

HOUSE OF ASSEMBLY

Friday 21 June 1996

ESTIMATES COMMITTEE A

Chairman:

The Hon. H. Allison

Members:

Mrs R.K. Geraghty

Ms A.K. Hurley

Mrs L. Rosenberg

Mr J.P. Rossi

Mr G. Scalzi

Ms P.L. White

The Committee met at 9.30 a.m.

Housing and Urban Development, \$109 030 000.

Witness:

The Hon. E.S. Ashenden, Minister for Housing, Urban Development and Local Government Relations.

Departmental Advisers:

Mr R. Solly, Chief Executive Officer.

Mr B. Grear, General Manager, Planning Division.

Ms J. Proctor, Deputy Chief Executive Officer.

Mr I. Halkett, Director, Business Services.

Mr R. Harding, Director, Budget and Finance.

Mr R. Teague, Manager, Business Planning and Executive Services.

The CHAIRMAN: I invite the Minister to make a brief opening statement if he wishes.

The Hon. E.S. Ashenden: Members will be aware that the Government has made significant changes in the last two years in the way its housing, urban development and local government relations programs are handled. The legislative base for the new housing and urban development portfolio organisation is now firmly in place.

The Housing and Urban Development (Administrative Arrangements) Act provides for the establishment of HomeStart Finance and the South Australian Urban Projects Authority. The UPA has taken over all the functions and assets of the South Australian Urban Land Trust and in addition the Industrial and Commercial Projects program was effectively transferred from the Housing Trust on 1 July 1995 with associated assets and liabilities transferred on 1 January 1996.

The South Australian Community Housing Authority is now responsible under its own legislation for administration of both cooperative and associations programs. The South Australia Housing Trust is now comprised of two divisions—Property Management and Housing Services—responsible respectively for managing the housing assets and meeting the needs of the tenants. To sharpen the business focus of the Housing Trust, I have agreed with the board on the appointment of a Chief General Manager who will be supported by a central financial and business planning unit in ensuring the

effective coordination of the trust's overall role in the provision of public housing.

Following the establishment phase the emphasis is now very much on lifting the performance of all parts of the portfolio. The reform process is ongoing in this area, as it must be in all areas of the public sector in the 1990s. At the same time as the budgetary and financial environment demands improved performance from the public sector, it makes the achievement of this goal much more difficult. The State's debt management strategy must be pursued, and will be, and this must now occur at the same time, unfortunately, as the Commonwealth seeks to repair the damage to its finances which were left by the outgoing Labor Government in Canberra.

The policy environment is rapidly changing as well in the area of social housing. The COAG housing reform process, which was well down the track under the previous Commonwealth Labor Government, looks likely to continue under the incoming Government and will bring with it further significant changes in the way in which housing assistance will be provided to South Australians. The financial environment in which this year's housing budget has been formulated is, as a result of these changes, more uncertain than ever.

With respect to public housing, the Government has made clear its determination to tackle the financial problems facing the Housing Trust. Its finances must be put on a stable footing. The focus of our efforts must be a significant reduction in the debt burden borne by the trust so that its recurrent financial operations remain viable. The 1996-97 budget for the trust revolves around an additional repayment of an estimated \$57 million in non-concessional debt. This will be possible in part through the sale of non-housing assets, but in large part through the sale of 1 100 Housing Trust houses, principally directed to tenants who wish to purchase their dwellings—and I am looking at a number of options involving HomeStart to provide assistance in this direction.

At the same time, however, the trust budget reflects a capital program costing \$79 million involving about 1 200 houses being purchased, built or upgraded. In relation to community housing, consistent with Commonwealth policy objectives we are embarking on a planned expansion of the community housing sector over the next five years to provide a larger alternative supply of social housing to the traditional public rental arrangements. In 1996-97 SACHA's present planning is to target an additional 430 housing opportunities provided through South Australian Housing Trust stock, cooperatives with church groups, local government and group self-build projects. This figure is more than double that of last financial year.

It has also been possible to provide additional funding in this year's budget to meet the special housing needs of Aboriginal people with respect to social housing. The budget reflects funding of about \$9 million for Aboriginal housing. This includes an additional \$1 million for spending in the Aboriginal lands, and I have foreshadowed the availability of an additional \$3 million for Aboriginal housing in rural and remote areas over the next two years. In relation to home purchase assistance, HomeStart Finance is the Government's major vehicle for the provision of home ownership opportunities for low to moderate income earners.

By 30 April 1996, HomeStart had assisted over 24 000 households achieve home ownership with a HomeStart loan, with over \$1.6 billion advanced. Approximately 30 per cent of loans made have been for new homes, generating business

for the local building industry. The program has effectively targeted its proposed market. The average income of borrowers is around \$28 000—below average weekly earnings, of course. Property values and loan sizes are also modest at around \$75 000 and \$65 000 respectively. Of borrowers, 57 per cent were previously renting; 45 per cent in the private market and 12 per cent with the Housing Trust.

For the 10 months to April 1996, just under 2 700 loans totalling \$173 million had been provided to South Australians to purchase a home of their own. In 1994-95, around 4 800 loans with a value of \$316 million were settled. At 30 April 1996, the outstanding portfolio of HomeStart loans consisted of around 17 800 loans worth \$1 094 million. In 1995-96 HomeStart is expected to achieve a net surplus of \$16 million, comparable with a net surplus of \$14.3 million in 1994-95. The budget reflects the payment by HomeStart in 1996-97 of \$14 million in tax equivalent payment and dividend.

As I have already indicated, HomeStart will play its part in achieving the Government's overall objectives of targeting housing assistance on a basis of need and assisting the portfolio financial performance in 1996-97. To deal with the financial pressures in the housing area, while continuing to respond to the social needs of South Australians and the financial and operational plans of the trust, SACHA and HomeStart will be closely coordinated through the portfolio to ensure that the social housing dollar is used most effectively in meeting need.

In relation to local government, the Government's reform program is now well under way. The Local Government Act is being rewritten to provide a framework for up-to-date and effective local governance into the next century. The structure of local government is being overhauled—essentially by local government itself on a voluntary basis—to reflect the demands of the community for improved performance. The State Government has provided substantial additional funds to support the reform program, and these are included in the budget papers for this year.

The Government's decisions in this area were taken following consideration of the report of the Ministerial Advisory Group on local government reform which reported in July last year and which made a number of recommendations on structural, legislative and operational reform of local government. The Government regards boundary change and the rewriting of the Local Government Act as priorities for reform in local government. The structural reform initiative is progressing well with over 30 groups of councils within the State pursuing options for council initiated proposals. Most of these groups are currently undertaking research and consultation with their communities with the majority of amalgamation proposals expected between July and December this year.

The outcome of the legislative reform program will be the establishment of a modern legislative framework for local government which complements the structural reforms currently being achieved through the Local Government Boundary Reform Board. The end product of the review will be a user-friendly Local Government Act as the centrepiece of a streamlined, accessible, local government legislation information package.

Under the program which has been developed, the Local Government Act 1934 is being comprehensively reviewed and rewritten with a view to having a new Local Government Act ready for introduction to Parliament in mid-1997. Agreement has been reached with the Local Government

Association on the timing and staging of the review, and collaborative processes and submissions have been received from local government, key stakeholders and members of the community on issues to be considered. Work is now proceeding on the development of an exposure draft Bill which will be the subject of detailed consultation later this year.

In relation to planning, the State Government continues to streamline its development approval and planning processes as a basis for economic development and growth. This year's budget includes additional funding to continue that reform process. The additional resources will be used to address core activities and immediate Government priorities; in particular, to produce in a timely way the Metropolitan Development Plan, the State's planning strategy, amendments to the Development Plan and to assess development applications within the statutory timeframe.

Additional capital resources have also been provided to the department to maintain, enhance and meet its new levels of commitment in the planning area. In relation to urban projects, the portfolio will continue in 1996-97 to assist the Government to achieve its economic development objectives through major urban projects. The Urban Projects Authority has now been in existence for almost 12 months and is successfully undertaking a number of very important initiatives for the Government.

The 1996-97 budget reflects the funding requirements of the EPA's role in:

- the delivery of major Government urban development projects at Glenelg, West Beach, the East End, the Port Adelaide Waterfront, the Mile End railyards and the St Michael's (Mount Lofty) site;
- the delivery of industrial and commercial projects as part of the Government's industrial premises development scheme. The new facility for Bankers Trust at Science Park will be delivered as part of the scheme for the new facility;
- continuing with the State's involvement in major urban development ventures, particularly Golden Grove, Seaford and Northfield; and
- release of broadacre land to the development industry. Major uncommitted land-holdings are located in Munno Para, Northfield, Hackham and Aldinga.

The 1996-7 budget includes a contribution from the UPA totalling \$4 million. The UPA is projected to make a surplus of \$2.1 million for 1995-96. This is a pleasing result given the depressed state of the residential property market at present. The UPA plans to pay \$10 million to Treasury by 30 June 1996, made up of \$0.8 million dividend and a debt repayment of \$9.2 million.

In summary, this year's Housing and Urban Development portfolio budget reflects the requirements of the State Government's debt reduction strategy. At the same time the fundamental changes made by the Government to the organisation of its programs in this area has meant that priority housing needs can now be better met by allocating scarce resources effectively on a basis of need. The budget also permits, however, additional resources to be allocated to two areas of the public sector which will assist the State's economic performance—local government reform and reform of the development planning system.

Ms HURLEY: I do not wish to make an opening statement. As to the Glenelg redevelopment, the idea of redeveloping the Glenelg-Patawalonga area is one that the previous Labor Government supported strongly. As stated in the amendments to the EIS for the redevelopment of the area, which is currently on release for public comment, the

previous Holdfast Keys proposal failed because of the economic climate at the time, which was in the middle of a national recession, and because of the cost of rejuvenating the Patawalonga. Happily, since that time the former Federal Labor Government gave the State \$10 million of Better Cities money to fix the Patawalonga pollution problem.

The South Australian Opposition strongly supports an integrated approach to dealing with the environmental and public amenity problems which exist in the Glenelg area and is looking with interest at the current proposals which are a modification of the previous Holdfast Keys proposition. I commend the project managers for their willingness to go out and consult with a wide range of groups, including the Opposition, in an effort to get it right. Of course, there are still many questions to be asked and answered about the project and I am hopeful that the EIS will settle most of the issues. What is the estimated cost per annum of the sand management proposals being advanced to overcome the problems caused by the proposed breakwaters at Glenelg and West Beach, and how will it be paid for?

The Hon. E.S. Ashenden: I have just checked with my officers. We do not know that figure yet. The environmental impact statement process is still under way and, as the honourable member would be well aware, the process requires that the EIS be prepared, go out for public consultation and then come back for consideration. Until that process has been completed we do not know which of the processes we will be adopting in a number of areas down there.

Ms HURLEY: Have you not even an estimated cost?

The Hon. E.S. Ashenden: A number of alternatives are being considered. Until we know which of the alternatives we are going to use for the sand management process, we cannot put a figure on it.

Ms HURLEY: Is the Minister concerned that, despite the installation of trash racks, the quality of water entering the Patawalonga is still poor and completely unsuitable for primary contact? Following the completion of the dredging, the pollution levels in the Patawalonga are rising again because the pollution causes have not yet been eliminated?

The Hon. E.S. Ashenden: I find it strange that the honourable member does not appear to understand the process that is being adopted in the rehabilitation of the Patawalonga. By installing trash racks and other impediments to physical pollution, we are stopping the trash and physical pollution from getting into the Patawalonga. We have the protective devices not only at the Patawalonga mouth but also in the upstream sections. There is no doubt whatsoever that the work that has been done has been extremely successful in stopping the flow of that sort of rubbish into the Patawalonga.

As to the bacteriological contamination to which the honourable member refers, that will not be overcome until it is determined exactly what we are going to do about the future flow of the Patawalonga. It is intended that there will be a uni-directional flow of salt water in the Patawalonga. The seawater will enter the northern end of the Patawalonga at high tide and, as the tide recedes, it will flow out the southern end. It will be similar to the type of development at West Lakes. It is when those steps have been taken that the Patawalonga water will again be suitable for contact. It has always been acknowledged that the process of rehabilitating the Patawalonga for human contact will take about two years and that the first and important stage is to stop the physical contamination of the Patawalonga. The next stage, after we have looked at the EIS and all the comment on it and after we

have determined the way in which the project is to be managed, involves setting in place a system to ensure that we have a flow of water through the Patawalonga which will overcome the bacteriological contamination referred to. That would still be about two years away, and that has always been understood.

Ms HURLEY: As a supplementary question, I am not sure whether or not the Minister was saying that he will deal with the pollution only once it is in the Patawalonga or before it gets into the Patawalonga.

The Hon. E.S. Ashenden: Both. For the honourable member's benefit, the Catchment Management Board is handling this project. Certainly, more trash racks are yet to go in, too. It is quite a detailed process. I am surprised that the honourable member has taken this line because, although she was not a member at the time, the previous State Labor Government promised time and again that it would do something about the Patawalonga. This Government is spending a great deal of money on the Patawalonga. The honourable member should look at some of the correspondence I receive, for example, letters of thanks—and it is not very often people take the trouble to write in and say how grateful they are for what we are doing—but I can assure the honourable member—

Ms Hurley interjecting:

The Hon. E.S. Ashenden: I just make the point: the previous Government did nothing about the Patawalonga. We have been in Government two years. We have already cleaned up the physical pollution of the Patawalonga. We will be working on the bacteriological contamination. As I have said, we have done this in two years. In all the time the Labor Government was in power it did absolutely nothing.

Ms HURLEY: When will a program to stop the effluent discharges from the Heathfield sewage treatment plant—which is a major contributor to phosphorous based nutrient pollution—be completed?

The Hon. E.S. Ashenden: That is a matter on which I certainly cannot provide advice. I have confirmed with my officers that that comes under the portfolio of the Minister for Infrastructure, so I do not have that information.

Mrs ROSENBERG: On behalf of the other members on the Committee, we thank the Minister for the work that he has done in reforming some of the departments under his portfolio. I congratulate the Minister on his first estimates and I am pleased to be part of the backbench committee, which has made some major changes. When this Government took office the planning and development fund had an outstanding debt. What action has been taken to reduce that debt and, in view of the Government's need to reduce expenditure, why did the Government approve additional resources for the Department of Housing and Urban Development?

The Hon. E.S. Ashenden: When this Government took office, the planning and development fund had an outstanding debt of \$3.7 million. This was just another debt that was a legacy of borrowings made by the previous Government through the 1970s. As a result of the previous Government's borrowing activities for the planning and development fund, the interest paid on the borrowings since 1969 to May this year amounts to an estimated \$12.1 million. I digress to point out that, as we go through the day, I will be emphasising the amount of interest that my portfolio has had to absorb because of the gross misuse of funding by the previous Government. There is \$12.1 million serving absolutely no useful purpose whatsoever, purely paying interest because of the bankcard mentality of the previous State Government.

The funds used for interest payments could have been much better used for providing and developing open space in urban areas and regional centres across South Australia. It is rather galling to be criticised by the Opposition for not doing more in this area. I ask Opposition members to ask themselves just how much more could \$12.1 million have done? The need for open space and its contribution to the wellbeing of people living in this State has been recognised through the Government's planning strategy. The Government is therefore committed to the provision and enhancement of regional open space and the establishment of metropolitan open space (MOS) creating a clearly defined and linked system of open space in and around the metropolitan area.

In line with this Government's planning and debt reduction strategies, the Government aims to retire this debt over the three years from 1994-95. I am pleased to announce that at May 1996 the total debt of \$3.6 million had been repaid in full and ahead of schedule. This has been achieved without the sale of any open space reserves purchased through the Planning and Development Fund; hence it did not compromise the provision of quality open space for the people of South Australia.

The Planning Division plays a critical role in facilitating the State's planning strategy. The role of the Planning Division is to plan for and facilitate development according to the economic, social and environmental goals and strategies of the Government contained in the planning strategy and other key Government documents. It is therefore necessary to resource this area properly if the Government is to achieve these goals.

Over the last decade the Planning Division's work force has been reduced as a result of budgetary constraints across Government. The impact of a lower work force on the planning process has been partly offset by lower levels of economic and development and activities. In view of this Government's development objectives, additional resources are required by the Planning Division to facilitate these objectives. The need for additional resources has been supported by recent reviews of the Planning Division. The additional resources will be used to address core activities and immediate Government priorities.

The additional resources will assist my division to produce the metropolitan development plan on time and to prepare and effectively coordinate and implement the State's planning strategy, produce amendments to the development plan within a time frame acceptable to the Government, councils, developers and me and to assess development applications within the statutory time frame.

Additional capital resources have also been provided to the Planning Division to maintain, enhance and meet its new levels of commitment. One of these commitments is the introduction of the electronic development assessment system. This system aims to replace the current paper-based development assessment system with a computer-based system over the next three years. Once this new system is linked with the electronic data processing system currently used by many councils, there will be considerable time and cost savings. The changes we have made will, I can assure the honourable, be for a very useful purpose indeed.

Mrs ROSENBERG: I refer to page 483 of the Program Estimates and to development approvals. Will the Minister advise the Committee of the performance of the Department Assessment Commission in dealing with development applications?

The Hon. E.S. Ashenden: I thank the honourable member for her question as it is extremely topical. As the Committee would be aware, the commission deals with a small percentage of development applications lodged across the State. Most of the applications are dealt with by councils. In a typical year the commission deals with around 4 000 applications. In the 1994-95 year the commission approved 95 per cent of applications sent to it for a decision. In recent years the approval rate of the commission has been between 92 per cent and 96 per cent. While refusals tend to attract significant debate and media attention, the vast majority of developments are approved without controversy.

While the approval rate is high, it should be noted that the staff of the commission negotiate amended plans to address planning concerns relating to many applications. Examples of substantial developments approved by the commission over the past two years include the shopping centre extensions at Tea Tree Gully, the wildlife sanctuary and tourist complex in the Flinders Ranges, the East End housing and retail development in the city of Adelaide, shopping centre extensions at Marion, the grain truck depot at Wallaroo, the major new hotel at Salisbury town centre and the stage 2 marina and housing development at Lincoln Cove.

Mr SCALZI: What is the Government doing about reviewing census policies, and is it likely to introduce an interim freeze on shopping centre development, as has been suggested by the Adelaide City Centre Study?

The Hon. E.S. Ashenden: Again, I thank the honourable member for the question, because the matter is very topical at the moment. The Government is currently reviewing the centre's policy for metropolitan Adelaide through a process steered by the Development Policy Advisory Committee (DPAC). Of course, the committee will report to me as Minister. The work will be completed quickly—certainly by the end of this year. So far as the Adelaide 21 City Centre study is concerned, the Government keenly awaits the final report of this extremely important work to maintain the city centre as the major focus of business and cultural activity in South Australia.

The DPAC steering committee is assisted in its task by a reference group which comprises retailing and other experts. All people with an interest in centres will be given the opportunity to make their views known. The Government will certainly not introduce a freeze on shopping development in the interim. The development proposals will be dealt with quickly and reasonably under the current rules until such time as changes are deemed appropriate.

Ms HURLEY: I refer to the Glenelg development. Does the Minister agree with the proposed solution to the car parking problems associated with the development? Is he concerned that many of the car parks under buildings may be subject to occasional flooding?

The Hon. E.S. Ashenden: Once again, I am a little confused at the direction the question takes. I have emphasised throughout this process that we will not make any final decisions on what will happen in the Glenelg redevelopment until the process presently being undertaken is completed. The EIS is being prepared and has been sent out for public consultation. The report will come back to us, and I understand that it will be on exhibition until 24 June. At this stage, the process of public consultation is still being undertaken. I can imagine how the honourable member would have given me stick today if I had come out before this process had been completed and said that I had made up my mind about what I would do.

The whole idea of the process is to ensure that when the decision is made it reflects both the EIS and the comment thereon. Until that process has been completed, I cannot give an indication as to what we will do in relation to car parking. It is part of the process, and a decision will be made down the track.

Ms HURLEY: The Minister promised by way of a reply to a question on notice that a copy of the report on the value management study, a conference organised by the Urban Project Authority, which was critical of vital aspects of the Patawalonga redevelopment proposal, would be made available when the EIS was released. The EIS was released some time ago but I am yet to receive a copy of the report and am unaware of copies being available.

The Hon. E.S. Ashenden: If that is the case, I apologise to the member and will make a copy of that report available.

Ms HURLEY: I refer to the Adelaide Airport runway extension. The Labor Opposition has been heavily involved in getting an extension to the Adelaide Airport runway; first, in the 1993-94 budget when still in Government Labor set aside funding of \$10 million to kick-start the project; and, secondly, when in Opposition the Leader of the Opposition brokered a deal in Hobart which led to the former Federal Labor Government's supporting our proposal. We still support strongly the proposed extension. The EIS has now been completed, and we look forward to the finer points being settled as soon as possible.

I am aware that the West Beach Trust will lose about 18 hectares of land as a result of the runway extension. I am also aware that the German Shepherd Club has been asked to vacate its land by 1 August, as the Department of Transport needs to acquire the land from that date, eight months earlier than first thought.

The Federal Airports Corporation (FAC) appears not to have been particularly receptive to approaches so far. Will the Minister intervene directly with the FAC to ensure that a lease arrangement over a parcel of land held by the FAC but designated for recreational development is made between the West Beach Trust and the FAC as partial compensation for the 18 hectares of land lost?

The Hon. E.S. Ashenden: I am not sure whether there has been a breakdown in communications between the Government and the Opposition, but I expected these questions this afternoon, at which time officers from the West Beach Trust will appear before the Committee. I have been happy to answer the questions that have been asked so far, but I must admit that we expected these questions to be asked this afternoon. I am happy to continue if that is what the member wants, or, if she prefers, I can wait until those officers are with me and I can give more detailed information.

Ms HURLEY: I am happy to leave it until later.

The CHAIRMAN: The first hour is ostensibly dedicated to planning matters, but if questions can be asked in either session it is irrelevant to the Chair, provided the two members agree.

The Hon. E.S. Ashenden: As I said, I am happy to answer the questions, but in relation to that one I advise the member that I would not be able to give the detail that I could give this afternoon.

The CHAIRMAN: The Chair points out that we are on the same line for the majority of the day, apart from 'Other Payments'. Therefore, the questions are exchangeable from one group of officers to the next.

The Hon. E.S. Ashenden: I am not being critical of the Opposition. It may be that there has been a breakdown in

communications. We had discussions to try to ensure that we had officers here at times which had been prearranged rather than sitting here all day. It appears that there has been a misunderstanding. Does the member want me to give that answer now?

Ms HURLEY: No. I am happy to leave it until later.

The Hon. E.S. Ashenden: Then I will give the answer this afternoon.

Ms HURLEY: The Minister mentioned land release. Which surplus land is earmarked for release in the metropolitan area?

The Hon. E.S. Ashenden: Again, I was expecting that question this afternoon. In accordance with Government policy, the UPA is offering its land bank for sale through an orderly release program. There are two points of view which could be adopted in relation to our land. One is that we should release the lot and allow the market to take its own direction. The other is that there should be a controlled release. As Minister, it is the latter that I am determined to have, because, by having an orderly release, there will be a more orderly system of sales and marketing. We intend to do this by continuing to provide an adequate supply of residential land to the land development industry, to sustain the building industry, to contain costs for home buyers and to ensure that property prices are not artificially depressed. That could occur if we were to release too much land too quickly.

The sale program follows investigations by the Government, including a study by the SA Centre for Economic Studies, which show that a carefully structured release program over a number of years will ensure that the objectives can be achieved. These releases are taking place in consultation with State and local government agencies and the land development industry to ensure that sound development outcomes are achieved.

The UPA is disposing of broadacre residential land, isolated remnant non-residential parcels, joint venture assets, developed joint venture allotments and a range of residential, industrial and commercial allotments throughout Adelaide and many country centres. I have stated on a number of occasions that the sale of this land will not be a fire sale, but will be orderly and coordinated. The sale of the land bank is an important part of the State's debt reduction strategy over the next three years. In all, it will be providing about \$100 million. During the past year we disposed of 20 properties for approximately \$5 million, and we have contracted for others. At the moment, we have about 400 properties for sale at about \$26 million. Earlier, I outlined the areas in which the releases are occurring.

Ms HURLEY: Of the 56 PARs authorised, nine were ministerial PARs. Is this number in line with the percentage of PARs in previous years?

The Hon. E.S. Ashenden: My officers advise me that the number is usually about four. Although you pointed out it was nine, it really depends upon the issues brought forward for attention. I would not see it as anything outstanding. As I said, we handle the issues as they come before us.

Mr ROSSI: I refer to page 483 of the Program Estimates. What public consultation was undertaken on the Development (Major Development Assessment) Amendment Bill? The Bill has been revised. There was a consultation and comments, especially by councils. To what extent does the process the Government has in place ensure the coordination and greater efficiency in the delivery of expensive infrastructure to cater for the development and expansion of metropolitan Adelaide?

The Hon. E.S. Ashenden: I can assure all members that, as Minister, I am determined to consult extensively. There has been extensive public consultation on the Development (Major Development Assessment) Amendment Bill. I released the Bill for seven weeks for public consultation, from 11 March to 26 April. Copies of the Bill were sent to all councils, a large number of development industry, environmental and professional organisations as well as Government agencies. Departmental officers also addressed a series of meetings of regional groupings of councils in both metropolitan and rural areas, and met with representatives of key organisations such as BOMA and the Conservation Council of South Australia. The Local Government Association was also kept fully informed during the consultation phase through regular contact with my department. Fifty-three written submissions were received on the Bill, including 33 submissions from local council, 10 from private organisations and 10 from State agencies. These submissions made a number of constructive suggestions for change to the draft Bill, whilst supporting many of its provisions.

In response to the submissions from councils and the LGA, I have made more than 10 significant changes to the Bill. For example, the criteria for the proposed ministerial call in of a development application from the council to the Development Assessment Commission has been clarified in response to local government requests. Membership of the advisory panel, which will recommend to me the level of assessment required for a major development or project, will now include a person with wide local government experience, chosen from a panel of three persons nominated by the LGA. Additionally, on that panel there will also be a person representing the environmental interests of the State. Guidelines will now be written for the preparation of public environmental reports and development reports, as well as environmental impact statements. Furthermore, the requirements for consultation with councils at all stages of the major development assessment process are now clearly set out in the Bill rather than, as was intended, to have them in associated regulations.

I have conveyed these important changes personally to the President of the LGA. I have also recently met with senior staff of the LGA to discuss any remaining local government concerns on the Bill. It is fair to say that I am disappointed in the response that I am getting from the Local Government Association, because I have had discussions. I was given concerns by that association, and I believe I addressed every one of those concerns in the Bill now before the House. Unfortunately, I understand that the Local Government Association is still opposing the Bill, despite the fact that it is designed to ensure that we can attract development and financial investment in South Australia which presently is just bypassing the State. However, I am still having discussions with the Local Government Association, and I am hopeful that we will get support from that group.

In relation to the second part of the honourable member's question, the metropolitan development program is a State Government initiative designed to coordinate urban growth and the provision of physical and human services in the developing areas of Adelaide. The MDP is a rolling program produced annually for a five year period and incorporates elements of the planning strategy. The current edition of the program is in draft form and gives greater focus to the outer metropolitan region which has been experiencing significant growth pressures. The process for production of the program is to present the latest Department of Housing and Urban

Development population and allotment projections to key State infrastructure agencies so that they can respond with estimates of impact on servicing requirements. The financial implications of urban growth and infill are linked to the capital works budget. The program is expected to be presented to Cabinet in late July this year.

Mrs ROSENBERG: Referring to page 483 of the Program Estimates in relation to the Urban and Regional Development Advisory Committee, does the Government consult the private sector on matters related to land development processes and market trends in the metropolitan residential area, and does the Government have a means by which it can coordinate and discuss those matters relating to urban residential development in metropolitan Adelaide?

The Hon. E.S. Ashenden: The Liberal Government, on gaining office in 1993, continued its support for the Urban Development Advisory Committee, due to the links with the private sector, and expanded its function to include issues of a regional nature. That is a significant step that the present Government has taken. The committee comprises members of the Urban Development Institute of Australia (South Australian Division) and the Housing Industry Association, as well as senior officers from the portfolio's land development and planning sectors. The primary focus of the committee is to advise the Minister on overall land development staging and, more directly, on population growth, housing demand, allotment reduction and infrastructure provision. The exchange of information from the development industry assists the department in its land monitoring and forecasting work, which is the basis for the Government's planning and delivery of services.

The committee has recently completed a comprehensive identification and analysis of potential land supplies within the metropolitan region to ensure long-term availability of land for the industry and consumers and the maintenance of affordability in housing. This coordination on residential development matters assists other programs of Government, including the metropolitan development program and the disposal strategy for surplus Government owned land, which will of course be used to reduce the State debt.

Mr SCALZI: I refer to page 483 of the Program Estimates, and I have a special interest in this area. What changes has the Government made to increase consumer protection and clarify the provisions for private certification of building work?

The Hon. E.S. Ashenden: I am well aware of the honourable member's interest in this area, and the direction we are taking there has been very well received. The Development Act 1993 integrates the planning and development assessment system. A number of consents, including a provisional building rules consent, are required before the relevant authority can issue a development approval. The Act allows for an applicant to appoint a private certifier as an alternative to a council building surveyor to issue the provisional building rules consent. The development approval is then issued by the relevant authority, either a council or the Development Assessment Commission.

There are no set fees for private certifiers, and the fee must be agreed between the applicant and the private certifier. Private certification of building work has been in operation since April 1995 and recent amendments to the Developments Regulation 1993 introduced a number of changes to the provisions for private certification. The amendments were among those recommended in a report to me by the Building Advisory Committee following extensive consultation with

the industry. They are intended to increase consumer protection and/or clarify the provisions for private certification of building work. The major changes include:

- the introduction of a detailed schedule of professional indemnity insurance requirements for private certifiers, including a run-off requirement to protect owners where a private certifier ceases to operate before the 10 year liability period has expired (the honourable member would probably be aware that that was one of the areas causing a delay in the implementation of this initiative);
- the introduction of a new requirement for a written statement of compliance for residential (class 1A) buildings, to be provided by the nominated builder or the owner/builder to the relevant authority or private certifier. The statement will confirm that the completed building work was constructed in accordance with the approved documents;
- the establishment of a central register of private certifiers, to be administered at State level by the Building Advisory Committee until a suitable national registration system is established; and
- the application of the requirement for a 4 per cent levy on the scheduled fee to be forwarded quarterly to the State Government from private certifiers as well as from councils.

Other recommendations in the report will be implemented through amendments to the Development Act and regulations later this year. The operation of private certification in South Australia will continue to be monitored to ensure that the system is efficient and cost effective and is meeting industry needs.

Ms HURLEY: The Minister mentioned that some land in Munno Para existed in the Urban Projects Authority. I would be interested to know whether any sale and development of that land in western Munno Para will be linked to the redevelopment of run-down housing stock along Peachey Road.

The Hon. E.S. Ashenden: That is an excellent question, about which the honourable member may be aware I have undertaken discussions with the Munno Para council. I assure the honourable member that as Minister I have requested my senior staff to look very closely at that issue, because I firmly believe that, when we are planning developments for the future, we should be looking at the area in total and not piecemeal. Certainly, the redevelopment of the Housing Trust area adjacent to the land to which the honourable member refers is something that I have very much to the forefront of my mind and also, in conjunction with that, the development of that land. However, the last advice I have received is that the development of that land will not be in the immediate future, because we still have quite a bit of land in the eastern section of that very large area to which the honourable member refers.

Under the Commonwealth Better Cities 2 arrangement, the South Australian Housing Trust, SACHA and the City of Munno Para are making \$65 000 available to undertake an initial social development study and to assess the feasibility of establishing a community based estate management board to manage what we will do in that area. So, we have certainly started. We will not attack it piecemeal; we will move only after we are confident that the result of the spending in that area is available to us so that we can take a coordinated approach to the area's development. I assure the honourable member I am well aware of the importance of that area, particularly in the redevelopment of some of our trust housing there.

The CHAIRMAN: I have had an indication from someone outside the Committee that he would like to ask a question. It is permitted under Standing Orders, provided members have exhausted their line of questioning.

Mr CLARKE: I have just a few questions; the Minister would not be at all surprised, I would imagine. Before I deal with the Collex waste treatment plant, I am concerned about a report I have read regarding a planning amendment report prepared for the Minister with respect to the Kilburn region, bounded by Churchill Road, the railway yard and that area near the old British Tubemills site. From what I have read of the report, it discusses turning the area into a number of waste and recycling industries. Is this accurate, and is it the Government's intention to zone that area for waste recycling? If so, how can that be justified, given that there are so many residential homes abutting that area and that it is at a time when the sale yards at SAMCOR have been moved out to Mallala? Indeed, when it is sold, SAMCOR itself will probably be relocated farther north, because residential homes are going up around the old SAMCOR location. Is the local newspaper accurate in stating that this planning amendment report recommends turning that area into a recycling zone? If it is true, why would the Government want to turn it into a waste recycling zone so close to residential areas when the whole idea is to push these types of industries into specific industrial zones well away from residential areas?

The Hon. E.S. Ashenden: I can only answer the honourable member's question by saying that the PAR was prepared and is with the council at present for its consideration. We inserted some broad parameters in that PAR for the council to consider. I am sure the honourable member is well aware that the preparation of the PAR is but the first step in a very long process. We will look for the comments that council will make on the PAR as it has been presented. I assure the honourable member that not only the PAR will be taken into account but also the comments that the council makes on it. The honourable member should not overlook the fact that we are retaining an industry zone in that area. We have put some ideas in the PAR, and we are now awaiting the council's comments before we take the next step.

Mr CLARKE: The difficulty for the council is that the Minister has had the council's view on the Collex Waste Treatment Plant for a considerable period of time, but he ignored that and started processes under section 24 of the Development Act just a few weeks after the Federal election. From the Minister's point of view, those dates were purely coincidental, but I do not believe that. The Minister's department prepared the planning amendment report, which states that the specific area to which I have referred will be turned into a waste recycling zone. How can the Port Adelaide-Enfield council have any confidence in whatever it puts to the department being acted upon given the Minister's decision to override its wishes regarding the placement of the Collex Waste Treatment Plant?

The Hon. E.S. Ashenden: We are doing it in this way because, at the moment, it is quite unclear just what can or cannot be done in some areas in relation to an industrial zone. We are putting out a PAR and setting in place a process that will enable us to come up with a plan which will make quite clear what can or cannot be done. That is what the process is all about.

Mr CLARKE: Is the Minister saying that the Government has no preconceived ideas at this stage about turning that area into a waste recycling zone, that it is simply a kite

flying exercise to carve up the boundaries of what is or is not allowed?

The Hon. E.S. Ashenden: All we are trying to do is to clarify what can or cannot go on according to that plan.

Mr CLARKE: What stage has the proposal for the Collex Waste Treatment Plant reached? The last I heard was that the Minister has given planning approval under section 24 of the Development Act, and that he is awaiting a response from the council. I am sure that the council has already responded, but if it has not the Minister could probably predict its views. Residents in that area and light industries, such as Trio Hinging, that have been established there cannot understand why the Government is so intent on allowing the establishment of a waste treatment plant so close to nursing homes, a primary school and residential homes. If it is so environmentally safe, why not stick it out in Golden Grove?

The Hon. E.S. Ashenden: I come back to the point that we are looking at clarifying a plan so that we know what can or cannot be done. The question that should be asked is why the Collex company is keen to have the liquid waste treatment plant established in Kilburn. The answer to that is because, as the honourable member is well aware, the facility is already in existence. That is the big advantage that the company sees. If it were to be re-established in another area, even within the area of the existing city council which is considering this PAR, I am advised that it would cost up to \$10 million. The company says that it has a facility there which it can use. It believes that planning as it stands at present allows the use of the land for that purpose. The council believes it does not. A case is currently before the courts, and what I have said all the way through is that no decision will be made until I have the decision from the court. We are trying to clarify the position, but no decision will be made until the court has handed down its finding.

Mr CLARKE: The Minister said that he is awaiting the decision of the Supreme Court in respect of the Collex issue which has been taken there by the Port Adelaide-Enfield council. Will the Government accept the final decision of the Supreme Court and not seek to pursue whatever rights it has under the Development Act?

The Hon. E.S. Ashenden: We will await that decision so that we can take it into account in terms of the action we will take further down the track. At this stage, we are waiting for the decision, and we will then decide what further action we will take.

Mr CLARKE: I make my final point regarding this whole issue with respect to the planning amendment report and the siting of the Collex Waste Treatment Plant. Given that this Government has said it is pro-business and wants to create jobs in South Australia, I cannot understand why it is so intent on placing the Collex Waste Treatment Plant where it is when other industries, that want to move or have moved into the former British Tube Mill site thinking that there would not be a waste treatment plant established alongside them, will employ many more people than will this waste treatment plant when it finally becomes operational.

I cannot understand why, given the Minister's own area of planning and urban development, he wants to inflict another potentially noxious industry on a residential area situated a little over three miles from the GPO. As I said earlier, ultimately, we will move SAMCOR away from Gepps Cross and we have moved the sale yards away from residential zones to Mallala—and that has been the general trend as residential areas have built up. Given the Minister's strong stance with respect to the Highbury dump when he was the

humble member for Wright before he assumed his ministerial position, how can he now justify the establishment of such an industry in a residential zone?

The Hon. E.S. Ashenden: As the honourable member is well aware, it is not a residential zone; it is a general industry zone. The honourable member has made a number of assumptions. I repeat: we are going through a process which will, hopefully, clarify what can or cannot be undertaken under that zoning classification. That is my first point. My second point is that we are awaiting the court's decision so that we can take that into account. My third point is that the honourable member says that I am determined to impose or force this through. I make quite clear that we are trying to clarify the situation to see whether the treatment plant can be allowed to proceed in that area.

The other point that the honourable member has tried to infer is that the treatment plant is in some way similar to an open rubbish dump. If the honourable member has visited the Collex liquid waste treatment plant in Sydney he would know that all you can see is a building. The vehicles go into that building, the door is shut, the waste is discharged under pressure, and all sorts of safety procedures are taken. There is no release of the waste. There is no smell. The other thing we are talking about is very low toxic waste, and that which comes from fish and chipperies and waste like that. I make the point that the honourable member is not comparing apples with apples. I still make the point that I am not pushing that. All I want to do is clarify the zoning so that we do know what the situation is.

The CHAIRMAN: I remind members outside the Committee that Sessional Orders do provide for a question to be asked by members outside the Committee, but when it comes to a succession of half a dozen, as that did, it becomes an abuse of Sessional Orders.

Additional Departmental Advisers:

Mr R. Solly, Chief Executive Officer, Department of Housing and Urban Development.

Mr I. Proctor, Deputy Chief Executive Officer.

Mr P. Jackson, General Manager, Property Management, South Australian Housing Trust.

Ms J. Connolly, General Manager, Housing Services.

Mr R. Harding, Director, Budget and Finance.

Ms C. Davidson, Budget Officer, Budget and Finance.

Mr G. Bria, Acting General Manager, SA Community Housing Authority.

Mr I. Halkett, Director, Business Services.

Mr G. Storkey, General Manager, Homestart Finance.

The CHAIRMAN: I remind members that the South Australian Housing Trust line is one of those for which there is no direct funding. Therefore, there is no need to tie that to a specific line. It is one of the Government departments which the Minister has agreed to facilitate questioning upon. I invite the member for Napier to open the questioning.

Ms HURLEY: One of the objectives of the Housing Trust is to recommend on the disposal of surplus or poor performing housing stock. The Opposition has concerns that a significant number of Housing Trust properties which are put up for sale are not purchased by Housing Trust tenants nor people on the waiting list but rather by investors looking to rent the properties. What are the criteria for determining surplus or poor performing housing stock, and how many sales has the Housing Trust made to current tenants and

people on the waiting list, and what percentage of the total sales do they make up?

The Hon. E.S. Ashenden: An existing tenant always has the first right to purchase a property. I can assure members that the Housing Trust, and I as Minister, are very actively encouraging trust tenants to actually purchase their properties if they can afford to do so. As I mentioned in my opening remarks, I will be looking to HomeStart to come up with some initiatives that will enable that purchase program to be expanded. All of us would agree that it is the Australian dream, if we possibly can, to own our own home. We will be doing everything we can to encourage existing tenants to purchase their existing property. I stress that they are given the first option. In relation to other sales that occur, they occur on vacancy. In other words, if a property becomes vacant, consideration is given as to whether it will be relet or made available through the market.

Ms HURLEY: What is the criteria for determining what is surplus? If the tenant moves out, is the house relet or sold? What does surplus or poor performing stock mean?

The Hon. E.S. Ashenden: If a tenant moves out and the house becomes vacant, the trust will actively promote the sale of vacant properties which are in areas of high concentration or low demand, where waiting times are minimal. That makes eminent sense.

Ms HURLEY: What percentage of the total sales are made to current tenants or to people on the waiting list?

The Hon. E.S. Ashenden: Last year about 90 per cent of the sales were to tenants. Of this year's vacancies, probably about 50 to 60 per cent will go to tenants.

Ms HURLEY: How many Housing Trust owned houses are now vacant and for sale, according to each regional office, and what is the average length of time these houses are vacant before sale, particularly double unit houses?

The Hon. E.S. Ashenden: The honourable member has asked a very detailed question. We will be able to provide that information. My staff have indicated that, if they have a few minutes, they will be able to compile that information and pass it on.

Ms HURLEY: Given the rate of sell-off of the Housing Trust stock, will the Minister give an estimate of stock levels by the end of the century, and will he indicate how this will be matched with any assessment of need among the South Australian community?

The Hon. E.S. Ashenden: I anticipate that, by the end of the century, South Australian housing stock will be approximately 55 000. Many of the answers I will have to give today on your questioning will be very dependent on the decision of the Federal Government on its approach to public housing. At this stage we would anticipate in the year 2000 having housing stock of about 55 000.

Mrs ROSENBERG: Dealing with Housing Trust debt—and I refer to page 245 of the Estimates of Receipts and Payments—what steps are being taken to reduce the Housing Trust \$1.3 billion debt which we inherited from the Labor Government?

The Hon. E.S. Ashenden: The debt that this Government has inherited because of the actions of the previous Government is something which does cause us very considerable concern. In 1983, the debt of the Housing Trust was in the high \$600 million bracket. In 1993 that debt had increased to \$1.3 billion. The previous Government very much tried to live with a bankcard mentality, borrowing without worrying for the future. It does not have to worry about the future, because it is not in Government any more. This Government

has to be very concerned about the situation that the previous Labor Government has put the Housing Trust in. Obviously it is an area to which I have already turned my attention very strongly.

It is not just the size of the debt that is concerning but the fact that it includes some \$200 million of non-concessional debt. In other words, unlike most sensible Governments that use concessional rates of interest in their borrowings, the previous Government borrowed money at full tote odds—at interest rates higher than if we were borrowing the money today. We must rid ourselves of that debt. We are paying out \$77 million a year in interest on this debt incurred by the previous Government. I ask all members to consider what we could be doing with \$77 million today: we could be devoting that money to meeting the housing needs of the community instead of paying off the debt.

Not only did the previous Government borrow all this money but, just before it lost office, it advanced, if you like, the borrowings. It took money that was supposedly invested for a three-year term and spent most of it in the first year. When we came to office hardly any money was left for construction. The performance of the previous Government and the way in which it managed public housing absolutely stands to be condemned. The problem we have inherited will impact very severely in terms of what we can and cannot do for those in need. The other factor that impacts so much on our debt repayment is that today 82 per cent of our tenants are receiving a subsidy on their rent.

In other words, we are not getting the full income stream from our rental properties. Not only do we have a high debt and a very high interest bill but we also have a situation where the income from our housing to meet those problems is reducing. There is no way in the world I would change that: we are here to provide housing to those in need but, in doing that, an increasing percentage of tenants are just not able to afford to pay the full rent. We have inherited an horrendous problem; it is one which I am addressing. It will take us five years, at least, to rectify just the inherited \$200 million of non-concessional debt.

I commend and congratulate not only the trust board but also the officers who, when I have discussed problems with them, have been absolutely fantastic in their cooperation and in the way in which they have worked with me to develop programs that will enable us—with a lot of pain, I might say—to overcome those problems.

Mrs ROSENBERG: Supplementary to that question, could the Minister expand on the influence a possible Commonwealth-State housing agreement might have on debt levels, with particular reference to the recurrent and capital receipts?

The Hon. E.S. Ashenden: With respect to the future, at the moment we are not certain which direction the Federal Government will take in relation to the way in which it will provide funding for public housing. When we know with certainty the direction the Federal Government will take, I will obviously be able to provide the honourable member with much more detail. Correct me if I am wrong, but I think the honourable member is talking about the possibility of the Federal Government paying the subsidy directly.

We are still awaiting final details, but obviously if the Federal Government enters into an arrangement whereby payments are made directly to our tenants then, yes, it will have a substantial impact on the way in which the trust operates. If that occurs, obviously we will need to set up a number of new procedures to meet the changes. I stress that,

at this stage, we have been given an assurance that the Federal Government will provide the same funding we had last year, but I anticipate that, by the end of August, we will know what the future direction will be in relation to the CSHA and the way in which funding will evolve.

Mrs ROSENBERG: My next question relates to market rents. Housing Trust tenants within my electorate, particularly those living in Noarlunga Downs, are currently paying the same market rent value as someone living in Norwood, which I believe is unfair. Page 494 of the Program Estimates refers to the Housing Trust's moving towards market rents later this year. What impact is this move expected to have on tenants?

The Hon. E.S. Ashenden: The honourable member's point in relation to equity is the main reason the Government has made this change. Like the honourable member, I do not believe it is fair that a person in an outer suburb should be required to pay the same rent as a person in an inner suburb or in a suburb that is perhaps closer to employment, or whatever the case might be. Therefore, by introducing market rents, we will ensure that tenants pay a rent that reflects the house and the suburb in which they live. It is important to note that the impact will not be great, as far as most tenants are concerned, because any tenant who is eligible for a subsidy will continue to receive that subsidy.

Tenants who are most in need and most disadvantaged will not notice any change whatsoever as the trust moves to market rents. I also make the point that the previous Federal Government indicated quite clearly that it required the States to move to market rents if they were to continue to receive the benefits of the CSHA arrangements. Despite the issue of equity, it is important to note that the State Government would not have had any choice even if it had wanted to do something else. As I said, I have no problem with that because, as far as I am concerned, it is equitable and it is the only way to go in terms of ensuring that tenants are not disadvantaged.

It is important to understand that approximately 7 000 out of 60 000 tenants will be affected. Again, we have made it quite clear that if any tenant is to incur any increase greater than \$10 then, of course, the increase will be staggered. Once again we are making quite sure that we are doing all we can to assist those tenants who will be affected. If there is an increase and that brings a tenant up to the level at which the subsidy cuts in, they will receive the subsidy.

Mrs ROSENBERG: Supplementary to that question, and to overcome the fears of tenants living in cottage flats, will there be any rent increase for tenants living in cottage flats?

The Hon. E.S. Ashenden: The rent of cottage flats, which are purpose-built units for aged tenants, is currently based on 16 per cent of the aged pension for bed-sitter flats and 18 per cent of the aged pension for tenants living in flats with separate bedrooms. The rent differential recognises the higher level of amenity for flats with separate bedrooms. Rents will increase on 21 September, but only to maintain rent-to-income ratios as the basis for cottage flat rents.

There are some 6 300 of these flats around the State, and of these about 800 are bedsitter units, with the remainder having either one or two separate bedrooms. A single pensioner living in a bedsitter flat will pay an extra \$1.40 a week; a single pensioner in a flat with a separate bedroom will pay an extra \$1.80 per week; while the rent for pensioner couples will rise by \$2.40 per week. These increases will take the new rent for a bedsitter to \$27.40 per week; the range of rents for single pensioners in flats with separate bedrooms will be between \$30.80 and \$36.30 per week; and pensioner

couples will pay rents between \$51.40 and \$56.40 per week. It is important to note that the increases are based on increases in income which have occurred over the past year. That is the reason for the increase as far as those tenants are concerned; it is purely and simply that their income has increased and so the rent has been increased along the percentage lines that I have outlined.

Ms HURLEY: To follow up on market rents, will the Minister say whether there will be an appeal process whereby tenants who believe that their new rent is unfair can appeal the valuation put on their house? For example, if tenants have made improvements at their own expense, will there be an increase in the valuation of their property and will this be reflected in their rent?

The Hon. E.S. Ashenden: My officer has confirmed my belief that the rent is based on the value of the property without the improvements.

Ms HURLEY: Is there an appeal mechanism for tenants who believe that their new rent is unfair?

The Hon. E.S. Ashenden: As far as the move to market rents is concerned, there is no appeal process, but a tenant is able to discuss the amount of rent payable with the housing manager; or, if a tenant believes that the rent is not fair, they can raise the matter with the Tenancy Tribunal. However, there is no appeal process in respect of the change to market rents.

Ms HURLEY: Under the current proposal market rents will be payable by non-subsidised tenants only. Under the new Commonwealth-State Housing Agreement, if there is a shift to payment of rent subsidies by the Federal Department of Social Security, will the Minister undertake those negotiations on the understanding that no tenant will pay more than 25 per cent of their income in rent?

The Hon. E.S. Ashenden: I cannot give that commitment because that will be up to the Federal Government. Obviously, in any negotiations between the States and the Federal Government, I will put the position of South Australian tenants very strongly indeed. The honourable member prefaced her question by saying, 'If the Federal Government provides the subsidies'. She answered her own question: the Federal Government will make that decision.

Ms Hurley interjecting:

The Hon. E.S. Ashenden: At this stage we do not know what will happen with the changes and, until we know, I will not speculate on what will occur.

Ms HURLEY: When the announcement about market rents was made, it appeared in the Saturday edition of the *Advertiser*. It appeared that there had been no consultation with tenant groups and that no information had been sent directly to tenants who, naturally, wanted to ask many of these sorts of questions. The state of performance indicators in the Program Estimates mention 'customer satisfaction'. Will consultation and provision of tenant information be included in the Public Service standards? Why were tenants not informed about this important move before it was announced in Saturday's *Advertiser*?

The Hon. E.S. Ashenden: Again, even with the noise behind me, I think I heard all the question.

The CHAIRMAN: The original intention was that we go into the Upper House. It was decided that we stay here because the work noise would be kept to a minimum: I am not sure what the maximum would have been.

The Hon. E.S. Ashenden: In relation to the move to market rents, it is fair to point out that tenants and tenant associations would have been aware for at least three years

that the Government was considering a change to market rents. Anyone who had any knowledge of the CSHA would have been aware of the previous Federal Labor Government's intentions in that area; so it is unfair to say that tenants had no idea that there would be change. The Housing Advisory Council Committee was aware that market rents were being considered, and we have made a number of public statements. To say that they were not aware what was happening is not accurate.

Ms HURLEY: As part of that question, why was no information sent directly to tenants? Many tenants may not read the Saturday edition of the *Advertiser*. In any event, I believe the article contained incomplete information. Why was better information not given to tenants?

The Hon. E.S. Ashenden: I do not know whether the member appreciates how difficult it is to send a letter to every one of our 60 000 tenants; it takes time. Letters are being sent to tenants. This increase does not apply until September, but letters are prepared and I am expecting them to be delivered in the next few weeks.

Mr SCALZI: I refer to page 494 of the Payments and Estimates. There is a perception in the community—which I believe is false—that the problem of disruptive tenants is widespread and that not enough is being done to rectify the situation. As the local member of my area, I appreciate the way in which the Housing Trust and its officers have dealt with those very few disruptive tenants in my area. Will the Minister outline what steps have been taken by the Housing Trust to address the problem?

The Hon. E.S. Ashenden: The honourable member has touched on one of the most difficult tasks that confronts my officers in the South Australian Housing Trust. I make it clear from the outset that the vast majority of Housing Trust tenants do the right thing, but there are a disruptive few and, like the honourable member, I have nothing but admiration for the officers and the way in which they handle a difficult and frequently emotive and emotional situation.

When you have tenants who are anti-social and not doing the right thing by their neighbours, those neighbours have every right to complain about that behaviour and they do look to the trust to provide support in ensuring that the disruptive behaviour does not continue. The Housing Trust does have a difficult and disruptive tenancy policy and procedure which it adopts. In implementing that, the trust acknowledges that all people have a right to peaceful existence in their home, whether they are renting that home from the trust or from a private owner or whether they own the home.

When complaints are made, officers of the trust are made available to speak with the tenant: they try to resolve the problem. The advice I have been given is that, in most instances, that discussion process is successful. However, on occasions when tenants do not listen, if you like, or do not accept the help that is offered to them to become less anti-social, further steps can be taken. It is well-known that the trust has removed tenants from their properties when a problem has continued. One of the difficulties that the trust had in the past was that the only recourse was to the courts. However, as a result of the changes to the tenancy legislation, it is now easier for the Housing Trust to handle situations where it believes that there is no alternative but to require a disruptive tenant to leave trust premises.

Mr SCALZI: I understand that the Minister recently made a visit to the Aboriginal communities in the AP lands. What impact will the budget have on housing for Aboriginal people living in remote areas?

The Hon. E.S. Ashenden: I am delighted to be able to answer that question by indicating that I will provide additional funding to the Aboriginal communities to provide what I see as desperately needed housing. As a young boy I lived in the Northern Territory, and so I am not at all unfamiliar with Aboriginal communities and their needs. When I did make the trip to some of the communities, I must admit—and Jan who is sitting alongside me would understand—that it made a big impact on me. The first thing I determined was that we are going to make sure that we provide support to meet the needs of Aboriginal communities. I saw up there housing that I can describe only as appalling and there are a number of reasons for that. I make it clear that the problem is not just a housing problem. It is much more than that: it is a social, unemployment and health problem. In some of the communities I visited the lack of self esteem was palpable and appalling.

In other communities where self esteem has been restored, it was a pleasure to see the work done in those communities. The Umoona community is close to Coober Pedy. If members could see the work that the Umoona community has done, they could not be anything but impressed. I am looking to provide funding not only for the building of Aboriginal housing but also to provide support to the Aboriginal community in that housing program by people who have been so successful in the Umoona housing program. One could not credit the standard of housing or support that the Umoona community now provides. The difference in self esteem of the Aboriginal community at Umoona can be compared with that in many other communities.

Also, I saw what has been undoubtedly a tremendous waste of money spent on housing in those northern lands, particularly Federal Government funding provided over the years. They call Umuwa the Canberra of the Aboriginal lands and that is exactly what it is. When I saw the situation there in terms of what has been provided and the way in which that money could have been used so much better to provide support for the Aboriginal community, I was angry about what I saw.

I determined to work with the Aboriginal community. I have had a number of discussions with leaders in the community about what we can do besides providing additional money to ensure that we provide employment opportunities and opportunities to gain skills. When I was at Ernabella a house was being built and most of the employees were of white extraction. They could not get bricklayers, but there were people there who were unemployed and who were not being provided with the training that would have enabled them to provide help and assistance in building that house. I am looking to set up programs to provide not only the money but training for the Aboriginal community to assist in the building of the houses which will give them ownership in those houses and pride and build up the self esteem.

The member for Kurna would be well aware of the way in which self esteem has been restored with her constituents undertaking the Sweat Equity program. That is what I am looking to do in this case. I want to provide training and building skills; I want people involved in the building of their homes and, importantly, I want to ensure that the houses we build will meet their needs. Wet areas have caused a huge problem in Aboriginal housing because we have not listened to Aborigines themselves about where is the best place for the wet area. We will make sure that we do everything we can to ensure that those mistakes are not repeated. I will provide additional money of up to \$4 million to get extra housing and

housing support for the Aboriginal community. It will take a long time but I am determined to do everything I can to give that community the help it needs to reinstate itself as a proud community.

Mr SCALZI: I refer to page 247 of the Estimates of Payments and Receipts. Why has the water allowance for Housing Trust tenants been reduced to 125 kilolitres when the allowance in the private sector has remained unchanged? A few constituents have asked this question of me.

The Hon. E.S. Ashenden: I will answer the last part of the question first. This situation will not continue for much longer. The Attorney-General has advised me that he is already taking steps to ensure—I am not sure whether it is the legislation or the regulation—that amendment occurs shortly so that the 125 kilolitre limit is also reflected in relation to private tenancy. It has been reduced to 125 kilolitres because in November 1995 SA Water announced increases in the price of water for 1996-97. The increases included changes to SA Water's tier pricing structure. For 1996-97 SA Water set the first tier at 125 kilolitres at a price of 22¢ per kilolitre. In 1995-96 the price has been 20¢ per kilolitre for the first 136 kilolitres. Next year consumption between 126 and 400 kilolitres will go to 89¢ per kilolitre compared with 88¢ for up to 500 kilolitres this year, while consumption above 400 kilolitres will cost 91¢, which is up from the 90¢ this year.

It is important to remember that not only this Government but the previous Government was, in the area of water allocation, moving very much to a user-pays principle. Also, there will be no impact if a household uses less than 125 kilolitres. The change will be another step towards encouraging our tenants—along with all South Australians—to look at the ways in which water is used. It is one of the oldest sayings: we are the driest State in the driest continent in the world. Our water asset is something that has to be managed carefully and the change made was outside of my control: it was in SA Water where the decision was taken to reduce the limit to 125 kilolitres. One of the determining factors was to make people aware that using water is something that they must think carefully about. The trust has moved in line with that change that came from SA Water. I repeat: there will be uniformity shortly in relation to the private sector as well.

Mr SCALZI: As a supplementary question, what programs has the trust undertaken to ensure that trust tenants are involved in water conservation?

The Hon. E.S. Ashenden: The trust is advising tenants of steps they can take to ensure that they use a minimum amount of water. One example is the garden competition and the specific category of a low water use garden. It is in that way that we are saying to tenants, 'The old way of having lawns at the front and back and having shrubs and flowers that take a lot of water is something we must look at.' I have done it myself: my front yard now has native shrubs and that was deliberately done because I cannot accept that the old ways are the right ways. As I said, we are encouraging our tenants to look at various ways in which they can develop their properties and to have low water use type gardens on their properties.

Ms WHITE: Given the large number of Housing Trust homes and the type of housing in my electorate, I am sure it will not surprise the Minister to hear that a very significant portion of work in my electorate office deals with maintenance. I know many members will agree that maintenance has been the subject of a number of complaints from tenants since the trust was split into two sections—tenancy services and property management.

The property management section now outsources all services and merely administers the tenders. They wait until they have a series of similar maintenance matters in a region and then tender out in a block. Tenants are unable to obtain progress reports from the housing managers because the managers are not the people in control of the maintenance. The property management group is not always familiar with the houses or the area and often is not aware of the degree of urgency of the maintenance problems. What is the breakdown of the total maintenance budget between the four categories of maintenance, that is, day-to-day maintenance, vacancy repairs, external painting and fabric replacement?

The Hon. E.S. Ashenden: I am sure the honourable member appreciates that the last part of the question is very detailed.

Ms WHITE: I am happy to take that on notice.

The Hon. E.S. Ashenden: I will provide that information down the track. In relation to the nub of 95 per cent of the question, I have been advised by members of concerns relating to the way in which maintenance has been undertaken. The honourable member referred to maintenance being put on hold until there is enough work to contract out. This would be maintenance of low priority, because my officers have given me an absolute assurance that a matter of urgency will be dealt with within 24 hours but, if it is a matter affecting health, it will be dealt within four hours.

I make the point that one person in each region is there to handle questions, complaints or requests for help—whatever you want to call them—from tenants. The contact is still with the housing trust office in the region in which the housing is situated. As I said, I have been assured that, when there is an urgent situation, it is treated as such but, when non-urgent maintenance is required, such as fencing, or something similar, it could well be that a contractor would not attend until there was an amount of work to be carried out in that area, or within reasonable proximity.

I know this will not answer the question fully—and I will provide the rest—but recurrent maintenance is \$23.9 million; vacancies, transfers and maintenance conducted is \$13.8 million—which totals \$37.7 million—and program maintenance is \$13.9 million, giving a total of \$51.6 million. I will provide more specific information than that in the future.

Ms WHITE: Could the Minister also provide the definition of what constitutes urgent maintenance?

The Hon. E.S. Ashenden: We will need to take that on notice, but that will be provided also.

Ms WHITE: What percentage of Housing Trust stock is more than 30 years old; what percentage is double unit housing; and what percentage value of the housing stock is in double units?

The Hon. E.S. Ashenden: In relation to stock up to 1968, 36 per cent of our houses are in that category; houses constructed between 1969 and 1989 make up 50 per cent of our stock; and what we call recent stock, that is, 1990 or beyond, makes up 15 per cent. In relation to the number, it is approximately 30 000. Does the honourable member require a more definitive answer than that?

Ms WHITE: That is acceptable.

The Hon. E.S. Ashenden: We will have to provide on notice the value of the double unit stock as a percentage of the total value of Housing Trust stock.

Ms WHITE: The decrease in the maintenance budget of \$2.9 million is attributed to increased efficiency in service provision, particularly through the current competitive

tendering environment. Is that decrease in the budget calculated on the same volume of maintenance work being carried out; that is, have there been savings to the equivalent of about \$3 million or has there been some assumption of reduction in the amount of maintenance work carried out?

The Hon. E.S. Ashenden: I have been advised by my officers that it is a combination of both. The tenders which have come in from the contractors who are tendering to undertake Housing Trust maintenance are about 10 to 20 per cent below what we were expecting, but also with our reduced stock there is not as great a need for maintenance. Obviously, as the number of houses diminishes, so will the requirement for maintenance. The competitive tendering process we are using has come in at 10 to 20 per cent below what we were expecting it to be.

Ms WHITE: As a supplementary question, given the age of much of the housing stock and the high level of double unit stock comparatively, which generally—and the Minister would agree—requires different maintenance from the rest, how will this impact on the maintenance of the stock?

The Hon. E.S. Ashenden: We are approaching this in two ways to reduce the impact because, obviously, as something gets older, it will require greater maintenance. It is in those areas that we are undertaking renewal and redevelopment projects. Again I know it is not in the honourable member's electorate but quite close to it is the Rosewood village, where we are doing—

Ms WHITE: I hope to have the Salisbury North redevelopment as well.

The Hon. E.S. Ashenden: I stand corrected; the honourable member is quite right and, as she is probably aware, we have provided funding to the Salisbury council to enable it to conduct an even greater study into what can be done in the Salisbury North area. Also, I make the point that the redevelopment and the renewal program is part of the process of selling our properties to our tenants. In many instances, I have been advised that these properties are being purchased and the owners are taking on the maintenance to upgrade. When they buy their properties, the price is taken into account.

My officer has just pointed out to me that we are looking to reduce, by sale, and by redevelopment and renewal, that older stock to which I referred before. We are wanting to dispose of that stock through redevelopment, urban renewal or sale of the properties and we are looking to increase it in other areas. So by addressing the problems we have, as you have quite rightly pointed out we are moving towards a situation where we will be required to spend less on maintenance on those older houses.

Mr ROSSI: I refer to page 243 of the Estimates of Receipts and Payments. When HomeStart was originally established in 1989 it was targeted towards people in greatest need of assistance. Over the past few weeks the major banks have been reducing their interest rates. Can the Minister comment on whether it is still the aim of HomeStart to target people with the greatest needs and do the interest rates have a bearing on HomeStart?

The Hon. E.S. Ashenden: In relation to the last part of the question, with reducing interest rates there is, if you like, more competition than has previously been the case, and I will come to that in more detail later. The past 18 months has seen a very stable climate for variable interest rates, with most standard rates having been around the 10.5 per cent mark. With the emergence of cut-price non-traditional lenders in the marketplace, and we would all agree that they have

blossomed in the past 12 months, the banks and other major players such as HomeStart have competed by offering special discount honeymoon rates and lowering their fixed rates, and these competitive tactics have, of course, impacted very much indeed on HomeStart. We must bear in mind that HomeStart is there to provide assistance to those who in the past have had great difficulty in obtaining finance from the normal, if you like, institutions.

With the competition that is there, the rates are coming down to the point where they are in line and sometimes even better than HomeStart rates. Although HomeStart dropped its rate from 10.5 to 9.95 in April 1996 and from 1 July will drop its standard variable rate to 9.75 per cent, we are hoping that this will attract some new customers, and I want to make it clear that this will apply not only to potential new customers but also to our existing customers. So the interest rate will continue to be reviewed by the board and I assure you that HomeStart will be continuing to do all that it can to be competitive with the other institutions.

Another thing that has occurred is that over the last few months there have been many inquiries for refinancing of loans. That is not only in relation to HomeStart. There is a real merry-go-round out there at the moment where lending institutions are being so competitive and no longer are there establishment fees and so people can jump from one institution to another at no cost. Again, this will have an impact on HomeStart. HomeStart has refinancing facilities but there are strict conditions applying to those, but in times of lower interest rates customers are able to borrow more from traditional lenders than is normally the case. That is the main point. When those who are at the lower end of the income scale are looking to buy a home they tend to look at an amount of money that they can borrow.

In the past HomeStart has been able to offer a greater amount because its repayments are less than the standard lending institutions, but that is becoming more and more less the case. However, the thing is that HomeStart is well aware of the problems that have been caused by the present competition within the banks and other institutions—which is good for the consumer; let's face it, it really is good for the consumer, but HomeStart will not sit back on its haunches and rest on its laurels. It is looking at other schemes that it can introduce which will once again ensure that we are meeting the needs of people at the lower end of the income scale.

Mr ROSSI: I have a supplementary question. Could the Minister comment on the nature of the HomeStart Deposit Assistance Scheme and say whether it is likely to continue in the future? In the 1994-95 financial year only two householders received mortgage relief assistance from HomeStart. The year before there were only five recipients. Why are applications so low?

The Hon. E.S. Ashenden: The HomeStart Deposit Assistance Scheme was introduced in 1994 and is designed to lower the deposit required needed to gain access to home ownership. That is what it is all about. The scheme is broken up into two sections—scheme 1 and scheme 2. Scheme 1 is for households which earn less than \$500 gross a week and provides an extra interest-free loan of \$1 000 towards the deposit. Scheme 2, which is for households which earn more than \$500 a week, lowers the standard HomeStart deposit needed by 2.5 per cent down to 2.5 per cent of the value for an established dwelling and to 4.5 per cent for a new dwelling. With this scheme borrowers' initial minimum repayments are increased to 27.5 per cent of gross income

and, as at 30 April 1996, 697 loans with deposit assistance had been settled.

A review of the Deposit Assistance Scheme has recently been completed and a report of the findings is currently being considered by the department. In the current economic climate of low inflation and a stagnant property market it was important to reassess the principles on which the scheme was developed. At the time of developing the scheme it was understood that the combined effects of subsidies and increased repayments of property growth would increase borrowers' equity. It was important to reassess the validity of these assumptions, to minimise any risk to borrowers. I am sure the honourable member would agree that, in attracting the people that we are to HomeStart loans, we have to be terribly careful that we do not put them in a position where they overcommit themselves. There would be nothing worse than for them to be placed in a situation where they cannot afford to continue to purchase their home. There is a fine balance between providing support and a service and not putting a millstone around their necks.

Mr ROSSI: In relation to the Bond Guarantee Scheme (page 490 of the Program Estimates), what changes have been made to the way that the trust provides assistance to people establishing private tenancies, and has this resulted in savings to the trust? Can the Minister outline the program in relation to improvements to trust homes currently being undertaken, for example, in the Mitchell Park development?

The Hon. E.S. Ashenden: First of all, following a major review of private rental assistance the trust implemented the Bond Guarantee Scheme in place of the Loans Scheme, and that took place in February this year. The Bond Guarantee Scheme is a significant improvement in the way that the trust provides assistance to people establishing private tenancies. Previously, the trust paid bonds to eligible households which, in turn, were lodged in the Residential Tenancies Fund. Under the new scheme the trust guarantees to pay a landlord's reasonable claims as determined by the Residential Tenancies Tribunal at the conclusion of a tenancy, and so is not required to have to tie up large amounts of its own funds in that fund. Currently, the trust has approximately \$12 million in the fund, and over time that will be reduced to zero.

The savings to the portfolio will amount to about \$4.2 million this financial year. The Office of Consumer and Business Affairs and the Housing Trust have consulted extensively and have agreed on the necessary administrative arrangements which will allow the scheme to operate. These arrangements are outlined in the service level agreement. The Bond Guarantee Scheme has been accepted very well by private sector landlords, who will not be disadvantaged. At the same time, we will untie a lot of funds which we can use in much better ways within the trust. Since the scheme was introduced the trust has issued bond guarantees collectively valued at just over \$1.25 million.

I do not know whether the honourable member has been to Mitchell Park, but it is a fantastic example of what can be done in terms of redevelopment. In our redevelopment areas we are working with the private sector to ensure that there is a mix of public and private housing. We are also reducing substantially the density of the properties in that area. It is a program which is not just being undertaken by the trust: we are working very closely with the council. I am sure the member for Torrens is well aware of what is taking place in her electorate at Hillcrest and the surrounding area where not only are properties being demolished and used for redevelopment but also at the same time a lot of land is being returned

to parks and open space. These areas will become much more attractive not only in terms of the mix of housing that is available but also because of the much greater proportion of open space being provided in those areas. When I attended University my family actually occupied a Housing Trust property at Hillcrest in Macquarie Avenue. I cannot get over the changes that have occurred in that area since I lived there five or six years ago.

Mrs GERAGHTY: The Minister said that, generally, there was a four hour delay in emergency service if help is involved. I apprise the Minister of a recent situation where sewerage pipes broke in a trust property and where the delay in their repair was in excess of a week. Upon arranging a plumber to attend urgently because of the back flow, I was guaranteed attendance by the Saturday morning but they did not arrive until the Monday or Tuesday. I raise this because it is a serious health issue.

The Hon. E.S. Ashenden: I do not doubt for one minute what the honourable member says. If that occurred I certainly condemn it. It should not have happened. If the honourable member wishes to give me the specific details in the lunch break, I will ensure that the matter is thoroughly investigated, because that is not acceptable.

Mrs GERAGHTY: Minister, as you aware, managers have a vehicle supplied to enable them to fully service tenants' needs. However, just today we became aware that regional offices, for example, the Modbury office, which has 13 housing managers, will lose three vehicles and that other offices within the State will possibly lose two to three vehicles. In my electorate this means that, when the housing managers need to travel between the Modbury office and the Hillcrest office, they will either have to wait for a vehicle to become available or catch a taxi. This will also apply when they need to visit tenants or when they need to meet maintenance workers on site to settle an issue. I believe that the system will be less efficient, cause delays in maintenance work and provide difficulties for tenants. Will the Minister explain why this step has been taken? How many housing managers across the State will not have the same level of access to vehicles as they have now?

The Hon. E.S. Ashenden: The reason is quite simple: the number of vehicles previously provided resulted in many vehicles lying idle. In other words, there was inefficient use of resources. It has been decided that four vehicles will be provided for every five housing managers. I have been advised that in doing this, based on records of the past, there will not be a problem, because there were many times where vehicles stood idle. I am sure that the honourable member would concur in any steps to ensure a more effective and efficient use of resources. As I said earlier, the Housing Trust is working on removing the \$200 million of high interest debt. This is one of the steps which will not impact on the service but which will result in cost savings and more efficient use of a resource. I can only repeat that the decision to provide four vehicles for five managers was based upon the figures of usage of vehicles over the past 12 months.

Mrs GERAGHTY: Were housing managers consulted about this step and given an opportunity to have some input, because a number of housing managers—certainly those in the Modbury office, as you would be aware, Minister—visit tenants on the way to work and on the way home, which often involves after hours work?

The Hon. E.S. Ashenden: Yes, it is a sensible use of resources. I am sure that the honourable member will be very pleased with the answer I will provide. In fact, this was one

of the decisions made by staff themselves. The Housing Trust consulted closely with the staff by saying, 'Look, we have to make some savings; you sit down and come up with some suggestions.' I have been advised that this suggestion came from the staff themselves. If that is the case, I commend the staff on their initiative in that area. In fact, this idea was one of 300 which the employees suggested.

Ms HURLEY: Is it the case that community housing organisations, which had been promised housing allocations in 1995-96, have had these offers withdrawn due to budgetary problems? If so, will the Minister explain the circumstances?

The Hon. E.S. Ashenden: The honourable member refers to the decision taken in respect of providing housing or capital either for new build or redevelopment of existing housing trust properties. So, there has been a change. I have asked the community housing groups to examine that change. Let us make it clear that, by doing this, the money we have available will provide more homes through redevelopments and renewals than it would if all the funds were to go into new builds. Let us bear in mind that the housing provided through those schemes is an essential form of providing housing, again, to the low income stream people in our community. I do not resile from my belief that it is most important to supply the maximum number of homes possible to these groups. We will not know the final outcome until after the end of August when the Federal Government lets us know what its programs will be, how we shall be funded, and so on. My present intention is to move more towards those redevelopments.

Ms HURLEY: As a supplementary question, cooperative and community housing groups are often formed for specific reasons and redeveloping Housing Trust stock may not meet their requirements. If this is the way to go, will those cooperative and community housing members be given a choice of location and stock?

The Hon. E.S. Ashenden: We expect the trust to cooperate in this program and do its best to provide choice. I hope I have misinterpreted what may be behind the member's question: that Housing Trust stock and tenants are not suitable areas for community housing to be developed.

Ms HURLEY: No.

The Hon. E.S. Ashenden: That is fine; I accept that was not the member's intention. It would concern me greatly if those organisations were to indicate that Housing Trust stock and tenants are not suitable for them. The Housing Trust will cooperate as much as possible. We will be looking for choice to be available. Again, I have to qualify that remark because, until I know what the Federal Government will do, I cannot make any final decisions about community housing.

Mr SCALZI: Will the Minister explain the importance of the crisis accommodation program in providing assistance for the homeless?

The Hon. E.S. Ashenden: I will get some specific details about that, because it is a very important program. The crisis accommodation program has operated as a special purpose program under the Commonwealth-State Housing Agreement since 1984 and it is one of the most important elements that we have for assisting homeless people in South Australia. The program complements another joint Commonwealth-State program known as the supported accommodation assistance program. Together those programs provide the backbone of Government funding of services managed by community organisations. For those who are homeless or who are at risk of homelessness, that is what the housing is for. The supported accommodation assistance program provides

these organisations with the recurrent funding for staff and other operating costs, whilst the crisis accommodation program provides the capital funding for the construction, purchase and renovation of premises from which they then operate their services.

Since its introduction in 1984, the crisis accommodation program has provided funds totalling more than \$24 million in South Australia. These funds have been used to establish a range of shelters and transitional houses in metropolitan and country areas for homeless groups, including women and children escaping from domestic violence, young people, older single people and families. I have just sent out letters to organisations, which I will not name, advising in some cases of quite substantial funding to assist them to continue their programs in what is a most desperate area. My wife is involved on a voluntary basis with crisis care and women's shelters, so I know from her input how great the need is. Therefore, I was very pleased to be able to provide substantial funding to some of those organisations. Those letters went out in the last month.

A total of 230 dwellings have been purchased or constructed and a further eight will be completed in 1996. A number of organisations have also been able to upgrade their own accommodation with crisis accommodation program funding. Where dwellings are purchased or constructed, they remain in the ownership of the South Australian Housing Trust, which manages the program in this State. Some of the program's major achievements over the past few years include the construction of five dwellings for homeless families in Richmond for the Anglican Church; provision of a cluster housing development in the north-eastern suburbs, which represents a new service delivery model for a women's refuge; and support for the restructuring of youth sector services in the metropolitan area, which has seen the establishment of new premises in Elizabeth, Thebarton, Noarlunga, Blair Athol and the city.

At this stage the Commonwealth has indicated that the program will continue in 1996-97 and \$3.2 million of funding has been made available. The joint officers group, which comprises officials from the Housing Trust, the State Department for Family and Community Services and the Commonwealth Department of Social Security, will shortly consider the allocation of these funds across the various sectors that I mentioned and recommend projects for my approval and the approval of the Minister for Social Security.

Some groups approved for funding under the program have experienced difficulties at local government level in establishing their services. This is the old NIMBY syndrome which unfortunately impacts so often. This has usually been due to resident opposition to the location of small congregate living centres in their communities. This has been unfortunate, because it has delayed the establishment of important and much needed facilities for disadvantaged households and individuals. Although it is not in my electorate, I am aware of problems within the City of Tea Tree Gully, which is trying to provide similar homes for homeless youth. Everywhere they want to put them, the residents complain and that has held up this excellent program for a long time.

Nevertheless, the crisis accommodation program continues to provide capital funding for the expansion of emergency and transitional accommodation for those in housing crisis, and it has significantly strengthened the role of community organisations in the provision of housing and related support services for those in our society who face or experience

homelessness. It is a wonderful program, and I am delighted that the Federal Government is to continue the funding of it.

Mr SCALZI: What action is the trust currently undertaking to address soil contamination within the Florence Crescent development and other trust-owned properties?

The Hon. E.S. Ashenden: This really is a most important issue. I can assure the member that officers within the Housing Trust have done absolutely everything they can to ensure that the health of residents in that area is not affected. The Housing Trust has recently engaged Rust PPK to undertake a review of the previous investigations undertaken by the Housing Trust and Maunsell. We have asked Rust PPK to look at the potential contamination of Florence Crescent, Brompton. The review will include the methodology, testing and recommendations of the previous work undertaken by Maunsell. Rust PPK anticipates that the review will be completed by Monday of next week.

The Housing Trust will convene a meeting of the trust's soil contamination committee on Florence Crescent, which includes elected tenant representatives, when it receives the report from Rust PPK. At that meeting Rust PPK's report will be discussed and the proposed next phase of the investigation and remediation process will be formulated. The Housing Trust has agreed to undertake the following measures to alleviate tenant concerns which were raised at a meeting on 19 May: first, the trust accepts full responsibility for the remediation of the effective allotments within the Florence Crescent development. Secondly, the Housing Trust will endeavour to ensure that the council takes appropriate action to remediate its reserve concurrently with the remediation program being undertaken by the trust. Thirdly, Rust PPK will be appointed as an independent specialist to review the previous investigations undertaken by Maunsell and the trust itself. Fourthly, the Housing Trust will pay for any out of pocket expense incurred by residents in having health tests. Fifthly, tenants who want to be transferred will be treated as a priority transfer, and I can assure members that transfer issues will be dealt with equitably and fairly. Sixthly, an accredited environmental auditor will be appointed later to certify that the site is safe for residential use.

The Housing Trust is presently assembling information regarding the location of previous pugholes in the Bowden-Brompton area, and trust properties owned and sold relative to these pugholes. The purpose of this is to provide consolidated information about the location of these sites and determine the current contamination status, that is, whether soil contamination testing and remediation was undertaken on these sites. The Housing Trust has sought from the EPA and industries within the Bowden-Brompton area any information such as plans of known pugholes, contamination investigations within the Bowden-Brompton area and so on, and advice in order to undertake a course of action that will adequately address the contamination concerns of trust tenants within the Bowden-Brompton area. The Housing Trust has also sought EPA assistance in dealing with the public relation aspects of these matters which effect the community as a whole. In summary, I can assure the honourable member in whose electorate this problem exists—and I note that he is in the House—that the trust will leave no stone unturned to make sure this problem is absolutely overcome. From the steps we are taking, the honourable member can see that we really are looking after the interests of his constituents.

Mr SCALZI: I am sure that reassures those people in that area who have concerns. I refer to page 244 of Estimates of

Receipts and Payments. Will the Minister provide details of the capital programs of the cooperative housing program? What would be the major sources of housing for this program during 1996-97?

The Hon. E.S. Ashenden: I will get a detailed response to the question for the honourable member. I need to preface my remarks. Again, the programs will be contingent upon the funding arrangements entered into by the Federal Government. The cooperative housing program and Community Housing Associations's programs have been amalgamated following recent amendments to the Housing Cooperatives Act, and the capital program for 1996-97 for housing cooperatives and associations will achieve a number of outcomes, including up to 250 000 housing units being transferred from the South Australian Housing Trust to community housing groups. These units will be upgraded to suitable standards using SACHA capital funds of \$2.6 million. The sum of \$6 million has been allocated for the construction of housing on Housing Trust land or redevelopment sites, achieving 40 housing outcomes for housing cooperatives, and 35 for housing associations.

The sum of \$3 million has been allocated to the group self-build scheme—that is the one to which I was referring earlier, the sweat equity scheme where they use their own labour as a method of developing a deposit that can then be taken into account in borrowing money to purchase the home—and this will provide another 40 houses. Also, \$3 million has been allocated to co-ventures with local governments and churches, providing 50 housing outcomes. The HomeStart equity scheme for people at risk of defaulting on their mortgage will continue, providing a further 40 units for the community housing sector. This scheme is at nil capital cost to SACHA, and an additional 20 housing units from existing Housing Trust redevelopment areas will be transferred to community housing at nil capital cost.

In summary, the major source of housing for SACHA during the next year—again, depending on what we find out at the end of August—will be via the transfer of stock from the South Australian Housing Trust, and the construction program for community housing organisations will be limited to Housing Trust land or redevelopment sites. This is a significant change in direction for the community housing sector, which will achieve double the number of housing outcomes, whilst maintaining funding at the same level as that of 1995-96. The question asked by the shadow Minister earlier related to that area. As I said then, we will be able to provide additional housing through this scheme.

Ms HURLEY: According to the *Sunday Mail*, after the recent Premiers' Conference, the South Australian Government agreed to absorb Federal Government funding cuts of \$128 million over the next 2½ years, plus a 3 per cent reduction in special purpose payments. The Premier was quoted by the *Sunday Mail* as stating that cuts in Federal funding could be absorbed by a reduction in construction of Housing Trust properties. The capital expenditure for the Housing Trust in 1996-97 was expected to be \$79.62 million, which would include a capital upgrade of 850 dwellings and the commencement of 230 new dwellings, as well as the completion of redevelopment programs. South Australia will have to absorb a cut of \$50 million in 1996-97, if the Premier's statement was true. What effect will this reduction in funding have on the capital development and new housing program of the Housing Trust?

The Hon. E.S. Ashenden: The honourable member has quoted very selectively from what the Premier said. The

honourable member quoted from the *Sunday Mail* which alleged to have reported the Premier's statement. I want to quote some additional statements made by the Premier that were not referred to by the honourable member. They are as follows (and these are the Premier's words):

No, we need to work through those figures, and you need to appreciate it is still early days, and we are having to work through all of our options still, as we said on Friday, and we haven't had a chance, as yet, to do that detailed work.

He then went on to say:

I don't know what programs are going to be cut yet, so I can't comment at all in terms of the State Government's contribution to those programs.

The point is that the honourable member has raised an issue on which I cannot comment until I know the full detail of exactly what it is the Federal Government is looking for and the way in which the State Government will respond. We are considering a number of options but, until a final determination has been made, as I said, the Premier's comments make it quite clear that he, other Ministers and I are reviewing a whole range of options as to the way in which we will meet the reductions to which the honourable member has referred.

Ms HURLEY: Since the introduction of the current Housing Trust credit policy, what has been the pattern of arrears? Has there been an increase or a decrease? What has been the pattern in evictions compared with the period prior to the policy change?

The Hon. E.S. Ashenden: The overall customer debt has reduced from \$12.67 million on 30 June last year to \$10.42 million at 28 May this year. The total debt is made up of rental arrears, tenant debt from maintenance carried out, which is the tenant's responsibility, water debt, rent relief, fraud and private rental bond loss. The credit policy implemented in November 1994 introduced the concept of a consolidated debt to the trust. Under the trust's credit policy, former tenants with an outstanding debt to the trust are ineligible for further trust services unless and until they are addressed in the required manner. The trust unashamedly is undertaking a rigorous approach to this collection. The policy incorporates some important safeguards to assist those in genuine need but essentially focuses on customers accepting responsibility for their actions.

Again, if the honourable member wants more specific detail, I have it here. At 28 May 1996, 28.84 per cent of debt owed by tenants was less than 14 days old; 32.95 per cent was between two to 12 weeks; and the balance was older than 12 weeks. As at 28 May 1996, 64 per cent of debt owed by tenants was on arrangement to repay. Of all tenants in debt, 40 per cent had made a current arrangement. As at 28 May, 20.5 per cent of total debt was the subject of an eviction or legal action to recover moneys, and a further 1 per cent was in dispute.

Tenants subject to an eviction order made up 9 per cent of all tenants in debt. Of course, eviction is used as a last resort by the Housing Trust board with tenants who refuse to pay their debts to the trust. The Housing Trust has well established procedures for contacting and working with tenants who fall behind in their rent, maintenance or water charges. Tenants who make a sincere effort to pay off their debt to the trust will not be evicted. The trust makes great efforts to establish arrangements with tenants to pay off debt at a rate affordable to the tenant, which may be as low as \$1 a week above their normal payments.

Tenants approved for eviction by the trust board in 1993-94 numbered 1 028; in 1994-95, 1 001; and in 1995-96

to 31 May, 1 194. Of the 1 194 tenants approved in 1995-96, 280 have paid in full; 510 vacated their premises; 197 cases were still pending legal action; and only 207 were actually evicted.

Ms WHITE: The Minister would be aware that Paralowie House provides excellent education and training opportunities, including housing, to homeless and young disadvantaged people. The Minister would also be aware of the funding difficulties facing Paralowie House at this time, with Federal funding having been frozen. It has also recently been denied a training grant by the State Government and, of course, the other cost is having to pay a significant rent to the Housing Trust. The Minister would have seen recently an article in the local paper about the threat of closure to Paralowie House, given its funding difficulties. I know that it is behind in its rent debt to the Housing Trust. Given that the State Government constantly uses Paralowie House as an example of what we should be doing in the provision of education and training programs to young people at risk, will the Minister move to reduce its rent burden?

The Hon. E.S. Ashenden: The honourable member has touched upon a facility that, if anything, she has undersold. What is being undertaken at Paralowie House is absolutely first class, and I commend everyone who is associated with that project. Not only is it providing accommodation for, I think the term is, 'homeless youth' (and I understand the maximum age that is accommodated is 25) but it is at the same time providing educational services to residents and, more importantly, also to others who for all sorts of reasons are experiencing problems, whether at school or whether they have left school too early and therefore just do not have what could be regarded as an adequate education.

On my visit there last week I saw a class in action, and I could not credit, when I was told the backgrounds of those students, the way in which they were devoting themselves to the work being provided to them by teachers. It was absolutely astounding. I spoke to some of the students and to many of the residents. One young man outlined a sequence of events in his life that those of us in this room probably cannot comprehend, yet now he was there he was off drugs and alcohol and working on his car. His partner is about one month away from having a child, and he and his partner now have a degree of security they have never had before.

The program that is supporting them and so many others there is absolutely first class. As the honourable member has said, some problems are being experienced in running the house, and I gave my assurance to the management when I was there that I would undertake a review of the situation. I can assure the honourable member that the first thing I did on returning to my office was to contact officers of the Housing Trust to talk about the financial problem and what measures we can take to assist them with that problem.

The honourable member noted that they are, in her words, 'paying a substantial rent'. The rent that is being paid is in two sections: rent paid for the main building and rent charged for each of the units. The rent for each of the units is \$36 a week for a one bedroom unit and \$46 a week for a two bedroom unit. That should not impact on the viability of the project, because that rent should be recouped from the tenants. However, I acknowledge that many of those in the accommodation have some pretty heavy demands on what is a very low level of income. So, I acknowledge that there is a difficulty there and that management at times is not able to get either all or any of the rent due to it.

The second part is the rental on the house, which is presently \$200 a week, reduced from \$374 a week six months ago. We have already taken one step to try to assist the house in the program it is undertaking by virtually halving the rent payable on the house, bearing in mind that there is some income from the house because accommodation is provided within it. I assure the honourable member that I and my officers are looking at whether we can take further steps to assist the house in this program. I cannot divulge the discussion I will be having shortly with the management, but I have put to my officers a scheme that they feel may be a solution to the problem, and I will be talking with management again in the not too distant future to put something to it that I believe will place it in a position where its present problems will, if not totally at least very largely, be overcome.

Ms WHITE: I will be watching with interest.

The Hon. E.S. Ashenden: If the honourable member wishes, I will certainly advise her of that. I need to have discussions with the management group first, but I will be happy to let the honourable member know the outcome.

Mrs ROSENBERG: I refer to accountability in the South Australian Community Housing Authority (page 244 of Estimates of Receipts and Payments). What procedures are in place to ensure accountability in the community housing programs?

The Hon. E.S. Ashenden: Both housing cooperatives and community housing associations are subject to a range of requirements under the South Australian Cooperative and Community Housing Act 1991, to ensure that their actions are accountable. The Act contains a range of specific requirements related to financial management and reporting obligations of all community housing organisations (CHOs), and these include keeping accounting records, preparing accounts and audits, and laying accounts and reports before an annual general meeting. In addition to these requirements of the Act, the authority requires all CHOs to report monthly on capital contributions, rental arrears and vacancies; and to prepare an annual budget, an annual management plan and annual tenant membership report. The authority monitors capital contributions, rental arrears and vacancies on a monthly basis; and budgets, management plans, tenant membership reports and audited financial statements and reports on an annual basis.

One of the key functions of the authority is to provide support and assistance to CHOs experiencing management difficulties and to take action where appropriate to ensure compliance with the South Australian Cooperative and Community Housing Act 1991. The authority undertakes comprehensive financial and management assessments of CHOs on a regular basis, for example, following the take-up of allocations of a newly formed CHO. So, that should assure the honourable member that there are plenty of checks and balances in that program.

Mrs ROSENBERG: In a previous answer to the member for Napier the Minister referred to expansion in the community housing program. Under the new Act, what other program developments are being planned in the community housing area?

The Hon. E.S. Ashenden: SACHA will be seeking to develop further a number of new products during the coming year. These include the results of one program with which I am really delighted, including a group self-build program, the equity share scheme, co-ventures with churches and local government groups and the establishment of South Australian

Housing Trust rental cooperatives. All those will play a vital role. The development of these products will be in addition to the continued expansion of both the housing cooperative and Community Housing Association's programs. I qualify that statement once more by saying that that is our intention at the moment but, until we know where the Federal Government is coming from (and we will not know until the end of August), there has to be a qualification. I have already referred to the group self-build program, and I will not hold up proceedings with that today. I have referred to it in Parliament in answer to a question and I have referred to it earlier today.

The equity share scheme, the development of which was completed early in 1996, will be actively promoted to housing cooperatives during 1996-97. SACHA will also investigate the equity options for community housing associations in order to make this product available to all CHOs in South Australia. SACHA will continue to pursue projects in conjunction with churches, local government and other community groups during 1996-97. SACHA will also examine ways of extending the housing cooperative option to existing Housing Trust tenants as well as those on the trust waiting list during the coming 12 months. This approach will increase accessibility to community housing and help broaden the base of the cooperative housing program. Each of these new products will assist in the further diversification of community housing and so increase the range of housing options available to all South Australians. Again, we are looking for some very positive initiatives in this area, but I repeat that we will need to wait until the end of August to make sure we can proceed with our current plans.

Mrs ROSENBERG: In relation to the viability of those programs, I refer to page 244 of Estimates of Receipts and Payments. What are the implications of the development of large community housing associations for the smaller housing associations and the community housing sector as a whole?

The Hon. E.S. Ashenden: Long-term economic and management viability is one of SACHA's primary strategic objectives for the Community Housing Association's program. The development of three large associations to a minimum stock of 150 houses each will help maintain the viability of the sector and assist in the professional development of its workers. These larger associations will be developed with the capacity to provide services and support to other smaller organisations on a fee-for-service basis. As the associations become larger it is anticipated that they will attract resources into the sector and thereby enhance the services already being provided.

SACHA and the Community Housing Association's forum will continue to provide support to smaller associations to assist with the development and management of their organisations. It can be anticipated that small associations will benefit from the improved stability of the sector and may have the opportunity to contract out some of their housing management functions to larger associations, thereby relieving pressure on volunteer workers. Small associations may also benefit from information and skill sharing through the professional development of the sector. My officers have given me information in answer to a question asked earlier by the shadow Minister, and with her consent I will provide that now or in writing.

Ms HURLEY: As the Minister would know, the Housing Trust Tenants' Association acts as a forum for consultation and the exchange of information with Housing Trust tenants and it does valuable work in the community in liaison with

the South Australian Housing Trust. Will funding be continued for that organisation at the current level and in the current format?

The Hon. E.S. Ashenden: Discussions are occurring in relation to funding for the coming year, and correspondence has been flowing between the association and me in an endeavour to establish a performance agreement. Many factors need to be discussed in that regard. As I said, we are liaising closely with the association, I have requested some information, and I look forward to receiving it.

Ms HURLEY: How many appeals were heard by the Public Housing Appeal Panel in 1995-96, and how many were resolved to the client's satisfaction or resulted in a reversal of the decision by the trust?

The Hon. E.S. Ashenden: I will take that question on notice and provide the information to the honourable member.

Ms HURLEY: Boarding houses are currently an issue in view of the controversy about deinstitutionalisation and the poor conditions provided in many private boarding houses. How many boarding houses does the Housing Trust operate currently, and is it committed to ensuring the ongoing availability of this form of housing?

The Hon. E.S. Ashenden: Again, I will take that question on notice and provide the information to the honourable member.

Mr ROSSI: What is the percentage of Housing Trust mix in the Seaford Rise and Golden Grove developments?

The Hon. E.S. Ashenden: In Golden Grove, it is 18 per cent and in Seaford, it is about 16 per cent. I am well aware of the figure at Golden Grove, because I have been fairly closely associated with that development.

Ms HURLEY: The Opposition has been advised that the number of executive level positions within the Minister's portfolio has increased dramatically from about 20 to 32. How many executive positions were there immediately before the reorganisation of the portfolio, and how many are there now?

The Hon. E.S. Ashenden: In the Department of Housing and Urban Development, last year there were nine executive positions, and this year there are 15; South Australian Housing Trust—last year seven, this year 10; SAUPA—last year three, this year 5; SACHA—last year none, this year one; and HomeStart—last year one, this year one. So, the total last year was 20, and we now have 32, of which five are temporary in the local government reform area. It must be understood that the ongoing restructuring of the portfolio and its entities has involved the creation of new functions and the transfer of positions and functions from other Government agencies. That has to be understood. This is reflected in the increase in the executive positions which I have just outlined.

Ms Hurley interjecting:

The Hon. E.S. Ashenden: You are now asking a supplementary question. Although I can give the titles, does the honourable member want the details of what those people do? Otherwise, I can get my officer to give information as to what they do. Which would she prefer?

Ms HURLEY: The more detailed information.

The Hon. E.S. Ashenden: In that case I will hand over to Mr Storkey.

Mr Storkey: The honourable member is referring to two senior positions we have initiated, one being the Director, Asset Strategy, whom we took on board recently to develop a medium to long-term asset strategy for the trust, comments and details to which the Minister has referred in answering

earlier questions. The other position would be that of Director, Capital Projects. Again the Minister referred earlier to the renewal programs such as Rosewood, Hillcrest, Mitchell Park and the concept planning work being done on The Parks at the present time. The importance, size and complexity of those programs has warranted the addition of those two senior officers, and the trust has seen considerable benefits coming out of the work following those appointments.

The Hon. E.S. Ashenden: I will verify this to make sure I am right, but I understand that the third position which was vacant last year has now been filled. We will check that for the honourable member.

Ms HURLEY: By how much has the estimated expenditure on consultancies for the portfolio increased this financial year, and what is the reason for the increase, given that there is little change to staffing levels from 1995-96 to 1996-97? In answering, can the Minister provide details for all consultancies carried out in 1995-96?

The Hon. E.S. Ashenden: I do have that information. It covers some five pages, because most of the consultancies are for quite small amounts. Do I have the facility to be able to have this inserted in *Hansard*?

The CHAIRMAN: Normally it is limited to one page. If it is excessive, the Minister can make the documents available to the Chair and we will have copies provided to each member.

The Hon. E.S. Ashenden: I give the honourable member my assurance that she will be provided with this information.

The CHAIRMAN: Is the honourable member happy with that?

Ms HURLEY: Yes. Why has the estimate for recurrent payments for the Minister and his office increased by 14 per cent over last year's estimate from \$767 000 to \$875 000 despite the number of full time equivalents falling from 10.9 to 10? Does this estimate include the amount set aside for the Minister's overseas travel which has risen from \$20 000 to \$45 000?

The Hon. E.S. Ashenden: Do I understand that the honourable member wants the variance between the 1996-97 estimates and the revised estimate for 1995-96?

Ms HURLEY: Yes.

The Hon. E.S. Ashenden: The variance is principally due to the cost of implementing the prescribed Government records management system (\$37 000); the revising of higher business service fees (\$9 000), as a result of a review of the methods of allocation; and an increased budget allocation of \$25 000 for overseas travel costs for the Minister and his officers within the whole of the department—I stress that that figure is for the whole of the department.

Ms HURLEY: It appears that significant parcels of land at Golden Grove, Seaford and Northfield will be involved in an asset transfer to the South Australian Urban Planning Authority. Were any of these assets secured with Commonwealth-State Housing Agreement funds and, if so, will the Minister guarantee that the land will be applied to public housing assistance purposes?

The Hon. E.S. Ashenden: I assure the honourable member that we will follow any requirements imposed by the CSHA in relation to that land. The honourable member should be specific: I can answer that question only in general terms and say, 'Yes, there are.' Obviously, under the terms of the agreement, all sorts of constraints are placed on funding. We will meet the constraints.

Ms HURLEY: Is the Minister aware whether any of those asset transfers to SAUPA involved asset security?

The Hon. E.S. Ashenden: If it did, the debt would have gone with it.

Mrs Rosenberg interjecting:

Ms HURLEY: The question is perfectly straightforward: parcels of land were transferred from the Housing Trust to SAUPA.

The Hon. E.S. Ashenden: I have been assured by my officer that, if there were any transfers, the trust would have received the correct compensation.

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

Additional Department Advisers:

Mr I. Dixon, Executive Director Local Government Reform Group.

Ms C. Proctor, Director, State-Local Government Relations Unit.

The CHAIRMAN: Before lunch the Committee completed its examination of the Housing Trust lines; we now turn to local government.

Ms HURLEY: Under the local government reform program it is intended to achieve 'a significant reduction in the number of councils in the State'. What progress has been made towards reducing council numbers under the work of the Local Government Boundary Reform Board?

The Hon. E.S. Ashenden: The Local Government Boundary Reform Board was established on 25 January this year and met for the first time on 6 February; it has met on eight occasions. The board has formally considered five structural reform proposals to date. It is anticipated that by 1 July six voluntary amalgamations will have occurred involving 13 councils, thus reducing the total number of councils in South Australia by seven to 111 in total. This total includes the amalgamations of Kapunda and Light and Renmark and Paringa—one amalgamation has occurred and the other will be occurring—under the previous provisions of the Local Government Act.

In addition, 31 separate groups of councils (comprising 82 individual councils) are exploring structural reform opportunities at present; 23 councils are not currently linked to existing groups; and in some cases, such as Roxby Downs, the geographic isolation prevents the option of amalgamation, while in other cases, such as Marion, neighbouring councils are all pursuing alternative groupings.

The board will be reviewing continually the status of councils and has the option of initiating its own proposals if the board considers that the level of progress is not satisfactory. Questionnaires have been sent to six councils to gather preliminary information prior to the board initiating proposals. Further questionnaires may be sent to councils that are not demonstrating sufficient progress. Overall, the structural reform initiative is progressing well, and it is expected that a significant reduction in the number of councils (by up to half) is achievable by the May 1997 council elections, and that has been our intention from the beginning. In conducting its visits, the board has employed 12 people to assist in the program that is being undertaken.

Ms HURLEY: I have a supplementary question. The Minister said that the target was 'up to half'; does that mean the target is around half?

The Hon. E.S. Ashenden: We are confident that the 50 per cent target will be achieved through the voluntary

amalgamation process but, as the honourable member would have read in the media this morning, I have indicated that I will support the board when decisions are made to look at board initiated proposals for those councils which are not cooperating in the spirit that is occurring elsewhere. Why should the ratepayers of those councils not be able to take advantage of the restructuring that is occurring in other areas?

Ms HURLEY: Has the board to date ruled out any proposals from local government bodies for amalgamation; if so, where are they?

The Hon. E.S. Ashenden: None have been ruled out but in at least one instance of which I am aware—Brighton and Glenelg—the board has required the councils to provide additional information.

Ms HURLEY: Does the Minister consider that the time line for boundary reform, that is, in time for the May 1997 local government elections, is still achievable? Has the Minister or board considered any alteration to this time line to accommodate any local government body or bodies?

The Hon. E.S. Ashenden: I am confident it will occur, yes. As to whether I have considered any alterations, there is one involving the City of Port Pirie and the District Council of Port Pirie, where we have agreed for elections to be put off by 12 months. If the honourable member were aware of the history of those two councils, she would acknowledge that it is remarkable that this has occurred in view of the antagonism that existed year after year; credit is due to all concerned. That is the only case where I agreed to deferral of elections until May 1998.

Mrs ROSENBERG: As to additional funds that have become available for local government reform, on page 243 of the Estimates of Payments and Receipts, program 3 under 'Local Government Relations, Estimated Payments in 1996-97', payments are expected to be double those expended in 1995-96. The document shows \$4 480 000 will be spent in 1996-97, compared with about half that in 1995-96. I assume that the large increase in expenditure reflects the Government's commitment to reform in local government in South Australia, which is a matter that the previous Labor Government was not prepared to tackle. Can the Minister explain whether such a large increase in expenditure is justified and whether there will be resultant improvement or savings to the community?

The Hon. E.S. Ashenden: As usual, the honourable member is absolutely correct in that the large increase in expenditure does reflect the Government's commitment to assist with the process of reform of local government in South Australia. She is also correct in noting that this is an area that the previous Government was not prepared to tackle. It is an area begging for improvement in terms of its efficiency and the provision of services to ratepayers. This Government has certainly bitten the bullet and the boundary restructuring program is but part of the total restructuring program that the Government is undertaking, including the rewriting of the Local Government Act. In the main, the Government's approach has been to provide considerable support and encouragement to allow local government to reform itself, within a short time frame. The voluntary structural reform proposals already approved have demonstrated the very significant efficiencies and savings that are achievable.

The first of the metropolitan council amalgamations between the cities of Port Adelaide and Enfield is an example, because it will deliver savings of between \$2 million and \$4 million in 1996-97 and will lead to large rate reductions

as well as improved services and the elimination of the new council's debt within four years. If ever there was an example of the way in which boundary reform works, that is it.

The extremely positive response by councils over the past few months is also encouraging. While the emphasis is on voluntary amalgamation, the Local Government Boundary Reform Board, established in January 1996, will be initiating amalgamation of councils which do not participate in the process. Unfortunately, some councils (I stress, a small minority) appear not to have the initiative or drive to reform themselves and, as I said earlier, meet ratepayer needs by providing improved services at reduced costs.

The task of comprehensively reviewing the Local Government Act has also been accelerated. When I came in as Minister, I was determined that it would be something we would have in place and I am looking to have it in place before the end of next year. At this stage it will be about July next year when we will be looking to introduce the Bill into the House. This major initiative, the reform of local government, will very much complement the structural reform that is being undertaken at the moment.

Management reform has been alive and well in many councils in recent years. There are many examples of where councils have, over the past few years, taken a number of initiatives to improve the services for their ratepayers and reduce the costs. I am certain this process will continue as local government, at the same time, is proceeding with boundary amalgamations. We have enterprise bargaining, contestability, competitive tendering, performance measures, benchmarking, changing technology and so on. Again, I indicate that what we have done so far in the area of boundary reform is but one part of a total reform process.

Certainly from the feedback received from local government through councils and the association, I am becoming more and more surprised that what we are doing is now being accepted positively. Now the examples are there, now that local government can see it is not just talk, that in fact these amalgamations do mean benefits, then, as I said, this process will go on.

The other matter about which I am very confident is the feedback I am getting from councils that, at the moment, are looking at smaller amalgamations—perhaps two councils. Already those councils are saying, 'Once we have done this, I think we should look at amalgamating with so and so.' I have no doubt that, even after the 'official' part of this program is completed, the boundary reform process will be ongoing.

Mrs ROSENBERG: In relation to the recent amendments to the Local Government Finance Authority Act 1983, will the Minister comment on the amendments to public sector reform generally.

The Hon. E.S. Ashenden: It is obvious that the honourable member has had a lot of experience in local government and is well aware of the impact that all these areas have on her ratepayers and constituents. The Local Government Finance Authority Review Amendment Act 1996, which came into force on 1 June, brought into operation several significant reforms. The status of the LGFA as a public sector entity in the local government sphere was clarified. A taxation equivalence regime (TER) was applied to the authority which, together with existing arrangements for payment of guarantee fees, brings the operations of the LGFA substantially within competitive, neutrality principles. A cooperative mechanism between the Local Government Association and me was put in place to determine the

purposes of payments from TER funds paid by the LGFA and representation of the State Government on the board of trustees has also been brought up to date.

The most significant reform element is the imposition of the taxation equivalence regime. The LGFA Act already provided for payment of a fee by the authority for the Treasurer's guarantee, which its business enjoys, and that fee has been increased in recent years to a more realistic level than previously had been imposed. Payment of taxation equivalence and of adequate guarantee fees are two important factors in putting public sector enterprises on a competitively neutral footing with their private sector competition.

In addition to ensuring that the LGFA is protected from charges that it competes unfairly with other financial institutions, the amendments enhance accountability of the authority to its constituency in local government while reducing unnecessary duplication and improving communication between the authority and the State Government, in particular between the Treasurer and me as Minister.

Mrs ROSENBERG: Under what circumstances will the Government suspend the rate capping provisions in the Local Government Act which would otherwise prevent councils from increasing rates in 1997-98 and 1998-99, apart from adjustments in line with the CPI increases? The Act does allow for a council to be granted an exemption from the cap where extenuating circumstances exist.

The Hon. E.S. Ashenden: It is important to see that this question is a part of the present Government's overall agenda for local government reform. We are determined to promote increased efficiency in the local government sector and equally determined to see the benefits of the reforms passed to households in a tangible form of stable or, better still, reduced council rates. The Government's emphasis on structural reform and council amalgamations is not aimed at simply achieving a lesser number of councils but rather to use the process of analysis and review and to search for more economic operations as a means of delivering more effective and cost efficient local government throughout South Australia.

The rate capping provisions introduced into the Act late last year provide councils with both a reminder of the need for ongoing reforms to achieve savings and a form of discipline to guide their strategic policy development and the detailed financial plan. That is what it is all about. Where it is being suggested that a council should expand its services due to changes in population size or composition, or due to calls from residents to embark on new programs, there are two other preferred ways for councils to gain funding: they can either achieve efficiencies in other areas of operation and release resources for new programs or seek approval for increased rates via a poll of electors in that area. I really think that the extenuating circumstances referred to in the Act would have to be very serious, in fact exceptional, before the Government would consider recommending that a proclamation be made allowing the council to increase its rates above the cap. The cap was put in place less than a year ago after protracted all-Party negotiations between representatives of the House of Assembly and the other place.

The Act puts the onus on the local government sector to work cooperatively to identify and achieve efficiencies which can then be passed on to ratepayers. The State Government is helping councils explore these issues between advisory and consultancy services provided by the Local Government Boundary Reform Board.

Ms HURLEY: In the light of the determination of the Howard Government to cut \$8 billion in Commonwealth expenditure, what discussion has the Minister had with the Federal Government (and with whom) to support the case for maintenance of the value of Commonwealth grants to local government in South Australia?

The Hon. E.S. Ashenden: I have certainly undertaken discussions and they have been with my Federal colleagues who are involved in the area of local government. It was within two weeks of the Federal election that I was in Canberra speaking to my colleagues.

Ms HURLEY: Will the Minister tell the Committee about the outlook for Commonwealth grants to South Australian local government?

The Hon. E.S. Ashenden: At that time and at the moment we are not aware of what changes, if any, will be made in that area because the Federal budget has not yet been brought down. Just as we would not divulge to the Federal Government the intention of our budget until it was released, neither has it advised the South Australian Government of its intentions as far as its budget is concerned. The honourable member will have to be patient as I am and wait to see what the Federal budget brings out.

Ms HURLEY: In the light of the lack of knowledge of the issue of Commonwealth funding of local government, does the Minister remain confident that the legislative freezing of rates in the 1997-98 year is achievable and will not put excessive pressure on local government and community services?

The Hon. E.S. Ashenden: Based on knowledge available to me at the moment, yes I am. It is no secret that, had the Federal Government's intention to impose sales tax in the local government area proceeded, that could obviously have impacted on the councils' ability to be able to meet that target. Now that that threat has been completely removed, based on the information available to me now, I see no reason whatsoever why local Government should not achieve the levels at which we are looking in our rate capping.

Ms HURLEY: Will the Minister categorically rule out any future attempt to introduce compulsory competitive tendering in local government?

The Hon. E.S. Ashenden: That is a matter which I am reviewing with my officers at the moment. Whether it comes in and, if so, to what extent, is far too early to say.

Mr ROSSI: I refer to the local government legislative review and to the Government's intention to accelerate the review of the Local Government Act 1934. What additional resources have been allocated to the review for 1995-96 and 1996-97, and what progress has been made to date with the review?

The Hon. E.S. Ashenden: Again, the strength of local government support in the Government Party is obvious when we consider the number of members who have either been involved in local government or who have over the years shown interest in local government. Additional budget allocations of \$340 000 and \$640 000 have been made for 1995-96 and 1996-97 respectively to enable the rewrite of the Local Government Act to be completed by the middle of next year.

A team has been assembled in the State Government Local Government Relations Unit in the Department of Housing and Urban Development to manage and coordinate the required work for which a detailed schedule has been developed. Where intensive and specialist effort is required in order to make the best use of time in the development

process, short-term contracts are being let to suitably qualified firms or people. The review is progressing according to schedule, and I have reached agreement with the Local Government Association on the timing and staging of the review and on the process of the collaborative approach which we will adopt.

Six broad stages of the review process have been defined. They involve the identification of issues, a process that is taking place right now; the development of an exposure draft Bill; a period of consultation on the basis of the exposure draft; a period of revision in the light of this consultation; and, finally, the introduction of the Bill. As Minister, I am determined to consult widely on any of the issues I implement in any areas of my portfolio. I know from the discussions I have had with the LGA that the depth and extent of the consultation process which I have adopted, even where we have not agreed in some areas, has been appreciated. In addition, my officers are working closely with the Local Government Association's officers, and we are confident that in that way we will next year introduce a Bill which will lead local government into the next century.

Throughout this process there has been and will continue to be very close consultation with local government, that is, with councils, the association, industry, community groups, interested organisations and individuals. The time available for consultation has been maximised consistent with the aim to have a reformed Act available for the restructured councils in 1997. Of the 15 months we will take in the preparation of this Act, at least six months will be spent in consultation.

The issues identification stage of the review, as I said, is taking place at the moment and is almost complete. During this stage, 62 submissions, raising issues for consideration, were received as a result of the invitation made in February to the Local Government Association, councils, other stakeholders and interested individuals. It is important to note that, even before we started preparing the draft, we consulted. We attempted to discover what changes would be good, what we should drop, what we should bring in and what we should amend. So, even before reaching the draft Bill stage we consulted widely. The issues identification stage has taken into account work done previously, including the refinement of issues for constitutional provisions and the analysis of responses to discussion papers on accountability and evaluation, professional conduct and members' allowances.

Some of the issues raised in the issues identification stage will be dealt with in the Local Government (Ward Quotas) Amendment Bill, introduced in the first week of this session, and the Local Government (Miscellaneous Provisions) Amendment Bill proposed for the spring session this year. The ward quotas Bill covers transitional arrangements for new councils formed as a result of structural reform proposals under which ward quotas need not apply for a specified period. The miscellaneous provisions Bill, which will be available for public consultation in July and August, includes longer terms of office for local government elected members, the conduct of elections by postal ballot and the grounds on which councils may exclude the public from council and committee meetings and restrict access to associated documents. I am sure members know that area has been of interest to me for many years. The next stage of the main review will be the production of an exposure draft Bill or Bills for consultation in November this year. That consultation will extend to March next year, after which we will make the final changes and introduce the Bill in about July next year.

Mr ROSSI: As a supplementary question, what proportion of consultation has there been between city and country councils regarding amalgamations?

The Hon. E.S. Ashenden: Consultation has taken place with all councils. I have written to every council in South Australia inviting comments either directly to me or to the Local Government Association. I have also been involved with the Local Government Association. There are other interested groups. The consultation has been very wide. I can assure the member that every council in South Australia has had the opportunity to contribute in this first stage of the process of rewriting the Act.

Mr ROSSI: What steps is the Government taking to meet its obligations to apply national competition policy to local government in this State?

The Hon. E.S. Ashenden: First, I would refer the member to an answer that I have already given to a similar question. National competition policy includes applying Part 4 of the Trade Practices Act, which contains the competition code, to Government business activities and implementing a series of competition policy agreements reached by all Australian Heads of Government last year. The purpose of the policy is to improve the efficiency of the economy by encouraging competition. Local government business activities will be covered by the competition code by 21 July this year.

Clause 7 of the Inter-governmental Competition Principles Agreement makes the State responsible for applying the agreed competition principles to local government in consultation with local government. The Office of Public Sector Management has had carriage of coordinating the State's compliance with the competition principles agreement, including the preparation of the statement required by clause 7 setting out how the principles will be applied to local government in South Australia. A joint State-local government working group assisted with the development of an issues paper, together with a draft clause 7 statement, which was released by the State Government on 1 December last year for consultation throughout local government. Submissions and comments were received until 23 February this year. The final clause 7 statement based on this work was recently adopted by the Government and will be distributed shortly.

I particularly draw attention to the cooperative way in which the statement has been prepared. It has been an excellent demonstration of the underlying strength of the relationship between the State and local government in South Australia and the capacity of people in both spheres to come together to address matters of reform with the common intention of improving service to the South Australian community.

Ms HURLEY: What is the State Government doing in support of the efforts of local government to ensure that Optus cabling is not placed above ground on ETSA's Stobie poles but is placed underground where possible?

The Hon. E.S. Ashenden: As the member would well know, the decision to allow Optus to have overhead cabling rests solely with the previous Federal Labor Government. It was a decision made by that Government and, as the honourable member would know, we have absolutely no control over that matter. The Federal Government legislation completely overrides any State legislation. The blame for what is occurring—if blame is to be levelled—rests entirely with the previous Federal Labor Government.

This Government is considering a number of proposals on this matter. I am certainly not at liberty to divulge our

considerations, and I would expect a decision on that to be in the not too distant future. It is a matter about which the Government has some concerns, and we are considering those. I stress that, until 30 June next year, this State Government or local government can do absolutely nothing, because of the agreement entered into with Optus by the previous Federal Government. I have also received a request from the LGA to amend the development regulations to list overhead telecommunication cables as a form of development and to introduce a ministerial plan amendment report relating to cables. I am considering that. I have not yet determined my response. I am conferring with other Cabinet colleagues, because it does not impact only on my portfolio area. It is a matter to which the Government is directing its attention. I can give no more information than I have given.

Ms HURLEY: As the Minister pointed out, the State Government has no option but to comply with requests by telecommunications companies to make overhead cabling available. Will the Minister agree to release to the Parliament a copy of the State Government's agreement with Optus and any other telecommunications company on this issue?

The Hon. E.S. Ashenden: That is not in my portfolio area. If there is any agreement between the Government and Optus I would imagine that would be through Treasury. There is no agreement in my portfolio area.

Ms WHITE: The Minister may remember that last year one or more private operator of cemeteries showed some interest in the ownership and/or management of what are currently public cemeteries. What is the Minister's view on that issue—if, indeed, he has formed one—or is his mind open on this issue?

The Hon. E.S. Ashenden: The first two stages of a proposed three stage report have been finalised on the financial analysis of State-owned cemeteries. Further work is being undertaken on possible options for the restructuring of the management of the State cemetery operations but retaining them, I can assure the honourable member, as Government authorities prior to deciding on whether to proceed with the third stage of the financial analysis. The first two stages were undertaken in association with the Department of Treasury and Finance. The additional work, including a third stage if it is to occur, will not involve that department. The analysis which has been undertaken to date has indicated that the operations of the Enfield General Cemetery Trust are significant and well structured. However, there is a need to undertake further research into future space requirements and the need for additional land to be developed, given the increased cremation and the proposed reactivation of West Terrace.

With respect to the West Terrace Cemetery, the analysis has indicated that there is a need for further work and improvement in its operations prior to its reactivation and any determination of its future impact on the department's budget. The work being undertaken includes seeking advice from the Enfield General Cemetery Trust on future grave space requirements; the transfer of card records to a computer database at West Terrace Cemetery; undertaking survey work at West Terrace Cemetery; and investigating possible future management options for West Terrace Cemetery.

Consideration will not be given to whether the report should be made public until after the third stage has been completed. However, it is unlikely that it will be, as it contains financially sensitive information that has the potential to damage the State's cemetery operation if it were available to competitors. With respect to any of its cemetery

assets, the Government has no intention of either selling them *per se* or selling the business operations. The focus is on internal Government management arrangements for West Terrace Cemetery and whether those arrangements could or should involve the Enfield General Cemetery Trust.

Because of the structure of the Acts under which both West Terrace Cemetery and the trust were established, considerable work is having to be allocated to determining the management options available. My officers point out that no decision has yet been made as to when a third stage will be undertaken, but the important thing is to repeat that the Government has no intention of selling either its assets or the business operations.

Mr SCALZI: The Minister is aware of my interest in this area, given that I represent an electorate from diverse backgrounds and there is much interest in burial practices. Can he say when will the proposed disposal of human remains legislation be introduced?

The Hon. E.S. Ashenden: The review of cemetery and cremation legislation is currently being scheduled in the overall program of the local government legislative review. The priority within that program is on the major provisions of the Local Government Act so that a new Act can be prepared for introduction in 1997. It is expected that further work on proposed legislation dealing with the management of human remains will take place once the new Local Government Act is in place. In the interim, consideration is being given to further regulation changes to build upon those introduced in 1995, in order to deal with outstanding issues where possible within the framework of the existing legislation.

Existing regulatory power under the Local Government Act could possibly allow regulations dealing with, for example, notification procedures prior to authorising grave reuse, removal of remains from vaults to allow vault reuse, removal, storage and disposal of monuments associated with grave reuse, and a minimum period for an interment licence. The review of cemetery and cremation legislation is currently scheduled into the overall program, as I have said, but the priority within that program is on the major provisions of the Local Government Act and, as I said to the honourable member, once that is in place we will be in a position to consider the matters he has raised.

Mr SCALZI: What provisions will the Government make to accommodate the burial practices of Australians from diverse cultural backgrounds?

The Hon. E.S. Ashenden: The honourable member has very well represented his community on this. We have had a number of discussions in relation to his determination to ensure that we in Australia are able to meet all the various cultural backgrounds that exist in relation to burial, interment and otherwise of human remains. The honourable member has specifically raised with me the communities that would particularly like access to facilities including mausoleums and the use of other practices which, with the growing numbers in our community from various ethnic backgrounds, are putting pressure on a diverse range of support for burial. I can assure the honourable member that this is an area that I am looking at, and I hope that we will be able to come up with some ways to meet the requirements of those with a so-called 'different' background from the bulk of the Australian community.

Mr SCALZI: What is the Government doing about the removal of headstones at Cheltenham cemetery?

The Hon. E.S. Ashenden: The Enfield General Cemetery Trust now has the responsibility for the Cheltenham cemetery and has had this since it was sold by the City of Port Adelaide in 1986. Since acquiring the Cheltenham cemetery, the trust has implemented a successful reactivation program, which has earned recognition and respect throughout Australia. Nevertheless, upon coming into office I raised concerns with the trust board in relation to the removal and storage of headstones at Cheltenham cemetery, because that matter had been brought to my attention. It was pointed out that some people had experienced difficulty in being able to trace headstones that had previously been in place at that cemetery.

I am now satisfied that at the end of the grave tenure all reasonable efforts have been made to contact relatives and encourage them to renew the licence. I have asked the board to keep me informed of the trust's intended program for the future removal and storage of monuments arising from grave reuse, but I have been assured that any headstone that has been removed is retained on site. Therefore, I have been advised that, provided it has not been vandalised or otherwise removed, an existing headstone is still available (maybe with a little difficulty) should relatives come in and require access to it.

Mr SCALZI: What is the Government doing to improve operations and accountability at Centennial Park cemetery and will such actions deal with grave reuse practices at that cemetery, as opposed to the creation of a new southern metropolitan cemetery?

The Hon. E.S. Ashenden: The Centennial Park Cemetery Trust is a joint authority of the Mitcham and Unley councils under section 200 of the Local Government Act. Under that section as Minister I have specific but quite limited powers in relation to the approval of rules for such authorities. However, the structure and nature of such authorities are currently under consideration as part of the review of the Local Government Act. In September 1994 the Mitcham and Unley councils were asked to provide assurances that all internal reporting and financial management procedures of the trust were in order. Since that time the councils have undertaken two reviews of operations, initiated a number of changes and recently forwarded new rules to me for approval. Those rules are currently under examination.

A combination of the management and operational changes that have been implemented and the proposed rules will provide a greater degree of accountability from the trust back to the constituent councils. There will now be better informed internal controls on operations and, if the proposed rules are approved, also on the production of corporate plans requiring the approval of the constituent councils. The rules do not and are not required to cover the issue of grave re-use. This is a management decision of the trust and, through the proposed corporate plan, the constituent councils. The same can be said for the trust's involvement in any proposed southern metropolitan cemetery. It would appear that the trust has determined that, for the future at least, it does not consider it necessary to be involved in the establishment or management of a southern metropolitan cemetery.

Ms HURLEY: The Minister has referred to the growth in expenditure and employment within the department concerned with local government relations. Compared with the budget estimate for 1995-96, actual employment during that year was doubled, while actual expenditure was \$2.234 million compared with an estimated \$427 000. Will the Minister advise the Committee of the payment, in bands of \$10 000, of all persons employed on local government

relations within the Department of Housing and Urban Development?

The Hon. E.S. Ashenden: We will have to take that on notice. We do not have that detailed information with us at the moment.

Ms HURLEY: I also request details on whether any of those employees are eligible for bonus payment.

The Hon. E.S. Ashenden: I can answer that question without taking it on notice: the answer is 'No.'

Ms HURLEY: What consultancies were undertaken under this program during 1995-96, including the exact cost and content of each consultancy above \$5 000; and who undertook these consultancies for the Government?

The Hon. E.S. Ashenden: The honourable member has already requested that information, which will be included in the total consultancies for my portfolio area.

Ms HURLEY: What consultancies are planned for 1996-97 and at what cost?

The Hon. E.S. Ashenden: We have budget allocations, but at this stage it is too early to know what we will need those consultancies for, if at all. Much will depend on the amount of voluntary amalgamation and to what extent, if any, the board will have to initiate any amalgamations. I cannot provide any more information than that. This time next year I will be able to tell you what we have done, but at this stage it is a little like looking into a crystal ball.

Mrs ROSENBERG: I have a particular interest in the Local Government Association Research Foundation, of which I have been a member. Will the Minister expand upon the fact that in the previous financial year the Government made a contribution of \$35 000 to the Local Government Association Research Foundation on the condition that the funds were matched and the total was used to fund a project or projects of mutual interest to the State Government and local government, and how were those funds spent?

The Hon. E.S. Ashenden: The research foundation was established as a non-profit trust by the Local Government Association in 1991. It was designed to attract and manage funding to be used for research of relevance to the local government sector. Its major source of funds is the Local Government Finance Authority, which has made grants to the foundation, including \$100 000 in this financial year under provisions of its Act which allow it to apply any surplus funds to any local government purpose. The conditions attached to the Government's contribution of \$35 000 to the foundation included: first, that the foundation match these funds on a dollar for dollar basis from other funds deposited to the credit of the foundation trust fund, and that the total amount be applied to the funding of projects of mutual interest to State and local government; and, secondly, that the projects to be submitted for joint funding must be projects related to the form of local government legislative framework submitted by the joint officers group consisting of senior departmental and LGA officers or projects which the Minister and the President of the Local Government Association agree are of mutual interest and benefit to the State and local sectors.

The project which was recommended by the joint officers group and funded by the research foundation with the assistance of the State Government is a review of the existing provisions covering the management of public land by local councils and problems with the operation of it, and the preparation of options for new provisions regarding acquisition of, access to, and alienation, development and management of land owned by or under the care, control or manage-

ment of local councils, including streets, roads, parklands and reserves. The brief for this work, which is referred to on page 485 of the Program Estimates, was managed by a joint steering committee of State and local government relations units and LGA officers and is an example of practical cooperation—in this case, under the auspices of the research foundation itself. The consortium which undertook this project (Lynch and Meyer, Lawyers; Janet Gould and Associates, Social Planning and Consultation Consultants; and Pannell Kerr Forster, Chartered Accountants) was selected by a selective tendering process. The project was completed on schedule, and an extensive report examining more than 60 general and specific issues was provided on 17 June, which could be of considerable assistance in the review of the 'lands' provisions.

Additional Departmental Advisers:

Mr M. Henesey-Smith, General Manager, South Australian Urban Projects Authority.

Mr R. Hook, Project Manager, Glenelg-West Beach Development.

Ms HURLEY: The Opposition did heavily support and was active in getting funding for the extension to the Adelaide Airport runway. We still strongly support the proposed extension. The EIS has now been completed but there are a couple of questions that still need to be settled about what will happen with that extension. First, the West Beach Trust will lose about 18 hectares of land as a result of the runway extension. The German Shepherd Club has been asked to vacate its land by 1 August, as the Department of Transport needs to acquire that land from that date, eight months earlier than originally intended.

The Federal Airports Commission appears not to have been particularly receptive to approaches from these organisations so far. Will the Minister intervene directly with the FAC to ensure that a lease arrangement over a parcel of land held by the FAC but designated for recreational development is made between the West Beach Trust and the FAC as partial compensation for the 18 hectares of land lost?

The Hon. E.S. Ashenden: We do not have the most recent information on that. I am advised that the trust has approached the FAC for a second time on this matter. As yet they do not have a response from the FAC. Should that response not be forthcoming or not be satisfactory to the trust, obviously as Minister I would be only too happy to step in and provide any assistance they may see as necessary.

Ms HURLEY: As a supplementary question, when will the Minister be prepared to make that intervention, given that the FAC has not been particularly receptive and the German Shepherd Club has been asked to vacate its land by 1 August? We are getting quite close to a time when something needs to be done.

The Hon. E.S. Ashenden: I have just spoken with the Chairman of the West Beach Trust and he has indicated it is getting close to the stage where the trust would appreciate some assistance from me. I would not necessarily say they have been happy but they have accepted the process so far. However, they are at the stage where they would like that assistance, and I will certainly provide it.

Ms HURLEY: The Holdfast Shores redevelopment proposal shows a relocation of the driving range associated with the golf course. However, I am aware that the Minister pressured the West Beach Trust to adopt a proposal with which most stakeholders are unhappy because of problems

associated with the discharge of methane gas, which may lead to further costs to the Government and a loss of income as a result of the driving range not being located next to Tapleys Hill Road.

The Hon. E.S. Ashenden: The honourable member says that I pressured the trust, but we should get our facts straight. When I became Minister and reviewed my total portfolio area, I noticed that a cost of almost \$1 million would be incurred in moving that driving range. The first question I asked myself (as would any responsible Minister) was: is that \$1 million essential? I therefore had discussions with the trust. I can assure the honourable member that the West Beach Trust has passed a motion in which it accepts leaving the range *in situ*, and that rearranging the golf course holes is most acceptable.

I spoke with the president and captain of the golf club, and they acknowledged that the new golf course layout is superior to that which was previously proposed. They expressed concerns in relation to some safety issues, and those concerns are being addressed. I am confident that, with some minor changes to the new layout, everyone will be more than happy with the new arrangements. I repeat: the West Beach Trust has formally adopted the proposal to leave the driving range where it is; and representatives from the golf club have told me that they see the new layout as superior to that which was previously proposed, and all of that for a saving of almost \$1 million.

Ms HURLEY: Could the Minister comment on the second part of my question that most stakeholders are unhappy with the proposal because of problems associated with the discharge of methane gas?

The Hon. E.S. Ashenden: Certainly that is not the case, as far as I have been advised. Procedures are being adopted to ensure that the methane gas, which is continually emitted, is controlled. We have underground controls in the area we are rehabilitating; and, in relation to the driving range, a barrier will be erected around the perimeter into which the gas will flow. As I said, the issue the honourable member raises is news to me. It is my understanding that there is full acceptance that the steps we are taking will more than adequately control the methane gas that will be emitted due to the materials underneath that area.

Ms HURLEY: The Minister mentioned that not moving the driving range would mean a saving of \$1 million. I understood that the figure was \$600 000?

The Hon. E.S. Ashenden: I did say almost \$1 million: I am now advised that the savings will be in the region of \$700 000, which is still a substantial amount of money.

Mrs ROSENBERG: In relation to Seeley International, what was the nature of the UPA's assistance to purchase a property at Lonsdale to enable expansion plans for Seeley International Pty Ltd?

The Hon. E.S. Ashenden: Seeley is a major player in the domestic air conditioning market and a major exporter to countries where weather conditions are suitable for evaporative coolers. The recent acquisition of Braemar has given Seeley a major gas heating arm. Seeley's successful growth over the past few years has resulted in the current factory at St Marys working at full production capacity with no room to add new equipment to increase production capacity to support further sales growth.

The Department of Manufacturing, Industry, Small Business and Regional Development has asked the UPA to purchase the Yasaki property at Lonsdale to materially assist Seeley in its expansion plans. The property will be purchased

under the UPA's Industrial Premises Development Scheme and made available to the company under deferred purchase arrangements. Relocation to Lonsdale for housing of its plastic based products and component supply is expected to be completed by May next year. Recruitment of additional permanent employees by Seeley over the next four years is expected to number 150. It is an expansion well worth supporting.

Mrs ROSENBERG: What is the role of the UPA in providing a facility for Bankers Trust?

The Hon. E.S. Ashenden: The Bankers Trust project is being expedited under the UPA's Industrial Premises Development Scheme, which has proven a most cost effective way of encouraging decisions by industry to locate in South Australia. Some of the more notable companies which have been assisted under the scheme formerly managed by the South Australian Housing Trust are Levi Strauss, Sola Optical, James Hardie Irrigation, Gerard Industries, Fasson Pty Ltd, Vision Systems, Pacific Marine Batteries, Motorola and Australis Media—a very select group.

By way of background, BT Australia made the decision in early 1995 to decentralise its operations by establishing a permanent 'greenacres' facility to house its client services and administration and accounts operations away from Sydney to a lower cost operating environment such as we have in South Australia. When BT approached the South Australian Government to discuss Adelaide as a potential site for its 'greenacres' project, other locations also under consideration were Brisbane, Newcastle and Wollongong.

During the negotiations it became apparent that the provision of a purpose built building was a key element to the assistance package required to win the project for South Australia. BT executives visited Adelaide to discuss accommodation requirements and the provision of a purpose built 400 person facility. They were most impressed by the Motorola and Galaxy facilities that were already here. As the negotiations evolved, it became clear that the provision of a purpose built facility was of paramount importance—after FID—in BT's decision making process.

Accordingly, the project was formally referred by the Department of Information Industries to the UPA under its Industrial Premises Development Scheme. The UPA board considered the matter at a special board meeting on 15 April, accepting a recommendation to proceed with the project subject to IDC (Industries Development Committee) approval. The IDC hearing was arranged for 16 April and the project was subsequently endorsed by the IDC and Cabinet.

The UPA's role is to assemble the complete land, building, finance and tenure package. The land is being purchased from MFP Corporation within Science Park, Bedford Park. The building is being designed under UPA's guidance and management, and the resources for this are being provided by a range of private sector consultants. The building will be selectively tendered to four major building contractors and supervised through to completion, which is expected in May next year. Finance for the project is being arranged by the UPA through SAFA, the estimated net capital cost being \$13.83 million. The estimated gross cost is \$15.595 million, of which \$1.765 million for fit-out will be reimbursed by the company. The form of tenure will be a deferred purchase arrangement between the company and the EPA. The project is designed to be constructed in two stages, with later stages requiring further approval.

Mrs ROSENBERG: As to the Mount Lofty project and the St Michael's site, I refer to page 244 of the Estimates of

Payments and Receipts. What is the status of the proposed redevelopment of the St Michael's site at Mount Lofty?

The Hon. E.S. Ashenden: I will give the honourable member the history of that project as well as a picture of its current status. By way of background, I am sure all members would be aware that in 1983 bushfires burnt out much of the Mount Lofty area: the summit kiosk and tearooms went and the nearby St Michael's Seminary buildings were also destroyed. The Government purchased the St Michael's eight hectare site in 1985 to provide an alternative to the summit for the development of a tourist facility in the Mount Lofty area. After several failed proposals during the late 1980s and early 1990s the Government has now budgeted to fund infrastructure services to support the development of both the summit and the St Michael's site, and to develop a bistro-tourist information facility on the summit. The honourable member would be well aware that that is now under way.

Development works at Mount Lofty summit have been under way since mid-April and the summit has been closed to the public until late this year when the work is completed. Issues connected with the summit development have been managed by the Minister for the Environment and Natural Resources. We have called for registrations of interest for the St Michael's site and that has closed. It is expected that a development consortium will be invited in the near future to further refine the proposal as put forward. Negotiations have commenced with the District Council of Stirling to undertake the ongoing management and operation of the sewerage and water supply to the summit and the St Michael's site.

The rezoning of the area from hills face to tourist accommodation zone is proceeding satisfactorily. An allocation of \$1 million has been made for the provision of infrastructure to St Michael's and the summit site. Although this budget allocation was made in the 1995-96 budget, most of the expenditure will occur in 1996-97 as the works progress. We hope that we will come up with a project there that will be yet another addition to the tourist infrastructure. Certainly, before we called for expressions of interest there was considerable community consultation with the Aboriginal community and many others such as conservation groups and so on, and they are more than happy with the process that the Government is undertaking.

Ms HURLEY: Following the member for Kaurna's question about Bankers Trust, information given to the Opposition from other States indicates that \$4 million in incentives was offered to Bankers Trust to set up an operation in South Australia and that this was 10 times the amount offered by Queensland and more than twice the amount offered by any other State, with only a small number of jobs to be created in the first year. Given the large expenditure contributed to this project by the Urban Projects Authority, what employment guarantees were given by the company year by year from this financial year?

The Hon. E.S. Ashenden: The question does not relate to my portfolio area. Originally it was under the EDA and is now under the DII. As a portfolio area, all we are doing is providing the building, and the discussions and negotiations leading up to that point have not been under my portfolio control.

Ms HURLEY: The Minister listed a few other projects but, as to the balance of the \$20 million under the Urban Projects Authority, can the Minister go over what other projects are in that allocation?

The Hon. E.S. Ashenden: At this stage the only project which is approved is the BT project. There are a number of

other projects under consideration, but at this stage those discussions are completely confidential and I certainly cannot pass on any information regarding what other companies and projects we are considering.

Ms HURLEY: Will the Minister detail the funding sources for the Urban Projects Authority—State Government and private—and the purposes to which they are applied for 1995-96 and 1996-97?

The Hon. E.S. Ashenden: First, regarding the UPA impact on non-commercial sector deficit 1995-96, the estimate was \$15.192 million. The revised estimate is \$9.295 million and the estimate for the coming year is \$3.681 million. Regarding the payments from the UPA to the Treasurer, which are divided into recurrent and capital, in 1995-96 the estimate for the dividend was \$15 million. It was revised to \$7.806 million and the estimate for next year is \$3.221 million. The income tax equivalent for this year was estimated at \$5.9 million. The revised estimate is \$134 000 and the estimate for next year is \$739 000. The WST equivalent was nil for the estimate but revised to \$60 000 and the estimate for next year is \$40 000. In capital, the repayment of advances, it is nil in the estimates for this year but revised at \$1.505 million, and the estimate for next year is \$1.913 million. In terms of the impact of the Urban Projects Fund on non-commercial sector deficit, the estimate for this year was \$8.803 million. The revised estimate is \$384 000 and the estimate for the coming year is \$14.345 million.

The significant reduction in the impact of major projects on the budget in 1995-96 is mainly due to deferred expenditure resulting from delays in some projects. The single most significant delay that has occurred relates to the remediation of land as part of the Port waterfront project. It is expected that expenditure on this project will be about \$4 million less than was originally budgeted. This is due to the fact that some of these works had to be deferred. It is not that they will not occur: they have been deferred.

Mr ROSSI: What steps are being taken to clean up the Mile End rail yards?

The Hon. E.S. Ashenden: As far as the Mile End rail yards are concerned, this is a real feather in the cap of the Government and the processes being used on the site. I assure the honourable member that it is attracting not only Australia wide attention but international attention. Flinders University is very keen and is monitoring and working on the program. Not only is the clean up under way but it is well under way. We are removing a site that, for far too many years, has been an environmental and visual blight on one of the main entrances to the city of Adelaide. It is extremely fortunate indeed that the work is being done, because we found there was potential for some serious contamination of ground water in the area. We have been able to get on to that early enough to ensure the removal of that contamination.

Over the next few months it will go through a major transformation in preparing for housing and the construction of a new State headquarters for athletics. Over the past 80 years the site has been part of the State's railway history and, as a result, has witnessed many rail-related activities which, unfortunately, have resulted in the spillage of fuel and all sorts of other contaminants into the soil in that area. Following a number of investigations it was found that the main contaminants included lead, arsenic, zinc and copper—heavy metals—and diesel.

The clean up at Mile End is unique compared with any other major remediation carried out in this State and involves three specific strategies: first, the bioremediation (to which

I referred in an answer in the House a month or two ago), which is designed to remove the contamination from the diesel affected soils. World leading environmental technology is being undertaken to do this. In this phase we will be remediating some 8 000 cubic metres of diesel and oil contaminated soils. The bioremediation process involves the stimulation of naturally occurring micro-organisms by the addition of oxygen, water and other nutrients and, to put it crudely, those micro-organisms devour the diesel and fuel contaminants. The bioremediation program at Mile End is one of the biggest of its type in Australia and is attracting a lot of attention. The advice I have been given by my officers is that that part of the process will be completed by October, as originally planned.

Secondly, as to the main remediation works themselves, previous investigations indicated that some 100 000 cubic metres of soil contaminated with heavy metals will need to be managed to ensure that the site is suitable for the final land uses of residential and supporting activities. The strategy is supported by the EPA and involves excavating the contaminated material and depositing it in two on-site repositories. These repositories have been licensed by the EPA and will be used as carpark and warm-up facilities for the athletics stadium. The contract to undertake this work has been awarded to York Civil and is now under way, with completion scheduled by the end of this year.

Thirdly, with regard to the groundwater clean-up to which I have already referred, after detailed investigation of the state of the groundwater on the site, it was found that unfortunately diesel had migrated through the soil and impacted on part of a shallow aquifer within the site. Tests show that the contamination poses no imminent threat to the public or the environment outside of the site itself. That is what I was getting at when I said that, fortunately, we have got on to it early enough. A strategy is being devised in consultation with the EPA to pump and treat the diesel from the groundwater area. This work will commence within the next few weeks.

The Urban Projects Authority is managing the remediation of the site and has had extensive consultation with the community, local councils and other stakeholders with respect to the remediation program. Clean-up work currently under way at the Mile End railyard presents a significant milestone in the future redevelopment of that site.

Mr ROSSI: I refer to a problem that has been in existence in the East End project for a number of years and was a mess up made by the previous Labor Government. What contribution is being made to assist developers in the East End project and what are the current projected financial outcomes of the project?

The Hon. E.S. Ashenden: I can give a lot of detail on this project because it is exciting. I will go through the essential elements. There are several parts to what is going on down there—the residential and commercial aspects. A number of agreements have been entered into to ensure that the two do work as well as possible and hand in hand to lead to a satisfy conclusion. I imagine that everyone in this room probably went there in the last few months, if not during the Festival. When one considers the state of that area not so long ago, one realises that it really is a fantastic development. We have attempted to redevelop the old market area to something which will be of major significance to the City of Adelaide. Goodness only knows, we need to do as much as we can to support the City of Adelaide in returning it to its rightly deserved situation as the capital city of this State.

Basically, we are working to retain the perimeter of the heritage facade. We are cleaning up the site; we are installing internal services; and we are constructing a public thoroughfare and public square (which was announced recently) on the site. Negotiations leading to that were long and complicated, but agreement was finally reached between the two developers. What will take place there will be something great for all concerned.

At the same time, there have been associated parking problems because we now attract more people to the area, and negotiations have occurred to allow the availability of Union Street Parking and other facilities to overcome those problems. I know that, during the Festival, Rundle Street East was closed off to allow car parking in the area. This enabled it to be used by everyone who came here for the Festival.

There is a 99-year lease agreement with the Rundle East Company, and we will receive a percentage share of the revenue generated from that lease. Based on revised estimates as at 30 May, the project is likely to produce a net shortfall of \$11 million compared with the \$9.7 million recorded in the 1995-96 budget. This increase is primarily due to the increased interest payments on loan funds required to hold the land during the development period.

Again, in case members opposite decide to get stuck into that, I remind them that this project was commenced by the previous Government. Although expenses are being incurred, it is at least one of the areas undertaken by the previous Government which I am certain in the long run will prove to be well worth it. So, yes, the costs have blown out.

Another matter is that the residential area has not developed quite as quickly as anticipated, but the commercial area (if you have not seen it lately) is well worth a visit as it is fantastic.

Mr ROSSI: I have been there in recent times and I was there before renovations were done. I commend the Minister on the negotiations that have taken place. I find the Minister to be a person who tries to cooperate with people, unlike the previous Labor Minister, who buried his head in the sand and who bulldozed his personal ideas for personal satisfaction. What is the status of the dredging contract for the Patawalonga?

The Hon. E.S. Ashenden: The dredging has been completed most successfully. We now have some lovely white sand on the base of the Patawalonga. We are controlling the physical contaminants that previously entered the Patawalonga, and as soon as the EIS process is completed we will examine ways to overcome the bacterial contamination.

Mr ROSSI: I commend the Minister again for a job well done. There was concern originally that there would be dust and odours all over the place, but it has been completed without too much fuss.

Ms HURLEY: The Government has announced that it will be spending \$7 million building the breakwater and ferry berth at Glenelg. In what way and by how much will the *Superflyte* ferry operator be contributing to the cost?

The Hon. E.S. Ashenden: The cost of the development is being borne by the Government, but the ferry company will be putting in \$1 million for the construction of the terminal and paying a fee for the use of the facilities on an ongoing basis.

Ms HURLEY: Does the \$7 million that the Government is spending include the cost of sand management, and, if not, how will that be paid for?

The Hon. E.S. Ashenden: Basically, the money allocated is to enable the sand management system to be undertaken,

but it does not cover the recurrent costs. The development of a safe harbor at Glenelg includes works to remove the sand bar that currently builds up across the mouth of the Patawalonga, excavation of the channel to a suitable depth of water, breakwater construction and the construction of a wharf or berthing facility. All these works are documented in the EIS. Subject to the outcome of that process, work will proceed immediately on the harbor development.

The Holdfast Shores Consortium, comprising locally based companies Baulderstone Hornibrook, Kinsmen and Woodhead Firth Lee, will be the agents to deliver the safe harbor. The consortium was selected from a public call for registrations of interest in October 1994 as the private sector developers for the Glenelg/West Beach project. Engineering consultants Connell Wagner and Rust PPK are involved with the consortium on this project.

The harbor project will be packaged as a series of three or four contracts to cover stages of the project such as dredging and breakwater construction. Baulderstone Hornibrook will be engaged to manage the construction phase of the project. All construction work will be competitively tendered. The program envisages construction work commencing in September this year and finishing in March next year. The total cost of the works is about \$7 million.

Ms HURLEY: Is the Minister concerned that the graphic on page 3 of the *Advertiser* of Friday 10 May completely misrepresented what is being proposed for the breakwater and ferry berth at Glenelg and that many people still believe that is being proposed? Will you explain how this error occurred and what steps have been taken to remedy the situation?

The Hon. E.S. Ashenden: I understand that the *Advertiser* had been piecing together quite a bit of information about what was going on there. We certainly cannot blame it for doing that; it is its job. It obviously pieced together quite a bit of information which in the end turned out to be close to being accurate and other parts turned out not to be very accurate at all. From my contact with the chief of staff of the *Advertiser*, I understand that the graphic to which the honourable member referred was one that they put together based on the bits and pieces they had been able to get from all over the place. As the honourable member would remember, it was either the day after or two days after that a correct graphic was placed in the paper. It did not quite have the prominence of the first one, but it did rectify the situation. Also, as the honourable member would know, we did have the open day down there at which I could assure the honourable member the correct graphics were provided so those who attended were well aware of exactly what we have in mind.

Ms HURLEY: Today, we mentioned several products that were aided through Better Cities money from the Commonwealth, provided by the former Federal Labor Government. Did the Minister have any discussions with the current Federal Liberal Government about its decision to abandon the Better Cities money funding, given that it has made a significant contribution to State infrastructure? Is there any proposal to replace such funding with any other form of funding?

The Hon. E.S. Ashenden: I can answer part of that question. Yes, I certainly did have discussions with the incoming Federal Government. I went to Canberra with one purpose in mind, that is, to ensure that we were able to get and keep the funding which had been promised under Better Cities 1. I was able to achieve that. We have the funding or will have the funding for all the projects to which we have

committed. The present Government will be providing us with that funding. In relation to the other area, again I have made my thoughts well known to my Federal counterpart. I have to wait until the end of August to find out which way the Federal Government will go in relation to its funding program.

Ms HURLEY: In drawing up this budget in May, the Treasurer said—and I believe the Premier also said this—that the Commonwealth budget, which will not be brought down until August, would not have a significant impact on the budget and that anything that the Commonwealth did would impact only on Commonwealth programs. We are finishing early here today and, for much of the day, the Minister has sat here and said that he was able to answer many of the questions to which we would like to know the answers—so many of them in housing and local government—because he is waiting on the results of Commonwealth funding, which he will not know until August. It has limited us in the number of questions we were able to ask. So, it has impacted quite a lot on the information we would like. We would like an opportunity to go back over this process in August. Does the Minister agree that, in his portfolio at least, there will need to be a significant financial statement—a rejigging of the budget, in fact—after the Federal Government budget is brought down?

The Hon. E.S. Ashenden: I do not agree with that statement. The honourable member has made a false assumption. I have indicated that I cannot give definitive replies to what will happen until the budget comes down not because we are anticipating necessarily a reduction in funding but because we do not know the way in which the funds will be allocated. We do not know whether they will be tied or untied grants. We understand that there certainly will be at least an equivalent amount of funding in relation to support for subsidies in housing and so on, but we do not know whether that funding will come to us for us to control, as we have in the past, or whether it will come directly from a Federal Government department. All I can say to the honourable member is that she has misconstrued the reasons for the answers I have given. We need to wait to find out just the way in which the Federal Government will allocate its funding so that we can then, in turn, act accordingly. Like the Premier and the Treasurer, I am still confident that our budget will be able to proceed in the manner in which it was brought down.

Ms WHITE: In relation to Defence, Science and Technology Organisation land at Salisbury, in my electorate, the Minister would be aware that two separate parcels of land have been earmarked for sale by the Commonwealth—one to the north and one to the south of the amalgamated DSTO future site. What role will the Minister have in that sale by the Commonwealth and in the future development of that land?

The Hon. E.S. Ashenden: I have already commenced a role in that. I have contacted my Federal colleague on this matter on a number of occasions, and the Minister is well aware of the importance that I attach to that land and the way it should be developed. At this stage, it is too early to say any more than that I am negotiating with the Federal Minister about that land, but the final decision will be made by the Federal Government. However, it will certainly be made with the Federal Government having received a lot of input from me as to what I believe is the way in which that land should be used.

Ms WHITE: You have indicated that you have pretty definite views on how that land should be developed. Will you share some of those views with the Committee?

The Hon. E.S. Ashenden: At this stage all I can say is that I would want there to be a degree of flexibility with that land. Why else would I be providing funding to the Salisbury council to undertake a review of that land as well as the Salisbury north housing area if I had a predetermined point of view? What I have been saying to the Minister is that we are undertaking this work and this study: what I want is flexibility so that, when the land becomes available, we will be able to put it to the best use for South Australia and for the cities of Salisbury and Elizabeth. I am saying, 'Don't make any fixed decisions; let us have the flexibility to be able to put recommendations in place', provided that they are soundly based on the reports that are under way.

Ms WHITE: The Minister would understand that many people are very interested in the future of that land, particularly the clubs currently sited on the southern portion that is to be sold. Not knowing when it will be sold or knowing very much at all about what is proposed means that they do not know whether to make the decisions they need to make about future development of their infrastructure in those clubs. Can you give an indication of the time frames in which any of this will occur? If not, can you give me an indication of when you will know, so that I can provide that information to my constituents?

The Hon. E.S. Ashenden: Again, I share the impatience of your constituents and the clubs. Also, let us not forget what an important role the DSTO plays in employment in that area. There is a whole range of issues, and I would love to be able to give the honourable member an answer to the questions she has asked, but it is totally in the hands of the Federal Government. I have made very clear that we want an answer

as quickly as possible. I have been assured that both Ministers, the Minister for Defence and the Minister for Housing, are well aware of how importantly we regard a decision being made about that land. I will continue to put that pressure on the Federal Government and, hopefully, get an answer in the not too distant future.

I am sure that the honourable member will appreciate that it is really a decision that must be made by the Federal Government. I very much hope that that will be part of the Federal budget to be brought down in August.

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

Minister for Housing, Urban Development and Local Government Relations—Other Payments, \$51 305 000—Examination declared completed.

The CHAIRMAN: I thank the Minister and his advisory staff throughout the day, my parliamentary colleagues for their pleasant cooperation, table staff for their competent assistance, and *Hansard* for a hard fought week.

ADJOURNMENT

At 3.42 p.m. the House adjourned until Tuesday 25 June at 11 a.m.