**Mr HERON:** Can the Minister provide details of the Community Housing Association program and indicate what measures have been taken to ensure that this important program is cost effective?

**The Hon. M.K. Mayes:** This is a key area, because community housing has been raised as part of the select committee process as well. It does warrant additional attention and I have given a commitment both in the select committee report and to individual members that we will address the issue of community housing associations and give them a greater emphasis and priority in terms of funding and profile from the point of view of the housing program delivered by the Government.

The community housing program is an initiative that aims to promote partnerships between the Government and the community in the provision of needs-based housing. The program is specifically aimed at groups in the community who are disadvantaged by income, social circumstance, or physical or mental disability. To give a picture, basically it is a sponsored group. There is one in my district which is shared with a number of surrounding electorates and it offers support to people who may be aged, disabled and so on and who want to live in the immediate southern region. There would be one or two sponsored groups in the honourable member's electorate, for example, church or other community groups who support and sponsor people.

That provides a valuable framework, because support is offered by that community group. There is support for a whole range of domestic needs for that person in the community, and I have a couple of aged friends living in accommodation provided by a community housing association which is based in Fullarton but which services the whole Unley and Lower Mitcham region. It has been a successful program.

The people who have moved in are absolutely delighted with their independence, yet they feel they are part of a broader community. It has been a very successful program. There has been a complaint, as the select committee knows, from the Community Housing Association that it is not getting proper emphasis or recognition from Government or the community. That is a fair and reasonable criticism and I have given an undertaking to address that issue to ensure that it gets recognition. The Community Housing Association program consists of 21 housing associations administering a total housing stock of 569 properties.

**Mr S.J. BAKER:** How many houses will be built and what money will be provided for the program for 1991-92 under the Community Housing Association?

**The Hon. M.K. Mayes:** The Government will commit an additional 100 units this year for the Community Housing Association. I will have to give a round figure, because the cost depends on the quality of the units that it purchases or builds. It can vary from one Community Housing Association to another. The money is borrowed off the limit and is taken outside the loan limit requirement. The program will involve between \$9 million and \$10 million. I will take the question on notice as we need to be able to separate new housing from existing housing. We have debt servicing in the program resources budget and that represents \$6.4 million. That will involve existing housing, so it

is not a figure that we can quickly identify to give the cost of the program and the cost that we will incur in servicing that debt. It can be extracted and we will do that.

**Mr S.J. BAKER:** The \$6.4 million under Housing Association assistance I presume includes community housing?

**The Hon. M.K. Mayes:** Yes.

**Mr S.J. BAKER:** And that is the debt servicing cost, not the capital allocation for new housings.

**The Hon. M.K. Mayes:** Yes, for the whole lot.

**Mr S.J. BAKER:** Does the Minister believe that income tests are appropriate for persons seeking membership of tenant-based housing cooperatives?

**The Hon. M.K. Mayes:** This issue will be thoroughly canvassed during debate on the Housing Cooperatives Bill. Some mechanisms will be built into the program with respect to matters examined by the select committee during the taking of evidence. In a sense, the Bill will target particular groups, but an income test as such will not be applied in the specific sense of the honourable member's question, but will be focused on individual groups such as the disabled and the aged. There are some excellent cooperative housing associations for the aged in this State that focus on people who are not able for one reason or another to wait for Housing Trust accommodation. It will be available to those people likely to become eligible for a Housing Trust cottage or flat, who will not be put on the list for a year or two but who need to move into their own accommodation.

As a whole, the program will basically address those people with housing needs who, under normal circumstances, are not able to get a home of their own or gather together the resources to do so. These matters will emerge during debate on the Bill, but we propose that a mechanism be built in to enable the authority to assess the guidelines and criteria under which cooperatives will operate. Applicants will have to fit certain criteria. Subsidies will be involved that are roughly the same as those involved for a Housing Trust home. A formula will be established to allow for an income test of some sort. It would be premature of me to state that formula prior to the Bill's being debated in the House, because what might emerge from that debate may be totally different from what is set down in the Bill. I hope that will not happen to any large extent, but it is a possibility.

**Mr S.J. BAKER:** Are some families earning incomes of over \$50 000 being housed in Housing Trust accommodation; if so, how many, and how many families with annual incomes of over \$50 000 became tenants of a trust home for the first time during 1990-91?

**The Hon. M.K. Mayes:** Our figures suggest that possibly 97 per cent of trust tenants earn less than 85 per cent of the average weekly income. Our difficulty is that we are working on historic figures, because a tenant is charged full rent irrespective of income. The number of people in receipt of rebates is increasing each year. Of the overall number of tenants, 73 per cent are earning less than the average weekly income. In fact, they are earning so little that they require a rebate. That is the best figure I can give the honourable member. Of the remaining 27 per cent, 2 or 3 per cent would be earning average weekly earnings or more. That is the best figure I can give, but I will take the question on notice and provide more detailed information.

**Mr QUIRKE:** Will the Minister tell us what progress is being made on the Pooraka North development? How is it currently expected to unfold? What is the Housing Trust component and, in general, when can we expect the first homes to be commenced?

**The Hon. M.K. Mayes:** On 25 June 1991 the trust approved the development of stage 1; the first homes could

be on the ground by next June and the total land holding has a potential to yield over 800 residential dwelling sites over a three year period, of which the trust will retain 20 or 30 per cent, with the remainder being sold to private builders and the public. The emphasis in this development has been to establish a district that has crime prevention, sustainable landscaping and human services. The proposal will yield about \$10 million in clear profit for the Housing Trust with manageable risk. The trust, as developer, will give proper consideration to schools, public transport, shopping facilities and reserves. I am sure that the honourable member is very interested to ensure that that occurs. Stage 1 comprises approximately 90 allotments.

**Mr QUIRKE:** At what stage is the Wakefield Heights development, which is the area around Walkleys Road and stretches into Northfield? Quite often it is under the entire Northfield umbrella. When will we see the first homes on the ground there? What percentage involvement has the Housing Trust in this development?

**The Hon. M.K. Mayes:** It is part of the overall Northfield project and is under the control and ownership of the Urban Land Trust. We may become involved in it, but at present that has not been resolved. However, at this stage, our involvement is zero. If we do become involved, we will probably look at a 15 per cent interest.

**Mr HAMILTON:** I noted the Minister's answer to the previous question about 73 per cent of Housing Trust tenants being on subsidised rental. What additional support, if any, has been received from our Federal colleagues in relation to this matter? I take it from the Minister's body language that he has raised the matter with his Federal colleagues. Can he advise us of what he put to his Federal colleagues and how they responded to that request? It seems to me that we are experiencing increased pressure on the Housing Trust with less and less money and more and more demands.

**The Hon. M.K. Mayes:** That is true. We argued for a maintenance of our funding because we believe that we have the best public housing policy and asset in Australia. Unfortunately, the focus on the Eastern States, where the level and quality of stock is significantly lower than ours, warrants greater attention from the Federal Government. We have suffered as a consequence of being the best. It is a bit like the kindergarten services and aged care facilities. Again, we are being asked to fall back to the standard of the pack. As a community we have not accepted that, nor should we.

The Federal Government has significantly reduced its funding to us and will continue to reduce it over the next two years. So, not only have our pleadings for additional funds failed but, in fact, we lost funds as a consequence of the process. Personally, I find that unacceptable. I have publicly stated, as have the Premier and others, that the rest of Australia should aim to achieve our level and that we should not have to fall back to their standard. In fact, after 30 years of National Party Government in Queensland, that State has an absolutely appalling public housing stock: not only is it a small percentage of housing stock but it is in the most isolated areas where people have no support services. I was recently speaking to my Queensland colleague Tom Burns, who has the enormous problem of ridding himself of some of the most unwanted housing in the whole of Queensland in order to get himself into a position where he can provide support for those families who want Housing Commission accommodation.

It has not been terribly successful and we have been looking at other alternatives to maintain our funding base in this State. Our share of the national total has dropped:



three years ago the Federal Government, through grants and loan funds, provided \$1 387 million to the States for housing; last year the amount was just over \$1 billion and next year it will drop to about \$380 million. Our percentage of that smaller figure has gone down by 10 per cent from 1989-90 to a predicted 8.9 per cent this year and 8.5 per cent next year.

**Mr BECKER:** Will the Minister tell the Committee which Australian States or Territories plan to have a policy of full market rental for public housing for tenants who can afford to pay market rents? Does the Minister have an estimate of how much would be collected if the South Australian Housing Trust were to move to market rents for tenants who could afford to pay?

**The Hon. M.K. Mayes:** I will provide that information. Off the top of my head, I think probably only one or two States or Territories are implementing anything like what might be called a market rent. It is very difficult to provide what would be a market rent in this sort of environment. We are dealing with a different style of housing and a different tenant. We are dealing with public housing vacancy rates versus private housing rental rates. If one looks at the market rent structure in the private sector, one can see that it is based on short-term accommodation—rapid transfer—whereas public housing is very long term.

Consequently, one is not comparing apples with apples. We have looked at what we call 'area rents', that is, one identifies a market rent for a particular area based on the market value for that region. That is a much more equitable arrangement. We have costed that and looked at the income generation, certainly in the short term. There are some long-term implications in that the full income earners might move out of Housing Trust accommodation into private accommodation if charged the full area rent.

It was around \$2 million to \$3 million additional. For example, we looked at it when we altered our year rents, and it was something like \$3 million in a part year and \$5 million to \$6 million in income in a full year. That would approximately halve our current operating deficit, which is not to be sneezed at. The Government has not closed the door on that sort of concept. It has closed the door on market rent as such because the advice that I gave Cabinet was basically that one cannot use market rents, which is not an equitable basis, but area rents is something which we could look at and which may be modified. It is still to be further explored, and we are doing that at the moment. The reason it represents a percentage is that we are addressing only 27 per cent of the 64 500 tenants.

**Mr BECKER:** Does the Housing Trust ever undertake the development of land which it owns to sell direct to the public? If so, will the Minister provide details of any such development undertaken during 1991, and proposed for the 1991-92 financial year? Will the Minister explain why the Housing Trust undertakes its own development rather than letting it out by tender to the private sector?

**The Hon. M.K. Mayes:** The main area is Pooraka. That is programed, as I indicated to the member for Playford, to basically start in 1992. About 800 allotments are involved in that, and there are other isolated pieces of land. We have entered into an arrangement with the Hindmarsh Adelaide Group in Mitchell Park, and in country towns, where we sell directly to a private builder or purchaser, but Pooraka is the main one and I will provide the details on that.

**Mr BECKER:** What is the current number on the waiting list of the South Australian Housing Trust for each type of unit of housing accommodation provided, in the metropolitan area and the country, and what is the estimated waiting time?

**The Hon. M.K. Mayes:** I do not think that we will be able to provide a breakdown by location: we will take it on notice. I can give the honourable member the total number on the waiting list if he is interested in that.

**Mr BECKER:** And the approximate time?

**The Hon. M.K. Mayes:** That would vary from area to area, as the honourable member will appreciate.

**Mr BECKER:** In the western suburbs it is up to eight years for certain types.

**The Hon. M.K. Mayes:** Yes, it is the same in my electorate. As of 30 June 1991, 43 520 families and so on were waiting for housing compared with 41 292 in June 1990, an increase of 5.4 per cent. Interestingly, there has been a reduction in the waiting list every year since 1987. We do not have the distribution, so I will have to take that on notice.

**Mr HAMILTON:** My particular interest is the issue of contaminated land. I know that it is of some concern to the Housing Trust. I am aware that, going back some years, particularly in Hawk Street, Hendon, the Housing Trust fell for the three-card trick in a joint venture in which Housing Trust units were built on arsenic-impregnated land. It infuriates me that South Australians have been left with the legacy of this development. I have made representations to a number of Ministers, which I will not go into because of time constraints. What action has the Housing Trust taken in relation to this, and I am aware that it involves a number of locations? What action does the Housing Trust take before purchasing land to ensure that there is not a recurrence of the example that I just gave, that is, that the trust does not buy contaminated land in the future? What are the safeguards?

**The Hon. M.K. Mayes:** This issue has hit every Government in Australia right between the eyes. We all have policies of urban consolidation because of the obvious economic benefits for the community by not spreading the city further, irrespective of the fact that people still want to move out to places like Seaford not only for economic reasons but for the space they get by living in the outer suburbs. There are obvious advantages in our retrieving former industrial land. In the electorates of Albert Park, Peake and Hanson, I guess that the issue of contaminated land will be an ongoing problem.

We have 83 projects or sites assessed and/or investigated, and about 47 per cent have some degree of soil contamination requiring remediation. It all came to a head last year at Mile End and Brompton when we discovered an area where an old foundry, battery and tyre plant had been located. There was heavy metal contamination in the soil. We had to address that pretty rapidly, and we did. We did that by cooperating with the South Australian Health Commission. The commission is responsible for the formal health risk assessment, and it is obviously experienced in doing that.

In regard to our program, every site is tested prior to purchase. We have our own laboratories. The General Manager advises me that we have probably the best facility of its kind in the State to test contaminated soil. We have also instituted a variety of measures to address the problem of contaminated soil. That will be an expensive exercise, but one that we shall have to embark upon to ensure that we have the opportunity to provide consolidated urban land for development in the immediate inner city areas. Each property that we purchase is tested. It can be done in a variety of ways. In the one to which I referred, we put a concrete covering at some distance below the soil level and brought in fresh new soil in order to ensure that the contaminated soil was isolated from access by residents.

**Mr HAMILTON:** As a supplementary to that, what concerned me about the place that I cited in Hawke Street, Hendon, was that the area was redesignated for housing, previously having been an industrial site and tannery where arsenic had been used. I was incensed to find that the designation had been altered for that type of use. It raises a question in my mind about the involvement of local councils. The Minister talked about the involvement of the Health Commission, but what cooperation is there between the Housing Trust, the Health Commission and local government?

**The Hon. M.K. Mayes:** There is very good cooperation. The Minister for Environment and Planning has foreshadowed that she will require some conforming statement with a section 90 statement which is provided on the sale of a property regarding any contamination. She has also mentioned the user pays principle to decontaminate tainted sites. The issue that the honourable member encountered in his electorate should in the near future be addressed by the Minister for Environment and Planning bringing in legislative changes that will place liability on an owner to designate before a sale proceeds and is finalised. Clearly, the new owner of the property will then know what the score is and can address it. In that situation he will obviously be able to seek compensation from the vendor.

**Mr HAMILTON:** On page 275 of the Program Estimates, under '1990-91 Specific Targets/Objectives', it states:

A major initiative undertaken during the year was the introduction of project management control which has 'fast-tracked' project design and construction.

Will the Minister elaborate on that and say how beneficial it was to the trust in terms of cost savings?

**Mr Parker:** This calendar year, we have introduced into the housing supply division a project management technique that is new to the division but is widely used elsewhere. The technique is for programming projects and for taking them through the development process as far as possible, controlling time-related costs and applying multi-skilling approaches. In a large development agency, individuals in the housing supply group handle only parts of a project, say, land development, design or construction. For selected projects, project management allows one person to be responsible and accountable for the delivery of a total project.

For example, the Pooraka project, which was discussed before, is the responsibility of one project manager who has a number of assistants. This is a different management style from the previous practice in the trust, but the project managers are responding to it very quickly and are becoming more skilled, more financially literate and feel a sense of ownership of a project beginning to end. This approach is being used for small projects, large projects and those where there is some degree of involvement with the private sector in a joint venture, such as the contemplated Hindmarsh involvement at Mitchell Park.

**Mr HAMILTON:** Are there considerable cost savings?

**Mr Parker:** Cost savings arise mostly as a result of reduced time where money is tied up in land-holding costs or interest on construction. If you can reduce those time factors you do so considerably at the end of the day.

**Mr HAMILTON:** How widespread is tenant management in the Housing Trust and how successful has that scheme been?

**The Hon. M.K. Mayes:** The trust is very keen on the involvement of tenants in the management of their units as a group responsibility. It has direct benefits both for the tenants and for the trust in terms of costs and the delivery of maintenance services. There is also identification for tenants as a community because it strengthens the bonds of

the community, bringing benefits to the trust, as well. The Housing Trust Tenants Advisory Committee is actively involved in encouraging its fellow tenants to participate in tenant management programs. There are currently 151 active trust tenant participation groups throughout South Australia comprising approximately 2 000 active members. It is gradually spreading.

I think that the honourable member attended the AGM this year, and it is fair to say that the peak body is certainly encouraging the spread of these organisations. The involvement of trust tenants in terms of maintenance and so on is something that we can explore further but it basically means that, with the delegation of responsibility to them, they could organise maintenance for minor repairs. Formerly a supervisor would be involved in the scrutiny of a minor repair. The process would allow a complete or thorough audit to ensure that there was no overpricing, that no deals were being done and to prevent repair work being carried out when there was no fault. A whole range of mechanisms can be put in place, and that is what the trust aims to do to achieve some cost savings. In addition, the tenants have the benefit of being involved in the management of their property.

**The Hon. H. ALLISON:** In the Minister's report to the Committee it is revealed that for 1990-91, from a total of 8 053 tenants on the allocated list, 9.5 per cent were priority tenants. Does the Housing Trust have a specific policy for the allocation of accommodation to these priority tenants or is it that there are so many different categories of priority that allocation is made on an individual, *ad hoc* merit basis on decisions made by regional managers? Do you have a policy handbook or is it done on an individual basis?

**The Hon. M.K. Mayes:** An applicant must meet a number of criteria—medical, financial and social, for example, or involving domestic stress or other circumstances. That goes before an assessment committee which prioritises according to a formula. It is somewhat subjective, but I am sure the honourable member has constituents coming to his office seeking such support. I have, and one always argues for one's constituent in such circumstances to get priority housing.

**The Hon. H. ALLISON:** I wish to follow up a point raised by the member for Hanson. I understand that no trust tenants pay full market rental, but how close to the market rental would the top rents be? It used to be 80 per cent, but has it gone beyond that? It meant that every tenant was subsidised to possibly 20 per cent of the market rental.

**The Hon. M.K. Mayes:** It varies. In that respect, area rental is a much more relevant figure. In Whyalla, for example, it is likely that the full rent paid is above the market rent in that town. In the city, because of the demand and therefore the price charged for rental accommodation, it would probably be much less than the assessment for short-term, private accommodation as market rent.

**The Hon. H. ALLISON:** When the member for Hanson asked his question, it occurred to me that there may be an artificiality in the trust's waiting list figures, because some of those people might already be satisfactorily housed but are seeking subsidised rental in good quality trust houses. A percentage of people on the list may not be genuine home seekers but are really lower rent seekers.

**The Hon. M.K. Mayes:** I am sure there is an element of that; some people are looking purely to reduce their rent. Certainly, they do not get any priority and, if they want to move into the Districts of Hanson or Unley, they will have a long wait.

**The Hon. H. ALLISON:** Is the number of applications for short-term, quick priority tenancies increasing compared

with last financial year? How many clients might be interviewed this year compared with last year? How many trust homes are allocated specifically for short-term, quick turn-over emergency tenancies in comparison with last year?

**The Hon. M.K. Mayes:** Emergency housing is probably one area of short-term accommodation, and we have been providing that in a variety of environments and places of accommodation. I have asked the trust to identify a level of housing owned by the trust. We have provided assistance for people in private accommodation in a priority situation. I have asked the trust to look at building up a stock of housing which might be used for short-term emergency accommodation and which will be significantly cheaper than anything provided in the private sector. I can give a breakdown of figures: priority approvals for 1990-91 numbered 851 with the total priority allocation being 768. Priority allocation as a percentage of the total allocation was 9.5 per cent. That provides the overall picture of priority approvals. A pool of 125 emergency houses was used to provide short-term accommodation for 234 households in immediate crisis.

**The Hon. H. ALLISON:** What activities does the Housing Trust currently contract out to the private sector, and has the Minister considered extending the range of activities currently undertaken by the Housing Trust which could be let out to the private sector? In my electorate some of the house maintenance has traditionally been done over the past 36 years by private contractors.

**The Hon. M.K. Mayes:** All building and maintenance goes to outside contractors. We will compile a list. Australia Post collects rent. Computer services are handled privately. The amount of work done privately is quite significant. We keep our services to provide independent advice for project management and architectural overview and to ensure that we get appropriate value for our dollar, but most of the services go to the private sector in terms of building and project management to a large extent. It includes some areas of administration.

**Mr HAMILTON:** At page 274 the Program Estimates refers to the rationalisation and reduction of office accommodation. What savings were attributed to that rationalisation program?

**The Hon. M.K. Mayes:** We are going through a process as part of our regionalisation and restructuring of management and services to clients of releasing a number of our properties that we currently rent. In that area we are referring to, in particular, trust offices that will be closed because they are no longer needed for rent collection, which can now be paid through a post office. For instance, the trust office in the Premier's electorate of Blair Athol has been closed. Obviously, we will relinquish that property. We will also combine our emergency housing offices with trust offices to provide a rationalisation at that level. Also, the General Manager has just informed me that we will move out of Pirie Street, providing a saving of \$500 000 a year.

**Mr HAMILTON:** One of the broad objectives on page 275 of the Program Estimates is to provide entrepreneurial assistance in locating properties which meet the trust's planned housing and industrial/commercial requirements. How will that assistance be provided?

**The Hon. M.K. Mayes:** I can cite an example of this assistance in my own electorate. A light manufacturing company considered moving out of the area to a new industrial site in the Regency Park area, which is zoned light industry. The owner approached the trust seeking advice on industrial

land that was available and asked how it could assist with the relocation of his company. That advice was provided by the Housing Trust, which employs people who are expert in advising those sorts of companies on those matters and who can assist in the relocation of industry. That support assists that sort of redevelopment, providing new factories, increased production, expanded technology and improved opportunities.

**Mr HAMILTON:** How much assistance was provided in the past couple of financial years?

**The Hon. M.K. Mayes:** I will take that question on notice and provide details to the honourable member in due course.

**Mr S.J. BAKER:** What is the proposed use of the site of the former headquarters of the South Australian Housing Trust in Angas Street?

**The Hon. M.K. Mayes:** We are currently looking at some options for that site. At this point we are having delicate negotiations with a substantial organisation located in the city whose name I cannot disclose. The potential user of that site will return an income for the trust. The user is based in the city and needs a property of that sort to expand its activities. I am reluctant to mention the name of that organisation because of the delicate stage of the negotiations. We hope that we can lease the property for a number of years until we see which way that organisation wants to go or until we can see a better return on the property market.

**Mr S.J. BAKER:** Is it fair to say that the Victoria Square redevelopment, of which that was part, is no longer to take place?

**The Hon. M.K. Mayes:** It was not a key factor in the Victoria Square development. One would have to say that the State Administration Centre, the Treasury buildings, the tramways building and the police building are probably the most significant sites for the Victoria Square development. They are getting the focus of attention.

We were interested in the Taxation Office taking on that site as part of its redevelopment, but we are certainly not now interested in selling our property, which is of significant value, at fire sale prices. Since we have probably a couple of interested parties who would take some share of that building, we will see that as bringing us an income and servicing the debt until we can relinquish the asset and realise its gains when the property market reaches a more reasonable level.

**Mr S.J. BAKER:** How much is Australia Post receiving for the collection of Housing Trust rents—what percentage of the take—and what is the total income that will be generated for Australia Post as a result?

**The Hon. M.K. Mayes:** It receives 95c per receipt issued by it. We estimate that it would be over \$1 million in this year, which is a saving to us of \$1.5 million to \$2 million. That is a ballpark figure, that is, \$1 million in income to Australia Post.

**The CHAIRMAN:** I declare the examinations completed, and I draw the attention of Committee members to the circulated document entitled 'Report from Estimates Committee A, 1991'.

**Mr HAMILTON:** I move:

That the draft report be the report of this Committee.

Motion carried.

**The CHAIRMAN:** That concludes the business of the Committee. I thank the Minister, his officers, the officers at the table and members of the Committee.

At 9.59 p.m. the Committee concluded.