

HOUSE OF ASSEMBLY

Tuesday 28 September 1982

ESTIMATES COMMITTEE B

Chairman:

Mr E. K. Russack

Members:

Mr R. K. Abbott
 Mr G. J. Crafter
 Mr S. G. Evans
 The Hon. D. J. Hopgood
 Mr G. F. Keneally
 Mr I. P. Lewis
 Mr J. Mathwin
 Mr I. Schmidt

The Committee met at 11 a.m.

The CHAIRMAN: The minutes of the meeting held last Thursday, 23 September, have been distributed and, if there are no objections, I will sign them as correct.

The procedure this morning, as has been adopted by this Committee, is that I will call the member for Stuart and then, after three questions have been asked, go to my right, and I will then come back to my left. It has been the practice that the lead questioner is given a second call. I will wait on an indication from the member for Stuart to go to another member on that side. Today we have seven votes. Do you wish to come to some arrangement in relation to timing?

Mr KENEALLY: It is the Opposition's intention to provide time for votes on the Minister of Lands, Minister of Repatriation and Minister of Aboriginal Affairs. I recall that last year we tended to run out of time. It would be very difficult for us to establish a time limit during the afternoon. We suggest to you and to the Committee that at 4 p.m. we could look at how the questioning on the Engineering and Water Supply Department is going, and then we could perhaps make some determination about when it will be necessary for the Minister to bring his officers from Lands and Aboriginal Affairs. We would not be prepared at this stage to set a gag on the debate on the lines of the Engineering and Water Supply Department.

The CHAIRMAN: Are there any objections to those suggestions by the member for Stuart? We have been endeavouring to determine a time before which it would not be necessary for the Minister to bring his other officers down. It could be suggested that they be taken not before 4 p.m. Our experience with the previous days has been that when it has come to that time we have sometimes had to extend a little. However, it assists the Minister if he knows that he does not have to get his officers before 4 p.m.

Engineering and Water Supply, \$89 140 000

Witness:

The Hon. P. B. Arnold, Minister of Water Resources, Minister of Irrigation, Minister of Lands, Minister of Repatriation, and Minister of Aboriginal Affairs.

Departmental Advisers:

Mr K. W. Lewis, Director-General and Engineer-in-Chief, Engineering and Water Supply Department.

Mr R. C. Williams, Acting Deputy Director-General, Engineering and Water Supply Department.

Mr A. N. Killmier, Director, Administration and Finance, Engineering and Water Supply Department.

Mr K. R. John, Budget Accountant, Engineering and Water Supply Department.

The CHAIRMAN: I declare the proposed expenditure open for examination. The vote is found in Parliamentary Paper 9, pages 100 to 102 inclusive. I mention that, as there was some misunderstanding last week.

Mr KENEALLY: It would be appropriate, at the outset, for the Minister to advise the Committee on the progress of p.p.b. within his department. The Committee should be advised as to the costs that have been incurred as a result of the implementation of the programme over the past 12 months and what costs are anticipated in the ensuing 12 months. Could we get a report on the programme determination, and will the Minister say whether all the programmes have been adequately defined? Are performance measures established so that the department can determine whether the performance is adequate? Has this year's budgeting been, or will next year's budgeting be, determined on response to information thrown up by p.p.b.? The intention of p.p.b. is to ensure that Parliament and the department is in a better position to assess costs. Will the Minister inform the Committee of the cost of p.p.b. and respond to other matters that I have raised?

The Hon. P. B. Arnold: It is almost impossible clearly or accurately to define the cost of programme performance budgeting in a department. If members look right through the programme performance documents and at expenditures aimed within the Parliamentary Paper, they will, I believe, see that programme performance budgeting is working extremely well, especially within departments such as the Engineering and Water Supply Department, inasmuch as we have certainly come out very close to the estimates that were provided last year. Regarding the actual programme and performance of the undertaking within the department, not only has it given Parliament a much clearer and better view of the operations and performance within the programmes but also the department has a much better insight and understanding of costs and controls within its operation.

The concept of programme performance budgeting is as great an advantage to the department as it is to the Parliament. The full benefit is there not only for the department but also for Parliament, to the same degree, to enable it to get a much better understanding of the performance that is occurring within the Engineering and Water Supply Department. It is very difficult to indicate or provide a clear-cut cost per annum to operate p.p.b.

Mr KENEALLY: I acknowledge that there would be difficulties in defining clearly the costs of p.p.b. in any department initially, but I should have thought that, as p.p.b. is to be implemented to identify clearly costs and programmes and to show where economies could be achieved or where inefficiencies could occur, the department would be working to identify costs at the lowest possible level. That was the reason for my question. It seems that it is fairly strange that we are implementing a system but do not know the cost of the system itself. I should have thought that that would be fundamental.

We do not know whether it is cheaper than the old system. We do not disagree with the concept. In fact, I would agree with some of the points that the Minister made. First, I would agree that there is much more information in the papers that have been provided to us than we had prior to

the introduction of p.p.b., but, as I will try to point out to the Minister as we go through the papers, to some extent they are written for accountants and not politicians. In fact, almost in every programme there are figures that require questioning because they do not seem to measure up.

The Minister might want the Committee to wait until we get to the specific programme and then try to explain to us how the programme was determined and how he is measuring performance. Our point is that, unless the department is able to tell the Parliament how these programmes have been determined, how the department is measuring the performance, whether this year's budgeting has actually been determined on these programmes, and whether performance particularly can be assessed, so that Parliament can ask questions about it, p.p.b. and the remainder of the day that we will go through seems to be almost irrelevant.

The figures do not really mean a great deal. I believe that the agency overview and the explanations in relation to departments are very useful; the Committee can assess what the particular programmes are there for. My point is that it is very hard for us, as a Parliamentary Committee, to assess whether there has been an improvement in efficiency and economies as a result of this. I do not believe that the Minister's reply spelled that out. Perhaps the Minister could be more specific.

The Hon. P. B. Arnold: We are talking about two specific issues here. I acknowledge the point made by the honourable member. The first issue relates to the actual performance of the programmes that are currently before the Committee and, secondly, identifying a clear cost in relation to providing that information as an operational background. Perhaps the Director of Administration and Finance, although I do not believe that he can provide the exact costing figures that the honourable member is seeking, might be able to give some insight into its operation.

Mr Killmier: The introduction of programme performance budgeting in the E. and W.S. Department and throughout the Public Service began some three years ago. I think that it is generally accepted and understood that the accounting systems of departments that existed at the time that programme budgeting was first proposed were not in a state that would have permitted an accurate provision automatically from the accounting system of the information that is contained in the programme papers. That is acknowledged on page 7 of this year's Auditor-General's Report, where it is stated that there is an inability, under present departmental systems, automatically to produce programme performance budget reports.

So, the reports that Committee members have had before them in the past two years and again this year are, as far as agency overview and written statements are concerned, completely accurate. When we get down to the provision of financial information and numbers of employees against each of the programmes, some of that information has had to be provided on what we would call a proportional basis, rather than obtained directly from accounting records.

At the time that programme performance budgeting was proposed, my department was in the course of carrying out a major improvement to our accounting arrangements. We were introducing what was known as a management and financial control system. We were attempting to devise or provide computerised ledger systems. At the same time we were moving towards corporate planning; we had just produced our first corporate plan, and all of these aspects are integrated: the need for a corporate plan, the need for clear objectives, issues and strategies in the department, and the need for an accounting system to quickly provide the sort of information that programme performance budgeting desires. Over the last two or three years we have been developing these systems and getting fairly close to their

finality. We hope that within one or two years we will have a computerised ledger system. We are working on the development of performance indicators throughout the department.

In fact, we pioneered some of this work in the Revenue Branch on behalf of the Public Service, but it is a long process and I believe that it has to be carried through in a logical manner. One needs to start at the beginning and determine the role of individual branches in the department, how one wants the department structured, and then one must determine the corporate plan for the department and ensure that one has an accounts classification to provide accounting information to all levels of management within the department.

One needs to develop programmes and subprogrammes down to activity levels and one needs accounting levels recorded in such a way that one can build up to various levels about which one wishes to provide information. The reason why it is difficult or impossible to provide an individual cost for programme budgeting is that the programme budgeting aspect is integrated with all the other aspects: the need for responsibility accounting and corporate planning within the department. There are many uses to which financial information is put. There are many aspects allied to programme budgeting, and it would not really be possible to record a financial cost for the development of programme budgeting. I suppose that one can make an arbitrary assessment, and I do not know that the cost would have been so great, because much of what we have been doing in the past three years we needed to do anyway.

What we need in this day and age is to provide vast, accurate, financial, management and accounting information for all levels of management. Obviously, this would start with Parliament, the Minister, the senior management of the department, branch managers and then moving down to the foreman level. One needs to provide all these officers with appropriate information so that they can properly carry out their roles. This is what we have been doing in developing the management and financial control system. We go through the various stepping stones, and the last development on the end of the line is the development of the actual performance indicators, for which one needs to develop base years for statistical information. The systems we have been developing are not just financial systems but are systems containing information of a physical nature.

If one is to develop a performance indicator for the dragging of sewers, or for the number of chokes that have occurred in those sewers, then one needs to have a record of how many chokes have occurred during the past three or four years, how much it cost to clear those chokes, and whether or not the department is getting better or worse at performing that task. One would need all of this information and would need, also, to build up a data bank, if you like, of information within the accounting system so that one could then provide managers with the appropriate information at their level of management. Obviously, the higher the level of management the broader the information needs to be.

Mr KENEALLY: I would not disagree with anything that Mr Killmier has just said. I acknowledge that it takes time to develop performance indicators. I also acknowledge that his is a huge department in terms of South Australian Government activity. However, I am surprised that in 1982 the Parliament is being told that simple activities of the Engineering and Water Supply Department have not been studied to the extent that the department can say whether or not it is becoming more effective or less effective in performing these basic jobs. I would have thought that that knowledge should be fundamental to departmental accountability to the Director, the Minister and the Parliament.

Programme performance budgeting is not unusual in its concept. It is merely putting into effect a programme that identifies those things that Government departments ought to have been identifying for the past 50 years. If Governments cannot identify at the basic level the simple tasks that their departments have been performing for 50 years, and cannot say whether or not those departments are more efficient in the execution of those tasks than they were five, 10 or 20 years ago, then that is not very satisfactory. One does not need programme performance budgeting to tell one that. I raised these matters initially because the information which is available to departments and which is understandable to those departments is not always so simple for members of Parliament to understand. I am sitting on a different side of the desk today from the Ministerial officers so what seems fundamental to them does not always seem fundamental to me.

I turn to page 5 of volume 2 of the Programme Estimates, the page identifying 'Agency Overview'. I will use this page as a base to explain some of the confusions that have occurred to me during my study of these papers. Those confusions relate to the manpower of the department. Obviously, manpower is the greatest cost that the E. and W.S. Department faces because it has a large (and I might say reducing) workforce resulting in the salaries or wages costs associated with any programme being significant. Under the heading 'Issues/Trends' the second paragraph states, in part:

Similarly the recent trend of declining needs for manpower has levelled out, and previous problems associated with surplus manpower have now been largely overcome.

That paragraph identifies surplus manpower. The following paragraph states:

Requirements of the department present some difficulties in terms of the outlook for available funds, and in overcoming certain manpower shortages.

Therefore, whilst the first paragraph states that surplus manpower has been largely overcome, the second paragraph talks of manpower shortages. Under the heading 'Efficient Provision of Services', in the second column on this page, the first objective is:

reduce day labour construction workforce to a minimum viable size;

However, the final paragraph on that page states:

A minimum viable day labour construction workforce will be retained, with the balance of construction being done by contract. This will permit some further reductions in day labour manpower. Then in 'Recurrent Expenditure' under the heading 'Agency Overview' on the following page we talk about a reduction of approximately 40 staff needing to be achieved to reduce the weekly paid force by approximately 30 men. We have gone from talking about surplus manpower to manpower shortages, to viable day-labour construction workforces, to the need to reduce the workforce. My submission is that there is considerable conflict in all of those statements. Could the Minister explain that conflict to the Committee or, if he does not believe that there is a conflict, could he explain the policies in relation to manpower and what the identification of surplus manpower and manpower shortages would mean to the reader?

The Hon. P. B. Arnold: I can understand why the honourable member sees it as a conflict on the surface, but I think that one should appreciate that the Government has a no-retrenchment policy. We are saying that we have a surplus of employees as compared with requirement in the metropolitan area. We have the opposite situation in some regional country areas. The Government has not been prepared to put people off in the city and therefore we have this imbalance. As a matter of attrition, ultimately the balance will level out in that we will come down to the level that we require in the metropolitan area, and we will take on

additional persons because not all persons employed by the department who live in the metropolitan area have been prepared to accept positions in country areas. The Government has not forced that position. If we had forced that position we would virtually have a balanced workforce now, but the Government was not prepared to do that. Consequently, this slight imbalance still exists.

Fundamentally, we believe that there will be a further comparatively short period before natural attrition will arrive at the desired level in the metropolitan area and it will be necessary for us, in certain country areas where a shortage exists and where manpower has not been prepared to transfer from the metropolitan area to the regional area, to appoint additional employees in those areas in order to arrive at the desired balance. I do not know whether the Director-General would like to add further to this.

Mr K. W. Lewis: It is true that we have shortages in some country regions and certain shortages of skills in some areas. It is not always the people who would give the balance who leave or retire from the right places. A number of people have been taken on in country areas. Particularly in Whyalla, we took on some people because the maintenance organisation had run down to such an extent that we had to restore maintenance activities, and in the Riverland there were some people taken on. I think we have taken on 20 people in areas of shortage, but there are still some areas of surplus in other places.

The CHAIRMAN: It has been the custom that, if the honourable member has only one more question to round it off, such a question is permissible.

Mr KENEALLY: Could the Minister advise the Committee what is the minimal viable size of the workforce?

The Hon. P. B. Arnold: The minimum viable size is determined by the size of the workforce that is required to maintain effectively the existing facilities and capital assets of the department and to carry out certain new capital works initiatives. It is necessary that that viable workforce be maintained, as I say.

Mr KENEALLY: Can the Minister put a number on it?

The Hon. P. B. Arnold: It would be very difficult to put a precise number on it. It is the level of maintenance that is required. The only effective way to maintain a service to the public is to have this viable workforce available at all times to respond readily to any problem that may arise as a result of a potential breakdown of the system. Large capital works can be undertaken very efficiently and effectively by contract by private companies inasmuch that, with a variation in the capital works programmes—whether they are filtration plants or any other major works of a capital nature—it is more cost efficient to bring in a company to do that job and then, if there is not a follow-on job, naturally those persons involved in that company go to another job and are not a cost against the department. I ask Mr Killmier whether the department has arrived at a precise figure for the break-even point for maintenance and construction that can be carried out by the department effectively and efficiently within the present capital works programme that exists in the E. and W.S. Department.

Mr Killmier: The number of employees required really has to be determined annually. The programme budget papers that are before the Committee today indicate that the number of people under the Public Service Act as at June 1982 was 1 621 and the number that we anticipate that we will have at the end of June 1983 will be 1 580, representing a fall of 41 people. Similarly, in the weekly paid area on 30 June 1982 there were 3 465 people. The papers show that the number at the end of the financial year, after allowing for attrition, is 3 293. The number of people appropriate in forward years would, of course, depend on the works programme that the department was required

to perform in those years. As members well know, the forward funding is a rather unknown question, so it is probably not feasible now to say other than what we are budgeting for in the current year. The achievement of those levels will depend, of course, on whether attrition during those years occurs at the rate that has been budgeted for. That is something that remains to be seen.

Mr EVANS: I wish to ask the Minister a couple of questions more on the operation and specific areas of the department. One of those areas is that of people disposing of their roof water into the mains system. Is that causing the department some concern and overloading the treatment works and, if that is the case, what action has the department taken to attempt to correct the problem of people disposing of what one might call flood waters or excess water from buildings on their properties into the mains for the conveying of sewage?

The Hon. P. B. Arnold: The Government appreciates the problem to which the honourable member has referred. Members would be aware that plumbing maintenance inspections used to exist in South Australia. As from 1 July this year, the Government has reintroduced the plumbing maintenance inspection that very much identified the problem to which the honourable member referred.

At the same time, it is also a valuable asset and certainly assists the homeowner considerably inasmuch as the inspection also identifies any likely problems that a person may have with a faulty hot water service or unsatisfactory plumbing within his house. The reintroduction of the plumbing maintenance and inspection service or system will have a two-fold effect. It will certainly identify to the department anyone who is directing stormwater or rainwater off the roof of their house or sheds into the sewerage system.

Mr EVANS: The Minister may care to inform the Committee now or later whether the department has done any estimate of the amount of water being put into the system through that illegal practice, or is that an impossible task? There must be an overloading at that treatment works that is costing money unnecessarily. Would the Minister obtain that information?

The other matter that I wish to raise with the Minister relates to pensioner rebates for sewerage and water which amounts to \$6 500 000 per annum and which is a growing figure. I believe that concessions for water amount to \$3 700 000 and for sewerage \$2 700 000. Does the department carry out any projections on what the figure is likely to increase to in the future, taking into consideration that we have an ageing society and that the department refers only to pension benefit cards? I refer to an incident recently where a pensioner had his stamp collection stolen, and it was worth \$1 000 000. People are able to sell their homes and invest the money with no immediate return on capital but with a future return, and they are not taxed on that. It is possible for millionaires to get pensions. Has any estimate been done on the future cost of this remission, and has the department considered a statutory declaration being made regarding people's assets other than what they may have as income?

The Hon. P. B. Arnold: The problem that has been outlined and instanced by the stamp collection being stolen has brought to the forefront the fact that one could be, on the one hand, a millionaire and collecting a pension on the other hand. The Director of Finance may be able to shed some light on future cost projections. The honourable member's other question related to peak demand being a problem to the sewage treatment works. The magnitude of a storm determines what the initial impact on the sewage treatment works will be. I will ask Mr Williams, as it is in his area of responsibility, to comment on the sewage treatment works and on the impact of stormwater going into the system.

Mr Williams: In the design of a treatment works or sewage facility, an allowance is made for what we determine as dry weather flow. Allowance is made for infiltration into the system, for flooding of manholes in the street and for illegal entry. We allow for a peak of the order of 3½ times dry weather flow. The design of our plants and sewerage systems allows for this increase in flow during flood periods. As yet, we have not experienced a decrease in performance of our sewerage plant as a result of this increase in peak periods. However, it must be watched closely as we approach the capacity of our plants in future years.

I also point out that loading for a treatment plant is determined on the basis of hydraulic and pollution flows. Therefore, we allow for hydraulic flows of the order of 3½ times normal dry weather flow. On those occasions, the pollutional strength of our sewage is much lower. Hence, the main factor to determine the size of our various units in our treatment plant is a hydraulic capacity during that critical peak period.

The Hon. P. B. Arnold: The other issue that was raised related to projections of pensioner remission costs and the likely effect in the future. Mr Killmier may be able to give some figures.

Mr Killmier: The 60 per cent remission on water and sewerage rates has been in operation since 1973. The concession is given to holders of pensioner concession cards issued by the Department of Social Security. Therefore, the question whether a person may have significant assets but no income is tied to the Federal Government's policy of issuing concession cards based on income. The E. and W.S. Department does not do its own assessment of the means of individuals. It relies entirely on whether or not the person is eligible for the card that entitles that person to the range of fringe benefits, not only on water and sewerage rates but also on council rates, telephone costs, transport fares, and so on, that an aged person or an invalid person can get. The level of increase in the cost to the Government in forward years would be effective in several ways. Obviously, as water and sewerage rates rise each year the rates paid by pensioners will go up in roughly the same proportion. Therefore, the cost to the Government of providing a 60 per cent concession would also rise. On top of that, there is the question of changes in Federal Government policy in issuing pensioner concession cards.

In the recent Federal Budget the Commonwealth Government decided to lift the level of income that an individual could have whilst still being eligible for the card. That occurred several months after the calculations had been done for this Budget. Inquiries were made regarding the extent to which additional people would be provided with cards. A calculation was done as to what extent it would affect this year's costs. I understand that we anticipate paying out about another \$100 000 over and above the figures that Mr Evans produced. There is also the growth in the aged society and the number of people getting the pensioner concession card. We have not calculated the figures for a number of years ahead, as we would have no great use for that information. The Government does not have forward budgeting beyond the current year for recurrent Budgets and, therefore, it would be rather academic to calculate those figures at this stage.

Mr EVANS: I appreciate that information. I was aware that the Commonwealth had increased the amount that a person could earn per week and still be entitled to the full benefit. I would be concerned if the Minister's department or any other Minister's department, through the Treasurer, had not in the past pointed out to the Federal Treasury that there is a problem where people who quite rightly could afford to pay for rates and taxes and should pay are, at the moment, getting an advantage at the expense of those who

are disadvantaged. I hope that, as a result of the questions that have been asked, the Minister will report back to his colleagues so that the matter can be taken up in Canberra. It was never the intention of the remission that people who had assets worth so many millions of dollars should be able to use the system and have the benefit.

My last question concerns the cost of filtration up until the end of the financial year 1981-82, which was roughly 18 per cent of the cost of supplying water to the metropolitan area. Is the Minister able to say what component of the cost of supplying the water the filtration will be when the total metropolitan area is supplied with filtered water?

The Hon. P. B. Arnold: On 1982 prices we are looking at approximately \$147 000 000 in capital expenditure in relation to water filtration. So, there is debt servicing on the \$147 000 000, plus the additional staff and chemicals required. I suppose that one could do a calculation on that basis. The Director of Administration and Finance might be able to gaze into the crystal ball and give some indication, but I believe that that is all it would be. The main features of the costs incurred are the staffing level, the operational inputs (chemicals, electricity and maintenance), and the debt service charges and repayments.

The cost could be calculated, but it is a matter of whether or not at this stage an estimate has been made of what the cost will be when the total programme is completed and whether or not added to the metropolitan programme are the northern towns (two additional plants will come into operation in the area). Then, one is looking at a committed programme getting close to a \$200 000 000 capital involvement. The Director of Administration and Finance might be able to give an estimate of the percentage that will be required.

Mr Killmier: Mr Chairman, as you may be aware, there are two plants in operation: the Hope Valley plant and the Anstays Hill plant. Those plants would be included in the costs referred to. In the Auditor-General's Report for 30 June 1982 reference is made to the cost of filtration for 1981-82 being \$10 500 000, which is 18 per cent of the total metropolitan water supply costs. A third plant is virtually complete and will be coming into operation very soon in the Barossa. A fourth plant is under construction at Little Para and will probably come into operation within a couple of years. The next plant, as you, Mr Chairman, are no doubt aware, is the Happy Valley plant, which I understand has been recommended by the Public Works Standing Committee and will soon, hopefully, be approved by the Government so that construction can commence.

The extent to which water filtration costs will be a proportion of the total, will depend on a number of factors: on the speed with which Happy Valley is able to be constructed because, when it is finished, from memory, it will probably represent about 40 per cent to 50 per cent of the total water filtration capacity within the metropolitan area; and the extent to which other costs and work are done in parallel. Whilst it would be possible to do some sums based on various levels of funding over the next five to 10 years and estimate the extent to which filtration might bear a proportion to the total, it would be totally reliant on the extent to which one believed the water filtration capital works programme would bear to the total. I would have to be advised by the Minister on what he believes the forward funding might be.

Mr KENEALLY: I would like later to ask some questions about water filtration to follow on from the questions of the member for Fisher. I particularly want to stay with some of the policy statements in the agency overview. Can the Minister reconfirm that it is a policy of the Government to recoup the costs of water filtration out of water rates? I ask this question because it was the policy of the Party that

the Minister represents before the election, to arrest the increase in water charges and, at the same time, go ahead with the filtering of the metropolitan and country water supply. These two policies seem to conflict.

I recall that in answer to a question asked by me in the House of Assembly the Minister said that there had been a reduction in costs in the department because of a reduction of the workforce and that this resulted in keeping the price of water down. My constituents do not altogether agree with that and they think that the price of water is escalating. Can the Minister confirm that the price of filtering the metropolitan and country water supply will be reflected in the charges for water?

The Hon. P. B. Arnold: The cost of water in country areas will be reflected by whatever is charged in the metropolitan area. That in itself, in still adhering to that policy, means that one must take into account currently the deficit in country areas, which is running at about \$23 000 000. So, there is still going to be, whatever the figure arrived at for the metropolitan area is and then applied right across the State, a very heavy subsidy to country areas. That policy will continue of applying across the State whatever figure is arrived at in the metropolitan area.

Regarding the figure charged in the metropolitan area for water and services of the E. and W.S. Department, the Government has made every endeavour to contain those costs by improving efficiency within the department and reducing costs wherever possible, particularly in relation to the overall reduction in manpower of the department and the figure going out in wages and salaries each year. It is difficult to precisely identify in round terms the millions of dollars in relation to the reduction in manpower because there is more to the actual cost of each employee than just the salary that that employee is paid. So, it is hard to identify the actual saving.

One can certainly say that the reduction and efficiencies that have been obtained within the department as a result partly of the reduction through attrition of manpower is a direct benefit and flow-on to people receiving the services, whether it be in the form of water supplies or sewerage facilities; there is a direct financial benefit. In other words, the costs would have been significantly greater today to the recipients of those services had it not been for the efficiencies that have been implemented in the past two or three years.

Mr KENEALLY: My first question on this matter relates to the conflict that I see in the statements under the heading 'Corporate/Management Objectives' on page five of the yellow book. The second paragraph provides:

Provision of services in a socially responsible manner.

How does the strategy of moderating the provision of new and improved services equate with the provision of services in a socially responsible manner? Does the Government interpret 'socially responsible manner' as reducing the provision of new and improved services?

The Hon. P. B. Arnold: The provision of services in a socially responsible manner means that they will, particularly in regard to a health aspect, provide an adequate service, and all aspects of that service will meet with the requirements and expectations in this day and age. Standards expected in the community today are different from those expected 20 years ago, and it is a matter of keeping in tune with the community's requirements as against the costs and implications of meeting those requirements and the ability of the community to pay.

Obviously, there will be some limiting factors in expansion, and we refer to uneconomic areas where we wish to proceed. Expansion in a responsible manner in the development of subdivisions and the like will have to occur where one can get the best cost-benefit situation. Otherwise, the ultimate

cost to the public would get out of control, but that is keeping in mind the standards that are expected by the community, particularly in regard to health standards.

Mr KENEALLY: The second part of my question relates to the extent and standard of service. The last two points of the section to which I have referred state:

Place more emphasis on providing for additional consumers of departmental services only where in the long term extra revenue would equal or exceed associated expenses;

Defer any increase in the range of services unless benefits exceed the costs and additional resources are provided.

It would be beneficial to the community if the Minister gave examples of what the department is saying in those paragraphs. On the face of it, it seems to threaten the ability of new consumers or users of the department's services to obtain equal treatment with existing users. Will the Minister comment?

The Hon. P. B. Arnold: Fundamentally, one will find that this exists in areas of extension, where we are looking to expand services into areas where they presently do not exist. If such services are expanded without consideration being given to the capital cost incurred, we could be providing a service to those people who will receive the benefit but, at the same time, be increasing the load on existing consumers.

For example, where an extension has been sought, we have tried to provide for consumers to be given an option (this has been put forward on a number of occasions) of meeting the additional cost over and above the normal cost expected in a close subdivision area. Those concerned can meet that cost in two different ways, so that it does not impact on other people in the State: they can pay for a given period a double rate which is calculated to give a return on the additional capital expenditure over and above what is normal, or new consumers can make a contribution along lines similar to the capital contribution obtained by the Electricity Trust so that those consumers pay normal rates and everything remains equal.

If a group wishes to proceed on that basis, the fact that it is becoming part of the E. and W.S. Department's service does not impact on other consumers in a more economic situation. This occurs in country areas and in less densely populated areas. It has been necessary; otherwise, we would have had the rates of existing consumers being loaded year by year to meet expansions in other areas that have no real identity with their own situation. Therefore, there are two potential ways in which a person who is seeking that service can become part of that system.

Mr KENEALLY: The Minister would acknowledge that people who buy blocks of land in townships or cities such as Port Pirie (I know of examples in Whyalla, Quorn and metropolitan Adelaide, including Skye) do so in the belief that water and sewerage services are basic. When they apply for connection, the prices quoted by the department are so exorbitant in relation not to the cost of the service but to the cost of the land that they are unable to proceed to build.

Is there any way that young people, in particular, can be advised about this matter, or should they be advised that the cost of services can sometimes be so extreme? The Minister would be aware, because of a number of submissions I have made to him on behalf of constituents of Port Pirie (and I am sure every member has made a similar submission to the Minister on behalf of a constituent), that these prices come as a tremendous surprise to people (to be as low key as I can be on this subject). No citizen could come to terms with the cost of providing even a minimal extension of department services for water or sewerage and relate that cost to the cost of their land in Port Pirie, for instance. The average citizen proposing to build a house in Skye might be able to relate the cost of the land to the cost of those services because that person might be proposing to build an

expensive house in what is an expensive area. However, some of the places in Port Pirie I have mentioned to the Minister could not be so regarded.

The Hon. P. B. Arnold: The honourable member referred to two distinct and separate areas, particularly in relation to areas that have been subdivided where a condition of that subdivision was that the subdivider would provide the water supply system. That is a separate issue. The cost of supplying water of E. and W.S. Department standards to some subdivisions can be most expensive. Skye, for example, has large allotments in a highly desirable residential area. It is an expensive area in which to provide services because the allotments are much larger than the traditional quarter-acre allotments that we are used to, so costs are many times greater for that subdivision than they are for some other subdivisions.

The Government has looked at such areas and is prepared to install services. However, it would be totally unfair to the ratepayers living in a traditional situation if the base cost of providing their services were to be loaded with the quite massive cost of servicing allotments in areas such as Skye. This sort of happening is the reason for ratepayers being required to pay a capital contribution towards the cost of a service, or for a multiple figure being applied to a base rate, which might increase that rate by two or three times depending on the capital cost of the service being installed.

The other situation that I believe creates a real problem is that involving the extension of water mains in existing towns to normal household allotments. That requirement is contained in waterworks policy laid down involving the recovery of the capital cost of services provided so that the rate applied to a property will return 15 per cent on the capital investment involved. Once again, one is confronted with a situation where there is either a capital contribution required to install that mains extension, or a double or triple rate applied to get a return on the capital investment. This is a difficult problem to overcome.

It is difficult for the average consumer to appreciate the cost involved in extending a main to E. and W.S. Department standards. One of the problems is that, if an indirect service is involved, there need only be a small line, but if it involves the main distribution and potential distribution system to the rest of a street at some future time the service must be laid to a pre-determined size and capacity. This involves a high cost. The Director-General may be able to add to the information on the actual build-up in costs in these matters and say why those costs appear to be out of all proportion to any average householder/consumer who makes application for a connection.

Mr K. W. Lewis: There is a requirement that before a subdivision is permitted the water supply and sewerage service be provided. Therefore, a person buying a block of land has built into the cost of that land the cost of providing the water supply and sewerage services. If one goes to buy a block of land on an existing subdivision, because of the policy of requiring water and sewerage in new subdivisions, there are few such blocks left. It has been a requirement for many years that blocks on new subdivisions have the water and sewer connected.

The cost of a block of land which does not have a water supply or a sewerage service would be considerably lower than one with those services already provided and a person buying a block in those circumstances should expect that he would have to pay more in order to have those services provided. It seems to me to be very wise for a person to find out what this cost will be before purchasing a block of land. However, that does not always happen. The usual requirement when the water is not connected is that the consumer has to meet the revenue deficiency in the capital

contribution which, after taking into account the revenue that will be received from the extension of a main, will result in the department breaking even. That occurs in a normal subdivision. We appreciate that the cost of sewerage is a major cost. Installation of sewerage is a more difficult activity. Obviously, at times sewers are very deep. There have been some subdivisions where there have been real health problems because of the lack of sewers. This has occurred in areas of clay where it is difficult to get rid of sewerage effluent through a septic tank system. I think that there are three policies which apply to those areas.

First, in those areas where the extension of a main is only up to about 35 metres then the department will lay an extension without asking for a capital contribution. Where an area is built up to about 50 per cent of total development, the department may, on advice, taking into account health aspects, proceed with that development. Then there is the revenue efficiency approach, which is the one that causes most concern to young people, particularly when an allotment is remote from the end of an existing sewer main. There may, for instance, be 10 vacant allotments between a block and an existing sewer main. The revenue from the intervening blocks would be particularly low. Therefore, unless the person in the remote position can get together with the people owning all of the blocks on either side of the street and get them to agree to share the costs of connection, it becomes an expensive exercise for that person remote from the end of the existing sewer to be connected to that sewer.

Mr SCHMIDT: I turn to page 6 of the yellow book, where it states that new major projects will proceed at a reduced rate. It also states that the Happy Valley water filtration plant construction will consist of day labour site works. I would like to relate those comments to an answer given earlier to the member for Fisher when it was stated that no specific figure was given as to how much money out of the allocation for the filtration programme would be spent on the Happy Valley site.

Furthermore, in the answer it was stated that the project had been approved by the Public Works Standing Committee, but was still awaiting approval by the Government. However, my understanding of that was that Cabinet had approved the project already. Can the Minister clarify that statement and indicate whether the project actually has the endorsement of the Government and exactly how much will be allocated to that project this year and to what extent has that project been reduced as per the statement on page 6?

The Hon. P. B. Arnold: First, the Government makes a decision in principle to proceed with a project. Having carried out its initial investigations and preparation of the proposal for the Public Works Committee, the Government itself cannot make a decision to proceed with that work or the allocation of money until such time as the Public Works Committee has considered that project and reported favourably on it. At the time of the preparation of the Budget the Public Works Committee had not brought down a finding or decision in relation to the Happy Valley water filtration works. Consequently, the figure that is provided for in this Budget cannot appear under a precise line. As a result of that, it is not in the documents. However, the Public Works Committee has examined the proposal. It has reported favourably on the matter. It is then a matter for Cabinet in the next week or so to formally accept the findings of the Public Works Committee. The minute that is done, site-works can proceed. It is anticipated that siteworks will proceed next month. That will be the excavation required for the siting of the plant prior to the civil contracts being let and those companies moving in on site. It is the intention in this financial year that there be \$1 610 000 available to commence the Happy Valley project.

Mr SCHMIDT: That statement indicates that the plant will certainly proceed. Can the Minister foresee whether the project will go to schedule? At the time when it was announced that Cabinet had approved the project in principle, it was stated that the area serviced by the Happy Valley filtration plant could well receive partially filtered water in three or four years time. Is the department already planning sufficiently clearly ahead of time to allow that project to proceed to that schedule, and what anticipated time schedule is there for the total completion of the project?

The Hon. P. B. Arnold: As I understand it, from an engineering point of view it is possible to partially bring the filtration plant on line long before it is completed, inasmuch as the filtration part of it will be in operation prior to the flocculation sedimentation tanks being constructed. Being a fairly large project with a capital cost in the vicinity of \$65 000 000, it is imperative that the plant be operational, even if it is not to the full extent, certainly before its completion date. If the honourable member is talking about the programme that was initially announced in the early stages of the metropolitan water filtration programme, it is certainly hoped and anticipated that that programme that was announced in the early 1970s will be adhered to as nearly as possible. As to the engineering aspects of how a filtration plant of that nature is able to be partially brought into operation during mid-construction, perhaps the Director-General or Mr Williams may be able to give a better insight.

Mr K. W. Lewis: Water filtration plants of this type, in this instance, will consist of a pumping station lifting the water out of the reservoir through a mixing plant to add chemicals to the water, a flocculation sedimentation tank system, which is a very large structure, and then the next major item is, of course, the filtration plant and thence into balancing storages and then into the reticulation system. It is possible, when water quality that varies over the year is not too bad, to perhaps bypass the sedimentation operation and put the full load onto the filters themselves. That would be the intention in the case of the Happy Valley water filtration plant in that we will schedule the work so that we will have the pumping station and filtration plant operating first and, obviously, the balancing tanks as well. Then, we would be able to operate the plant and produce a reasonable quality of water for a large percentage of the year. There will be times, however, when the quality will deteriorate to such an extent that just filtration without pre-flocculation sedimentation will not be possible. We will have only a partial treatment in those circumstances.

Mr SCHMIDT: Can the Minister give a further indication as to how much will be expended this year on further design work for the Myponga reservoir, because that supplements the Happy Valley reservoir and services the areas slightly further south than are covered by the Happy Valley plant? How far have those design works been done so far?

The Hon. P. B. Arnold: It will be a comparatively small figure because the real input will be going into Happy Valley at this stage, but the conceptual design stage will proceed. It will be small compared with other major filtration plants that are proceeding.

Mr KENEALLY: Here again in the Agency Overview, pages 5 and 6, is the Minister able to compare the statement under 'Issues/Trends' that says:

Government commitments for new capital works and the need to continue to provide expenditure to upgrade and replace some assets will require an upward adjustment of capital funding which has been declining for a number of years.

I suppose that that is a statement of principle and policy, because under 'Capital Expenditure' on page 6 it says:

The increase in capital expenditure from \$56 200 000 in 1981-82 to \$58 200 000 in 1982-83 represents a reduction in real terms.

Whereas the Government says that we need to provide an increase in capital expenditure, we are in fact providing a decrease. Can the Minister explain to the Committee more fully the reduced activity in relation to those projects that are set out under 'Capital Expenditure'? It states here:

To meet this reduced budget the following action is proposed: new major projects will proceed at a reduced rate:

And then it names the projects. Can the Minister advise the Committee what would have been the normal rate of activity and what is the reduced rate, so that the Parliament can be clearer on exactly what has been the reduction of activity in relation to those projects, which are as follows: the Morgan water filtration plant, which relates to the area where I live, the Happy Valley water filtration plant, which the member for Mawson has mentioned already, the Cobdogla irrigation area rehabilitation works, the Bulyong Island component of the Noora drainage disposal scheme, the Millbrook pumping station, and ongoing sewerage reticulation projects? They are all very important projects for the welfare of South Australia.

The work rate is being slowed down. I acknowledge that the Minister has advised the Committee substantially in relation to the Happy Valley water filtration plant but the other matters require a more comprehensive report than that which is included in the yellow pages.

The Hon. P. B. Arnold: I refer to the Morgan water filtration plant. We announced that programme and we believed that we could have filtered water in the northern towns by approximately Christmas 1985. We still believe that we will be close to that mark. There is an optimum point at which one can carry out engineering works. If we reduce to below a certain point the end cost of that project becomes much higher because of the inefficiency of small contracts as opposed to large contracts and the inability to proceed at the most economic pace. There is variation within that economic efficiency. In other words, it can be at an economic and feasible rate of construction and it can be increased beyond that point if additional funds are available and the efficiency will still remain. However, there is a point at which we cannot reduce below a given construction rate as the cost benefit situation declines quite dramatically.

I refer to the Morgan water filtration plant where we are talking about an expenditure of \$2 061 000 this financial year. That figure will enable us to proceed at the desirable rate so that we will have filtered water in the northern towns close to the time we have specified. The Cobdogla irrigation area rehabilitation works is part and parcel of the total Government rehabilitation programme commenced some years ago by the previous Government. As members will be aware, the Kingston-on-Murray irrigation rehabilitation has been completed. Waikerie has been completed and Berri is almost complete. Cobdogla irrigation, which includes the irrigated area of Barmera and Loveday, is a natural continuation of the Berri irrigation area. While it is two separate irrigation areas, they are physically (and for all appearances) one total irrigation area. It is a continuation of that. Once again, it is a matter of a minimum efficient construction rate within that project.

An amount of \$1 619 000 has been applied to the continuation of the rehabilitation in the Cobdogla irrigation area. Fundamentally, we are talking about an efficient minimum point which we cannot drop below to enable all those programmes which are important to South Australia to proceed.

In regard to Bulyong Island, it is interesting to note the changes which occur during the development of some of the schemes. The Noora drainage scheme, as originally designed, has been varied quite considerably as a result of the developments which have occurred since the initial concept of pumping the drainage waters from Berri and Renmark to Noora. That is as a result of the improved

irrigation practices. The rehabilitation of not only Government irrigation areas but also areas such as the Renmark Irrigation Trust area and the implementation of modern irrigation practices are substantially reducing the drainage waters coming away from the irrigation areas.

As such, a different approach to the Bulyong Island concept of its part in the total Noora scheme has enabled considerable savings in that area. We have been able to pump directly from the drainage caissons which received waters from the Renmark Irrigation Trust area. It will be pumped directly to Dishers Creek evaporation basin. The redesign of that part will be cost benefit efficient and will significantly reduce the overall cost of the Noora scheme. We were initially looking at around \$13 500 000 for the Noora scheme. It will be significantly under that—in the vicinity of just over \$12 000 000. The replacement of motors in the Millbrook pumping station is a matter which has been considered. It is a significant expenditure. It is believed that the pumps and motors are of such standard that they can quite effectively carry on the duties they have been performing for an extended period yet.

Mr KENEALLY: The information the Minister has just given is very valuable. However, he did not address himself to the questions that I asked. His own papers state that, to meet the reduced budget available to the department, new projects will proceed at a reduced rate. He has advised that, even though this reduced rate will be implemented, the Morgan water filtration plant will be completed on schedule so there does not seem to be any reduced rate in that regard. The papers state that the Happy Valley water filtration plant construction will consist of day labour site works. What is the significance of that? It also states that the replacement of the motors at Millbrook pumping station will be deferred. That is a specific statement and is quite clear. I also asked the Minister whether those projects would be delayed and what would be the extent of the delay in terms of time. The Minister has informed us that some of these projects will be implemented in a more efficient and therefore cheaper way, which is important. What will be the delay? I would also like to know the significance of the Cobdogla irrigation area rehabilitation works consisting of the most labour intensive components. By that, I understand that those parts of the project that can be undertaken by day labour will be undertaken and the capital programmes will be delayed. Have I misunderstood the situation?

The ACTING CHAIRMAN (Mr Mathwin): Order! I take it that this is the second question asked by the member for Stuart. It makes it difficult for the Chair to define, if the honourable member is insisting that these are supplementary questions that are unanswered.

I think that it is only fair that that should be counted as the honourable member's second question in case there is any upset at the end, when other members might not think that they are getting a proper go.

The Hon. P. B. Arnold: The first part of the question relates to the sitework and day labour involved in the E. and W.S. Department's carrying out the site works on some of these major capital works programmes. This has been the practice for quite some time, and it is desirable from the point of view of the department which prefers to do it that way in relation to the engineering and project management aspects. In many instances the footings are put in by the department virtually to the ground level; then the civil contracts are let, and the department and its engineers know precisely the starting point of the civil contracts.

Regarding Happy Valley, existing employees within the department will carry out the sitework excavations. The department has the equipment and manpower with which to do that. In the Riverland, some small areas of the rehabilitation works in the distribution system have been let out

to contract. Some lines, such as pipe-laying contracts, have been let, but in the main most of the work has been carried out by day labour employees of the E. and W.S. Department. In fact, the major day labour work undertaken within the department has in more recent years been in the Riverland.

As natural attrition occurs and the work force reduces, in order to maintain the rate at which the Government wants the rehabilitation to proceed, one will see additional sections let out for contract. At the moment only two or three pipe-laying contracts have been let in the Riverland. The majority of the pipe-laying has been done by the E. and W.S. Department.

The speed of the rehabilitation is a necessity not so much from the growers point of view but from the point of view of efficiency, so that the programme that is required to be carried out is cost efficient. It is not a matter that if the project is not completed this year or next year something drastic will happen. There are benefits to be derived, not only to the growers but certainly also to the department, in cost and manpower of administering the distribution systems once the rehabilitation has occurred. In other words, it requires considerably less channelmen with a completely new closed distribution system. It is largely computerised once it is completed and leads to more efficient operation.

The important thing is that the works proceed at a cost-efficient rate. However, that does not mean to say that the future of the Riverland depends on the rehabilitation of the irrigation areas being completed this year, next year or the year after. One of the long-term benefits of rehabilitation is very much part and parcel of the total salinity control programme. It has not necessarily been undertaken just for the benefit of the irrigators, but it certainly provides them with a better service. One of the key features of the Murray River salinity control programme is that it provides the grower with an irrigation system that will enable him to implement modern irrigation practices, which, in turn, will reduce the groundwater build-up underneath each and every irrigation area and thus reduce the groundwater movement back to the river, which is usually highly saline.

As a result of the implementation of modern irrigation practices, we have the benefit that we not only reduce the groundwater movement back to the river, but we also use less water in the production of those crops. So, the State as a whole benefits, and there is a net gain to the State in the water that is available to other industries and towns throughout South Australia. So, fundamentally, the programme that has been set out before you will achieve what the Government sees as the desirable programme, and it is within the resources available to the State.

Mr KENEALLY: Regarding interest charged to the E. and W.S. Department over the past three years, according to the last two Auditor-General's Reports it has, in round figures, been \$55 000 000, \$62 000 000, and \$73 000 000, respectively. During the same period rates collected from consumers amounted to \$105 000 000, \$115 000 000, and \$133 000 000, respectively. Of the \$18 000 000 increase in rates in 1981-82, \$11 000 000 (or approximately 60 per cent) was absorbed by increased interest charges. I am concerned with the reduction of the E. and W.S. Department loan indebtedness, which was \$747 000 000 as at 30 June 1982. The sinking fund contribution allocated to the department in the past three years has been \$7 000 000, \$8 000 000, and \$9 000 000. I indicate that these figures are approximate.

At this rate, it will take at least 80 years to repay the money owing as at 30 June 1982, and the interest costs will be astronomical. Can the Minister tell the Committee why the E. and W.S. Department loan repayments are spread over such a long term? I understand that the financial agreement with the Commonwealth provides for the repayment of loans over 53 years. Will the Minister tell the

Committee what is the department's intention in relation to interest repayments, because one must bear in mind the rate at which the department is repaying now, working on the 1980 period, and the interest rates and revenue that the department derives.

The Hon. P. B. Arnold: It is an on-going problem. Some early lines can be finalised, and at the same time each year new loan borrowings are entered into for new capital works programmes that are going on within the State. Regarding some of the finer details which the member wants answers, can he perhaps identify the significant areas so that the Director of Administration and Finance can shed some light on them?

Mr KENEALLY: Judging by the rate of repayment, it now looks as though we will take 80 years to repay the current interest debt, and there is an agreement of 53 years with the Commonwealth.

Mr LEWIS: Do you mean the capital debt?

Mr KENEALLY: Yes.

Mr Killmier: Mr Keneally referred to the Auditor-General's Report. For the honourable member's interest, I refer him to the last line of page 478, where he will see, under the heading 'Water works, sewers and irrigation', that the debit balance as at 30 June 1981 was \$719 600 000.

Payments for that year were \$51 300 000 and repayments \$13 300 000. Securities cancelled and redeemed account for \$10 700 000, involving a total repayment of \$24 000 000, and giving a net increase of \$27 000 000. While the department is currently spending about \$50 000 000 a year, its indebtedness in 1981-82 increased by only \$27 000 000.

The allocation of cancelled securities to the department depends on two things. It depends on the allocation made by the National Debt Commission to the South Australian Government; that varies from year to year and depends on the age of the loans, the time when they expire and a whole range of factors. At the back of the Auditor-General's Report is a long list of the loans that the South Australian Government has taken, and the E. and W.S. Department would be found in that list.

The National Debt Commission allocates cancelled securities to the State Government each year, and Treasury is then required to allocate to departments cancelled securities to be written off or incorporated in each department's financial statements. The cancelled securities in this statement amounted to about \$10 700 000. The member earlier quoted a sum of \$7 700 000 in 1980-81 and \$8 700 000 in 1981-82. To that would have to be added the cancelled securities in relation to plant and machinery which are dealt with separately. Certainly, the intention is to redeem the capital debt over 53 years.

The reference to 80 years may be appropriate to figures shown this year but, if one takes into account the extra cancelled securities for plant and machinery (and there are some assets that are not written off), there would be explanations for it. Perhaps we can obtain a written statement in order to provide the information later.

Mr KENEALLY: I would be happy with that.

Mr LEWIS: My question relates to country public water supplies, but I wish first to comment on the questions asked by the member for Stuart. If one was able to borrow money, as has happened with public utilities, at rates lower than the current market, it would be foolish to pay off those loans and have to re-finance at current rates with other borrowings for present and future capital works.

Mr KENEALLY interjecting:

Mr LEWIS: If the public benefit is to be derived from borrowing funds and involving Government agencies and programmes, with reduced expenditure in other areas to the extent that their investment programme is cost effective, it is foolish of the community to do that.

Mr KENEALLY interjecting:

Mr LEWIS: I understand that I have 15 minutes in which I can make a statement.

The CHAIRMAN: Order! I point out to the honourable member that I have been lenient. Our purpose is to seek information from the Minister. It is acceptable to make a comment, but I ask the honourable member to seek information from the Minister.

Mr LEWIS: Am I out of order, Mr Chairman, in making a preamble? I understand that is permissible for 15 minutes.

The CHAIRMAN: The honourable member can make a preamble prior to asking for information associated with the preamble.

Mr LEWIS: I was merely applying my preamble to the remarks made by the member for Stuart. It is equally relevant to my question. I would like to know how many country public water supplies in South Australia are derived from sources other than the Murray River. Will the Minister say when they were established and what has been the population growth in those communities since the water supply was established? Further, what is the source of water for the reticulated supply at Goolwa and South Lakes, and how long is it since that system was installed? Also, what is the source of supply for the Milang/Strathalbyn area? How long is it since that system was installed? Finally, what population increases have occurred in each of those respective communities since the supply was installed?

The Hon. P. B. Arnold: The honourable member seeks detailed statistical information, and I will try to supply whatever I can.

The CHAIRMAN: I point out to the Minister that it is in order, if information is to be obtained, for the question to be taken on notice and the reply to be supplied later.

The Hon. P. B. Arnold: We will take the bulk of this question on notice and endeavour to provide the answers later. However, I refer the honourable member to the E. and W.S. Department water and sewerage rates and charges document 1982-83, which is an extract from the *Government Gazette* of 8 July 1982, pages 118 to 125. That document, which lists all the water district areas in South Australia, is extensive. It will provide part of the answer to the member's question. We will take the remainder of the questions on notice so that information that is available within the department can be supplied to the honourable member later.

Mr LEWIS: I would like this information, because I am concerned about the health and welfare of people living in the Strathalbyn area. Those people have complained to me since my coming to office in 1979 that their water supply has been neglected for longer than that of any other town of which they are aware. That water supply is derived from the very end of the sewer, and that is what people upstream at Albury and interstate think that the Murray River is—a sewer. From their behaviour, one must be forgiven for thinking that this is how they feel about it.

I am also worried about the indifference to the costs that might accrue to the Government if there was a major outbreak of a disease such as hepatitis during this or a subsequent year. It has been reported to me that it took four days, because of the time that had elapsed since the mains were last flushed, for two people on one Strathalbyn water supply line to refill their system using mains pressure. I do not know whether or not this is the case, as I only have the word of these people, but I am worried that it is the case. I am also told that their mains are the ones that were originally installed and that those mains are now rusted to the point where water flow is reduced as a result of friction that occurs with the water passing through the rusty pipes. The effective internal diameter of those pipes has been reduced. If all this is true, I am sure that it is a cause for

concern, not only to the Minister and me but also to every member of this Parliament. Does the Minister's department consider that there is likely to be any risk to public health between now and the time when it becomes possible to replace, repair and resupply Strathalbyn with water not from the lakes but from Callington on the Murray Bridge to Adelaide pipeline?

The Hon. P. B. Arnold: The important thing is that any water supply, whatever the source, must be properly disinfected. There is an upgrading programme for the Strathalbyn water supply involving \$300 000. Works involving \$100 000 of that \$300 000 will be undertaken during this financial year to achieve that upgrading.

Mr LEWIS: My question related not so much to the quality of the water (although that is a concern) but more particularly to the inability to flush toilets properly. Given that we are in a drought period and that rainwater tanks in not only Strathalbyn but also throughout the electorate are low, if there is no water in the mains or rainwater tanks to flush toilets how will night soil be cleared?

The Hon. P. B. Arnold: Included in the anticipated expenditure for this year for the upgrading of the Strathalbyn water supply is an amount for the upgrading of the pumping station. Also, the tanks and control systems will be upgraded to provide increased capacity in that system. An amount of \$67 000 will be spent on the upgrading of the pumping station to give it added capacity and to give added capacity to water storage and control tanks, which I think comes to grips with the problem to which the honourable member has referred.

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

Mr KENEALLY: I would like to refer now to some of the employment figures provided in the yellow book in relation to individual programmes and to point out that after much research I may have come up with the answer. However, I certainly should like an explanation from the Minister as to the considerable differences that exist between the proposed and outcome figures. For instance, just as a couple of smaller examples, in the Wastewater Treatment and/or Disposal programme, the actual figure for 1980-81 was six, 1981-82 Proposed, six, 1981-82 Outcome, 17, and 1982-83 Proposed, 21. For Flood Mitigation and Warning: 1981-82, the actual employment figure was 32; 1981-82 Proposed, 21; 1981-82 Outcome, 118; 1982-83 Proposed, 132. I mention some of these, but I expect that the general principle will apply overall. For the Metropolitan Public Water Supply, actual 1980-81, 795; proposed in the next financial year, 755; the actual was 1 498; the proposal was 1 455. Those sorts of discrepancies occur all the way through the employment figures. The average person who has access to these documents and has a look at the individual programmes and at the employment that was proposed to attach to those programmes, and sees the actual employment that applied and compares that with the proposed for 1982-83, would be wondering what was going on. I guess that the Minister understands the nature of my query. Can he explain to the Committee why these considerable discrepancies occur in the employment average of full-time equivalent figures?

The Hon. P. B. Arnold: Besides the areas that have been identified by the honourable member, what is not included is the executive support services. Probably the best person to explain the implications of that would be the Director of Administration.

Mr Killmier: On page 9 it can be seen at the bottom that in the 1981-82 Proposed column the Executive Management figures and Professional and Technical figures have not been spread back over the individual programmes, whereas in 1981-82 Outcome they have been spread. There is a figure

there under Professional and Technical of 1 333 in the Proposed column and 598 in the Outcome column. The figures shown in the Proposed column were the figures that were included in last year's programme Budget papers. In producing this year's programme Budget papers we allocated the support services wherever possible over the individual programmes and, hence, in the case of the Metropolitan Water Supply the outcome is considerably higher because it bears its share of the support services.

I suppose that the columns that are most accurately comparable are the 1981-82 Outcome and the 1982-83 Proposed columns. However, I must reiterate the point that I made this morning that currently to provide the information in programme format we are required arbitrarily to allocate staff where they are not directly working on a particular programme. If they are clearly working on a particular programme then we can allocate them to that programme, but there are very many people, as you will appreciate, in country areas who could work on any one of half a dozen programmes. The only way in which you could proportion those people across the programmes is in proportion to, say, direct operations and maintenance expenditure. That is the explanation for the 1981-82 Proposed column being much less than the actual outcome.

Mr KENEALLY: The same explanation, then, would be valid for the recurrent costs that related to individuals?

Mr Killmier: Yes.

Mr KENEALLY: So where there are bulges, it is related to the allocation of costs from your administrative and professional structures to individual programmes?

Mr Killmier: We could not go back and amend the information that was given to Parliament last year in the programme papers. That is why the Proposed column does not contain the allocation of the support services. The actual Outcome column is first provided now, and we are able to show it there as it actually occurred.

Mr KENEALLY: I refer the Minister to page 83 of this year's Auditor-General's Report in connection with the employment figures. In the figures from 1 July 1978 to 30 June 1982 the weekly paid labour force has been reduced from 5 294 to 3 465, which is a 35 per cent decrease. What proportion of this reduction has been brought about because of transfer of work to the private sector?

The Hon. P. B. Arnold: A portion has been brought about as a result of work transferred to the private sector. It should be noted also that at the time when we came into Government there was identified a surplus of employees in the E. and W.S. Department of approximately 1 000 and, as a result of natural attrition, that has been reduced now to the vicinity of 60 to 80.

Mr KENEALLY: I did not want to argue with the Minister about whether or not excess labour had been identified by any particular Government. What proportion of the reduction that has occurred, which is about 1 800, was brought about specifically because of the transfer of work? Does the department have that kind of information? I would have thought that in terms of that being its policy it would have been able to identify the number of positions that had been lost because of the policy of putting work out to private contract and the savings, if there be such savings, of that policy of putting work out to the private sector. If it did not have those figures there is no way to know whether the policy is purely one of philosophical intent or whether it has any practical purpose. The Committee or the Parliament ought to be advised of the numbers of jobs that have been lost as a result of this policy and the savings, if any, that are identifiable to the department.

The Hon. P. B. Arnold: As the honourable member indicated, we are talking about some 1 800 persons as the difference between the two figures. At the time of coming into

Government and prior to the change of Government there was an identified surplus in the department of about 1 000. That takes care of 1 000 persons who were not being utilised effectively within the department. There are now somewhere between 60 and 100 identifiable as still surplus to requirements.

That is brought about because of the situation I mentioned earlier, namely, that we have a surplus in the metropolitan area and a shortage in some country areas. If we were able to transfer those surpluses in the city effectively to positions in the country, we would then have a line ball situation. Principally, there are three matters: first, the surplus of approximately 1 000 in the first place; secondly, the reduction in the size of the capital works programme being undertaken; and, thirdly, more of the capital works programme being undertaken by the private sector. If the honourable member wants precise figures other than the 1 000 people I have identified as being surplus at the time we came to Government, I will obtain it for him. Certainly, there was a significant cost saving in that if we had 1 000 employees on the pay-roll not being effectively utilised, there is a significant saving in that alone. The other area about which the honourable member is talking is a saving in work being undertaken by contract as against day labour. Certainly, the Government is very much convinced that there is.

Mr MATHWIN: I refer to the heading 'Metropolitan Waterworks' on page 102 and to the cost of electricity for pumping. The proposed allocation for that line this year is \$2 379 000. Actual payments last year were \$2 386 050. I understand, from my own observations, that all reservoirs are very low indeed. We were hoping for good rain but that has not yet happened. It would appear that we would possibly need more for the cost of pumping this year than last year. Could the Minister enlighten me on that matter and say whether he anticipates getting out of the cost of pumping with the proposed figure of \$2 379 000?

The Hon. P. B. Arnold: The figure provided in the Estimates is an average figure of what is anticipated under normal circumstances. The present holding of the reservoirs is 53.6 per cent of capacity. The reason it is 53.6 per cent of capacity at the moment is that significant pumping has been underway now for some time. The likelihood of receiving any real run-off on the catchment area this financial year is very remote. The run-off into the metropolitan reservoirs has been virtually nil. Consequently, the vast percentage of Adelaide's water supply will have to be pumped from the Murray River this financial year. We are looking at about \$10 000 000 for pumping costs this financial year.

Mr MATHWIN: I refer also to privately-owned water tanks. What help would it be to the department if people were to buy their own water tanks for storage? People in the community have mixed feelings. Some people say that rainwater is much clearer and much purer. I have mixed feelings on that as I have visions of the water running down my roof. My roof has been there for some time, as have the birds that frequent it. What is the department's views on the purity of the water? What help is it to the department, if any, if people have water tanks?

The Hon. P. B. Arnold: Historically, one can refer back to the fact that the vast majority of country people have been very reliant, over a long period of time, on the use of rainwater tanks—certainly primary producers and people in country towns. I am not aware of any real health problems that have occurred or that the health of country people is any different to that of people in the metropolitan area. The quality of water held in rainwater tanks (as long as they are properly maintained) can be excellent. In fact, the brochure put out by the E. and W.S. Department has been extensively used across South Australia in assisting people to determine the optimum size of rainwater tanks that should be installed

given their roof area, rainfall in the area and the capacity needed to obtain maximum use of rainfall in the area. The brochure has been of considerable benefit and has been widely used across South Australia.

In regard to the benefit to South Australia as a water storage source, even if rainwater tanks were installed in every household, we are looking at a reduction in the demand on mains water of between 4 per cent and 5 per cent. That is a significant amount of water. However, if we are looking at the cost of rainwater per kilolitre in comparison with the capital cost of the tanks, mains water is cheaper. The Government and the department is doing everything it can to encourage householders to install rainwater tanks in recognition of the important 4 per cent to 5 per cent that it represents.

Mr MATHWIN: I now refer to apprenticeship training, referred to on page 59 of the yellow book. It states:

As well as training apprentices for E. and W.S. Department needs, the Government is seeking to use the department's apprentice training facilities and resources to maximum capacity to train more apprentices in order to assist economic development in the State.

It goes on, under 'Broad Objectives', to state:

To assist the economic development of the State by training the number and type of skilled tradespersons for departmental, Government wide and industry purposes.

I believe that is the new jargon for tradesmen or tradespersons. I wonder how many apprentice plumbers are females. I believe that plumbers now like to be known as sanitary engineers. What is planned in relation to that? It would appear from further explanations on that page that mostly they are trained for private enterprise and that the department is not retaining apprentices.

The Hon. P. B. Arnold: The department endeavours to train apprentices not only for its own use but also for the benefit of the private sector. We have a certain capacity and we have figures as to the numbers that are trained and the numbers that are retained in the department. The Director has the figures.

Mr K. W. Lewis: We attempt to operate the apprentice training school so that the full facility, particularly in the first year, which is fundamentally the formal training area in the school, is maintained.

That figure is maintained at somewhere between 85 and 90. In the past three years it has been 91, 86 and 87. Those numbers are partly made up from departmental tradesmen requirements, that is those we can train, because there has to be a specific ratio between tradesmen and apprentices within the organisation to ensure that the apprentice is fully trained. Then, we fill the school with people from the private sector or other Government departments from the metal trades area. For instance, we do not run carpenter training. We run electricians, fitters and turners, sheet metal workers, mechanics, and so on, in the metal trades school. The total number in the school for this coming year is 178. I make that statement knowing that the numbers change halfway through the year. The apprentice year does not match the financial year, about which we are talking. But the expected number, taking into account the changes which will occur at the end of this year, on the latest figures is 178, based on the intake of 34 into the school.

Mr MATHWIN: Is that both sexes?

Mr K. W. Lewis: Yes, we have trained both male and female. But, of course, there is a great preponderance of males.

Mr KENEALLY: I refer to the Minister's answer to my previous question relating to the reduction in the departmental workforce. I am quite happy to concede that when this Government came to office in 1979 there was an identifiable excess of some 1 000 personnel in the department.

I understand that this occurred because the E. and W.S. Department in South Australia had, by and large, completed its extensive sewerage programme. So, as the work needs diminished, and still having a workforce required for a maximum work programme, there was obviously a problem. My question relates not to the 1 000 personnel but to the specific question of Government policy, which is to place out to private contract certain activities that hitherto had been carried out by the department. In any major decision that has such an effect upon departmental activity as that particular policy decision had, there ought to be a clear justification for it, deriving from departmental figures which should show clearly since 1979, excluding the 1 000 excess jobs that had been identified, what reduction in the workforce has occurred as a result of the policy of transferring work from day labour to private contract. Also, there ought to be clearly defined the economic benefit of that policy in savings to the taxpayers' dollar.

The Minister, in answering my question, did not attempt to identify the number of jobs that have disappeared from his department as a result of that policy. In relation to savings, he says that the Government is convinced that that policy has been a good one. That is not the information I seek. In fact, I am certainly nowhere near as convinced as the Minister that it is necessarily a good policy. But, I am prepared to look at the justification for such a system if the department, the Minister or his officers, can spell out to the Parliament what savings have accrued to the department resulting from that policy. As I said, if one is to have such a policy which is merely philosophical, objecting to Government employment, favouring giving that employment to the private sector, acknowledge that, and say, 'We do not know whether that is going to be of any saving to the community at all, but we just fundamentally oppose Government employment and favour private employment.' Alternatively, one does just that and identifies the savings, because the people of South Australia are entitled to know the cost of Government programmes.

If this has been beneficial in terms of savings to the department, I think the Minister or his officers who are here with him now ought to be able to advise the Committee. At the absolute worst, they might have to get the figures, but I doubt whether even that is acceptable. This is a fundamental test of the Government's philosophy and policy which should be tested in terms of dollars and cents. I am certainly not prepared to accept the Minister's rather broad statement that the Government is convinced that the policy is good. If that was so, that could be the answer to every question. It certainly does not satisfy me. Can the Minister be more specific and identify the numbers of jobs that have disappeared from his department as a result of the Government policy? Also, can he indicate the saving that has accrued to the department because of the use of private contractors?

The Hon. P. B. Arnold: We do not refer to specific positions. We refer to the workforce under the previous Government which was identified and occupied principally on capital works, and undertakings of that nature. I have endeavoured to say that the Government believes and is convinced that as these projects come up in various parts of the State, and as the workload varies, it is more efficient for one-off construction proposals to be undertaken by a contractor in the private sector.

The best indication of that is the estimates prepared by the department contained in references from Cabinet to public works of different projects, and then tender figures that were submitted. The estimates were determined and calculated on departmental experience in construction works and from costs over the preceding years. It was clearly identified that many of the contracts or tender figures coming

in for the proposed works were way below the estimates provided. This was not only in the E. and W.S. department, but in other construction departments as well. I believe that that is, in itself, clear proof and indication of the savings being achieved by that policy.

As I also mentioned, that is a clearly identifiable cost for a particular project. The moment that project has been completed by the contractor there is no further expense as far as its construction is concerned because one does not have a continuing workforce. If one has not a particular project for a certain number of employees to go to immediately, obviously that is a cost against the department from which little is achieved. It has to be written off somewhere.

That is why we say it is essential to maintain a viable workforce within the department to carry on necessary maintenance work every week of the year. That is identifiable work. Everyone has positive employment within the department. But, with capital works, it can vary quite dramatically from the completion of one project to the commencement of another. It is very much dependent on flow of funds and what funds are available for total Government capital works. This is why the Government is convinced that a blend of the two is far better than it being heavily weighted in one direction, as it was previously heavily weighted in the direction of being undertaken by the department's own workforce.

Mr KENEALLY: If one has a workforce and a policy that determines that the bulk of the work that the department undertakes is through its own operators, then every time one moves from that policy and lets work out to private contract, obviously the need for one's own employment base falls away. So, there will be fewer jobs if more work is put out to the private sector. I still believe that the Minister or his department ought to be able to identify exactly what that job loss is. In fact, I believe that the Government has a responsibility to the people of South Australia to identify it.

In terms of estimates that go to the Public Works Standing Committee, as a member of the Public Accounts Committee I can recall being told by an engineer (not an engineer from the E. and W.S. Department), when he was asked about estimates that bore absolutely no relationship at all to the final cost of the project, that it was a 'wet the finger and test the air' basis on which the departmental estimates were made.

The Director shakes his head and indicates that that obviously does not take place in the E. and W.S. Department. I acknowledge that. Certainly his engineering colleagues in another department were not so concerned to say that it did not occur in that other department. We know that the final cost of projects very often is far in excess of the approvals that have been granted by the Public Works Standing Committee. In fact, I believe that there ought to be a closer relationship between the Public Works Standing Committee and the Public Accounts Committee to have a look at the escalations in project costs to determine what has taken place when costs escalate to the extent that they often do.

Having said that, whenever a department lets out a project to the private sector and that same department has the experience of knowing what its own workforce is capable of doing in terms of costs, there ought to be an effort made to identify the difference between having the work done by the private sector and the public sector. That seems to me to be fairly fundamental, otherwise I doubt whether there is true accountability.

It is all very well for the Minister to say that there are figures around that identify getting work done by the private sector is cheaper than having it done internally. I ask the Minister to give the Committee some specific details, even

to the extent that he may have to have his department provide the members of the Committee with this information at a later date. Surely this information must be available. The Party to which the Minister belongs, and the Government of which he is a member, says and the Minister says himself that it is more economic and that there are greater savings to the community if certain projects are let out to the private sector. The Minister assures us that that is the case.

I am not prepared to accept the Minister's assurance and I do not think that we should be expected to do so. What we need in this Committee are not assurances but hard financial facts. If, as members of Parliament, we are going to accept assurances from other members of Parliament, whether they be Ministers or otherwise, then sometimes we would be falling down on our responsibility. Will the Minister provide proof positive by way of figures showing the costing of projects that have been undertaken in the past three years and give a comparison of what that particular project cost would be? If it is capital works and the works were by and large undertaken by the department's own workforce—and there never has been the situation where all of the E. and W.S. departmental work has been done privately—those figures should be available. It seems a simple proposition. If the Minister does not have the figures, he ought to be able to get them from either his Director, Administration and Finance, his Director-General or someone else.

The Hon. P. B. Arnold: As I have said, the clear indication of the saving is contained in the estimates provided by the department in relation to a capital works project and the tender figures that come in. The honourable member wants to question whether or not the estimates calculated by the department were based on pulling a figure out of the air. He can say that if he likes, but the department will hotly contend that that is not the case. It is certainly not a professional approach.

I do not believe that that is the case. The figures that have been provided in the estimates and the preparation for projects to go to Cabinet for tender clearly set out the anticipated cost and the final cost of what the department believes the project will be. What I am saying is that in many instances the tender figures that have come in have been, as a result of competitive tendering, and not just sheer cost calculation as would be the approach that the department would adopt in arriving at the anticipated cost, a precise calculation of identifying the materials, costs, and overheads that go into a project. That would be a very positive figure that the department would arrive at.

The efficiencies that certain private contractors can bring into their operation which enables them to come in with a tender figure significantly below that of the estimate of the department is a direct saving to the taxpayer of South Australia. That can be clearly identified by providing instances of estimates and tenders, perhaps not necessarily identifying the names of the companies, but certainly an estimate of the project and the actual tender figure that came in. That will identify and support the Government's attitude on this matter.

The honourable member keeps referring to jobs lost as a result of this. I remind him that we are talking about South Australia and people within South Australia. Jobs have not been lost as a result of this. What we are saying is that the work has been transferred within South Australia from one organisation to another. Many of the people that we have been talking about have been previously employed by the E. and W.S. Department and, in a number of instances, have voluntarily retired from the department and have taken up a position with private companies and are the same people working on these projects as would have been

working on them before. There are numerous instances of that occurring.

Mr KENEALLY: Those people are apparently more efficient when working for the private sector than they were when working for you! That is hard to believe.

The Hon. P. B. Arnold: Obviously, with a comment like that, the honourable member has never had anything to do with a private operation or business.

The Hon. D. J. HOPGOOD: Are you confirming that comment?

The Hon. P. B. Arnold: I am not confirming it; I am pointing out to the Committee that a comment like that clearly identifies that the honourable member has not had the benefit of being involved both in Government employment and private employment from the administrative point of view. Some of us have had the opportunity of seeing it from both sides and obviously a private company is not in the happy position of being able to seek additional funds if the project overruns their estimate.

A number of private companies have gone under as a result of their tender being too competitive: they could not complete the job within their cost estimate. This was unfortunate for the companies concerned but it certainly gets the work done at the most economical cost for the benefit of South Australian taxpayers. We have a real duty to taxpayers to ensure that we get the maximum benefit from every dollar spent.

I come back to emphasise that we must get away from this business of 'jobs lost', because what we are talking about is the transfer of work from one sector to another. I point out that more than 50 per cent of the work carried out for and on behalf of the department is still undertaken by the day labour force. There is about a 50/50 division of work undertaken by the private sector and the department's day labour force.

Mr KENEALLY: The Minister, in his attempt to reflect on me because I had no private sector experience prior to my entering Parliament, knows that I was a Commonwealth public servant for over 20 years. By his comments he suggests that I have no real knowledge of the efficiencies that can be effected by the private sector. He reflects not only on me but on all his officers who work in his department and who have not had the so-called benefit of working in the private sector. One would also assume that their understanding of efficiencies and economies is deficient because they have not worked in the private sector. I reject utterly that suggestion. It is stupid for the Minister to say that and reflect on his own officers in such a way.

Is the Minister telling the Committee that the department in its forward planning for a project determines a figure and then, if on receipt of tenders from the private sector it finds that the lowest tender price exceeds the department's estimates, in those circumstances is the work done by the department, because it would obviously be to the benefit of taxpayers? What the Minister and his Government is on about is putting out work from the Government sector to the private sector, irrespective of whether or not it can be undertaken more economically within his department. Will the Minister respond?

Just so that we do not hear more about jobs lost, I point out that our responsibility here as members of Parliament is to seek information from the Minister and relate our questions to his responsibility. Reference to jobs lost refers to jobs lost within his department. I am not relating to jobs lost or gained in the private sector, and any reference to jobs lost relates specifically to jobs lost within the department. I hope that the Minister will confine his responses to that area. More particularly, I seek the Minister's response to the proposition that, if work can be achieved more efficiently, effectively and economically by his department's undertaking

capital works that would otherwise go to the private sector, is it the Minister's policy in those circumstances for work to be undertaken by his department? Can the Minister give instances when that occurred? If he cannot, does it not reflect on his department?

The Hon. P. B. Arnold: As I stated this morning, there are certain instances where the department is in a better position to carry out certain types of work than is the private sector. The fact is that 50 per cent of the work is still undertaken by the day labour force.

Mr KENEALLY: I am asking about the difference.

The Hon. P. B. Arnold: In the vast majority of cases—

Mr KENEALLY interjecting:

The Hon. P. B. Arnold: Does the honourable member want me to go on?

The ACTING CHAIRMAN (Mr Evans): Order!

The Hon. P. B. Arnold: I am trying to say that some tenders will be over the department's estimate but, in most instances, a tender is usually accepted. The normal approach is to accept the lowest tender and generally it is below the estimate provided.

Mr KENEALLY: What about where it is not?

The Hon. P. B. Arnold: There are instances where the department's estimate is lower than the lowest tender submitted. That does not mean that if the work was undertaken by the department it would finish up at that figure.

Mr KENEALLY: Are you reflecting on the estimates, as I suggested—

The Hon. P. B. Arnold: No, I am not. I am simply saying that it is a fairly complex job based on the department's experience over the years in estimating costs. From past experience, especially during the period of the previous Government when the majority of the work was undertaken by the day labour force, when that same criteria was applied in estimating for the potential cost of a project, the majority of tenders let did not exceed the estimate and, in many instances, were significantly below it. It is impossible to say that one is going to be either spot-on or marginally above or below in one's estimate. It could be either way, because it is an estimate based on the information available at that time.

Mr KENEALLY: Is the Minister saying that once the department determines that a project is to go to private tender, that the work will be done by private tender irrespective of what are the departmental costs?

The Hon. P. B. Arnold: No. The Government makes the decision ultimately about what projects will be undertaken by the department and by the private sector.

Mr KENEALLY: Before or after public tender?

The Hon. P. B. Arnold: The decision is made in relation to the nature of the project and the expertise within the department which might be better suited for the department to carry out a particular project. That is determined before the recommendation goes to Cabinet, and Cabinet decides on the recommendation that I put forward.

Mr SCHMIDT: Much comment has been made about jobs lost. I seek clarification of figures and refer to pages 7 and 8 of the performance budget papers. I refer to 'Metropolitan Sewerage' (page 7) and the figures of 513 employees proposed for 1981-82, an actual outcome of 1 087, and a proposed employment level of 921 for 1982-83, which seems a more realistic figure. The 1 087 was more than double the proposed number for that financial year. It seems that the same pattern has occurred in regard to country sewerage, from 152 to 291—

Mr KENEALLY: I rise on a point of order, Mr Acting Chairman. Those questions have been asked, and I suggest to the honourable member that, if he reads *Hansard* tomorrow, the clarification of those figures will be apparent. I am

taking this point of order only because we have limited time available.

The ACTING CHAIRMAN: Although the initial part of the question has been dealt with, I do not believe that a question in regard to country sewerage was asked. The Minister can correct me if I am wrong.

The Hon. P. B. Arnold: The same thing would apply as has applied in relation to the metropolitan area. The figures contained in the outcome are more accurately aligned to 1982-83, whether it be the metropolitan area or the country area.

As was indicated by the Director of Administration, the Budget did contain an amount for the administrative support services for 1982-83, whereas the amount proposed in 1981-82 did not.

The ACTING CHAIRMAN: If the member for Mawson wishes to know more about that matter, he can follow it through later.

Mr SCHMIDT: Will the Minister say what allowance is made in the departmental budget for modifications to existing systems? I refer specifically to problems relating to the Happy Valley area and the water pressure problems experienced there. There has been much criticism over a long period from a number of residents about the water pressure in that area being too high or too low. I believe that the pressure dropped to such an extent last weekend that people were only getting a trickle of water from their taps. What steps is the department taking to alleviate this sort of problem, and under what contingency is that allowed for when budgeting?

The Hon. P. B. Arnold: I think that the Happy Valley area the member is talking about is the EL 172 Zone. A significant amount has been provided for work to be done in that zone this year. The Director-General or Mr Williams may have precise information as to the reason for this significant variation in water pressure in that particular zone.

Mr K. W. Lewis: We are aware of the problems that exist in this area. There are some areas which we know have too high a water pressure and some which we know have too low a water pressure. There are some people finding it difficult to get a supply at all. As part of what we call the Happy Valley Water Filtration Plant and Ancillary Works project, there is augmentation of the distribution system to proceed at an estimated cost in current day values of about \$12 700 000 in addition to the \$49 500 000 for the water filtration plant. That work will not proceed immediately but will take place in line with the co-ordinated programme for the water filtration plant. There is some augmentation of this system which needs to be done soon and there is a provision, I think of more than \$742 000, to commence that work in this year's capital works programme. Such work will be done progressively and will continue next year.

Mr KENEALLY: Will the Minister obtain the total of payments made to contractors for the financial year ended 30 June 1982, and will he say how that figure compares with the financial year ended 30 June 1978 after adjustment for inflation?

The Hon. P. B. Arnold: It will be necessary to obtain those figures from the department for the honourable member.

Mr KENEALLY: From figures provided on page 83 of the Auditor-General's Report I see that from 1 July 1978 to 30 June 1982 the number of salaried staff decreased from 1 712 to 1 621, a 5 per cent decrease. The workload of the E. and W.S. Department appears to have been cut by about one-third during the same period, yet the number of staff employed has remained almost the same. Can the Minister explain why? I am saying that the cut in salaried staff bears

no relationship whatever to the reduction in the department's workload.

The Hon. P. B. Arnold: The reason for this is that the ongoing operations of the department, and the ongoing operations of the capital works facilities, are carried out, in the main, by staff members. The works undertaken by the department that we were talking about earlier are undertaken by weekly paid staff, and a greater emphasis has now been placed on work going out to contract. That accounts for the significant reduction in staff numbers in that area. Because of the ongoing operation of facilities of the department, whether in the revenue section, accounts, and so forth, staff levels tend to remain constant. In fact, they have a slightly expanding role because more people are being served by the facilities of the E. and W.S. Department. A good example of this is the water treatment works, because once that project is completed additional staff will be required to maintain and operate it. That is the reason why there has been a comparatively small reduction in actual staff numbers when compared to the number of weekly paid staff. This is an area of considerable interest to the Committee and I ask the Director-General to expand on what I have just said.

Mr K. W. Lewis: I think that the Minister has covered this subject well. We are basically an operations and maintenance organisation providing a service to the public. The majority of our staff are concerned with operations and maintenance, which go on from year to year. As new capital works come on stream we have to man them. I think that the number of staff required to man the water filtration plant will number 20 to 25 people on a 24 hours a day, seven days a week basis. I point out that during this period our water resources branch is conducting investigations to assess water resources and development strategies for water resources, conservation and management. That work continues, irrespective of whether or not there is any movement in the construction expenditure. In addition, even though contractors carry out construction work, that work must be supervised. Perhaps the staffing of the department is not as high as one would require if one were doing the work, but there have to be people to monitor the work done by contractors. There is certainly no straight-line relationship between construction expenditure and the number of staff being used by the department.

Mr KENEALLY: I would like to follow through on the cost of pumping water, a matter raised by the member for Glenelg. A statement was made recently by the Minister (a day or two after the Leader raised this matter in his Budget speech) that there would be increased charges for pumping this year. The Minister acknowledged an increase in those charges of more than \$4 000 000 above the amount allowed for that purpose in the Budget papers. Will the Minister inform the Committee how that budgeting mistake was made?

There was evidence when the Budget was determined that we were in for a fairly dry period. Certainly, it had not rained until then and the indications were that the pumping costs would be higher than normal. Yet, the normal pumping costs were allowed for, as the Minister has advised the Committee already. Four million dollars is a considerable figure in terms of the departmental budget. It might not be a high percentage of the total budget, but it is a high percentage of any particular programme. Where will the \$4 000 000 now be found—is it going to be the result of a Treasury grant or will it be found within the departmental finances? If it is to be found within the departmental finances, obviously \$4 000 000 of work elsewhere cannot be effected. Why was the mistake made in the first place? Where will the money now be found? Will it have an effect on recurrent expenditure or even capital expenditure?

The Hon. P. B. Arnold: There has been no mistake made because, as the honourable member will well realise, a Budget is not framed in 24 hours. When the bulk of the work of the preparation of the Budget had been done it was in the middle of the winter months and there was every anticipation that there would be rain. In any case, as a normal budgetary procedure, the department always works on the average anticipated cost, and that is an historical average. Any increased funds that are required will be a separate appropriation from the Treasury, so it will not affect the actual internal operations or other works of the department.

Mr LEWIS: My question relates to the quality of the water in the end of the Murray River system, namely, the Lakes region and in this instance, not to the quality of water from Lake Alexandrina but to the quality of water in Lake Albert. The Minister would know that that has been a matter of some contention in recent times, and he would know also of our extensive discussions, over the past three years, of the problem that could arise from it. I am anxious to determine from him whether the Commonwealth is likely to support South Australia and whether either of the other two States on the River Murray Commission is also likely to support South Australia's proposition to have the salinity problems in Lake Albert brought under the umbrella of the responsibility of the River Murray Commission. Has he any information to give to the Committee following the visit of Senator Carrick, whom he kindly took to Lake Albert (they viewed the problem from an aircraft on that occasion), and any subsequent correspondence or negotiations about that problem in which he may have been engaged since that time?

The Hon. P. B. Arnold: The area of concern that the honourable member has highlighted is of major concern to the Government. He is correct in saying that when Senator Carrick was in South Australia a month or so ago we flew over Lake Alexandrina, Lake Albert and the Murray Mouth to give him the opportunity of seeing the problems that exist down there. As a result of discussions that the honourable member and I have had and the discussions that I have had with the irrigators in the area and the Progress Association down there, a study has been under way for a considerable period to determine the work that should be put into effect in the Lake Albert area to try to come to grips with the high salinity level that exists. In more recent times we have been looking at the salinity in Lake Albert and the vicinity, which is in excess of 2 800 E.C. units. This is of grave concern to us. A study is being made of the lakes, and we can look at four possible options for overcoming this problem. However, on the initial information that is available to us so far, the Director-General in his capacity of South Australian River Murray Commissioner has raised this issue with the commission already and put a preliminary paper before the River Murray Commission in relation to the possible option of a channel from the bottom end of Lake Albert through to the Coorong. The study of the problems of Lake Albert, we believe, will be completed in about March of next year. Although the commission has an interim paper on the subject, the full detailed report will come to the Government and be placed before the River Murray Commission in about March of next year, with the four options that will have the potential of significantly improving the quality of water in Lake Albert. Then we will get a clearer indication as to the level of support that might be forthcoming from the River Murray Commission. There is no way of telling at this stage. They have been made aware of the problem and they will receive the detailed report in about March of next year.

I hope that we will gain the support of the River Murray Commission and, through the commission, assistance from the Federal Government for this project. I believe that the

lakes of South Australia in the future will become more and more important to South Australia inasmuch as they hold a very large volume of water. The fact that some of our very important pumping installations come off the Murray River from below Lock 1 means that the back-up water held in the lakes is a very important part of the water available to South Australia and will become more important, particularly to metropolitan Adelaide, in the years to come. Therefore, the quality of water that is held in Lake Albert as well as in Lake Alexandrina becomes more critical to South Australia every year. That project is being pursued as quickly as possible. As I say, by March of next year we will be in a position to place the detailed report that is being prepared now before the River Murray Commission for its detailed consideration.

Mr LEWIS: I take it, then, from the Minister's remarks that this Government is doing everything within its power to ensure the survival of the irrigated agriculture industry, which depends upon Lake Albert as its source of irrigation water, and thereby ensure the security of the Meningie community in economic terms in the future.

The Hon. P. B. Arnold: In protecting the interests of the Meningie community and the irrigators in that area, we will be doing not only that but will be also protecting the water supply to metropolitan Adelaide, which is of tremendous importance to South Australia as a whole. So, it is of twofold benefit: the upgrading of the quality of water in the lakes will benefit not only the people down there who are dependent on it but also a million people in metropolitan Adelaide.

Mr LEWIS: That would illustrate clearly the point that I have been trying to make conversely to that which has been put about by mischievous elements in the community that the State Government does not care about Lake Albert at all, and I hope that it lays to rest for all time that kind of assertion, or at least shows those people who continue to make it as nothing more than what they are—knaves.

My next question relates to the salinity problem not only in the lakes but also in rivers in South Australia in general through the flow of water from interstate. In this year of national drought, how sure are we of getting our entitlement during the next six or 12 months from the Eastern States? Is there a risk of deterioration in the quality of water during the six-month period?

The Hon. P. B. Arnold: It is an important question because it can certainly have tremendous implications for South Australia if the supply of water is not there or if the quality deteriorates. We are absolutely guaranteed our water entitlement for the coming 12 months and through the summer: there is no doubt about that whatever. It is guaranteed as a result of the construction of the Dartmouth dam. As we are all aware, the Hume dam has no volume in it at this stage. In fact, water is being let down from the Dartmouth dam into the Hume dam at this stage. South Australia is 100 per cent guaranteed its entitlement. As a result of the construction of that storage, even in the event of no rains in the Eastern States next winter, South Australia is assured of at least 90 per cent of its full allocation. South Australia is fundamentally in a very sound position as far as water supply is concerned.

While there have been restrictions in the Eastern States, there will be no restrictions in South Australia. If anything, the quality of water in South Australia this summer will be marginally better than it was last summer. Following a high river, the drain back of saline waters from the flood plains into the river tends to add to the saline content of the river, but, as we have not had that high river this year, that draining effect has largely dissipated and we will in fact have (all things being equal) marginally better quality water this summer than last summer.

The Noora scheme is about to begin operation. Some drainage water from the Berri evaporation basin has already been pumped to Noora. When the scheme is fully operational it will remove something like 157 000 tonnes of salt from the Murray in South Australia annually. I believe that that will reduce the salinity between Berri and Loxton by approximately 150 e.c. units. That is a marked improvement. The work that is proposed or being currently investigated by consultants between lock 2 and lock 3 has the potential of tackling the 90 000 tonnes of known natural inflow of salt there in natural ground water inflow. It is believed by the consultants that we can effectively intercept two-thirds of that quantity which will, in a period of restricted flow, reduce the salinity content in the Murray River water by another 120 e.c. units at Morgan. We are certainly coming to grips with the problem, and South Australia is putting its own house in order in regard to the salinity problem.

When we add the volume of salt removed from the river by irrigation as a result of the Noora scheme and the proposal between lock 2 and lock 3, the 500 000 tonnes of salt that enters the river in South Australia by irrigation induced salinity and as a result of natural ground water inflow, we will, in the not too distant future, be removing from the river a quantity in the same vicinity as the quantity that is placed into the river. So, there will be a zero situation in South Australia. At the moment we are still confronted with 1 000 000 tonnes that enters South Australia from across the border. However, the proposed works put forward and the new agreement will have a great deal of benefit and will certainly come to grips with the 1 000 000 tonnes currently entering South Australia. I would certainly not see a worsening of the situation in South Australia as a result of the drought. In fact, there will be a slight improvement and in the next 10 years I believe we will achieve a great deal as far as improving the average salinity level of water in South Australia.

Mr KENEALLY: South Australia does not act in isolation as a member of the River Murray Commission. The works at Noora are in fact part of the River Murray Commission salinity project for the whole River Murray. When we say we are putting our house in order and that we are getting out what we are putting in in South Australia, that is not strictly correct. Is there no funding from the River Murray Commission with the Noora scheme?

The Hon. P. B. Arnold: It is not a River Murray Commission project.

Mr KENEALLY: The Minister is interjecting on my question. However, he has put me right.

The CHAIRMAN: Order! The Chair has called the Minister. I assure the honourable member that he will not lose an opportunity to question.

The Hon. P. B. Arnold: Whilst the Noora scheme is not a River Murray Commission works, the Rufus River scheme is a River Murray Commission works. The E. and W.S. Department is carrying out and implementing the scheme for and on behalf of the River Murray Commission. The Noora scheme is a State Government scheme funded on a 50/50 basis with the Federal Government.

Mr KENEALLY: I appreciate that information from the Minister. I wish to refer to a subject equally sensitive as salinity in the Murray River. I refer to the problem discussed in this Parliament in June which related to the arrangement that existed between the Bolivar Treatment Works, the E. and W.S. Department and G. H. Michell and Sons. A question was raised in the House, and at the time both the Premier and the Minister for Industrial Affairs were very critical of the Opposition and said that we were trying to undermine a very essential development in South Australia and that, if G. H. Michell and Sons did not invest \$500 000 000 to create an extra 60 jobs in South Australia,

it would be the fault of the Opposition. Recently an announcement was made by G. H. Michell and Sons that they are to establish further extensions to their plant in South Australia and that additional jobs will be created. So, those sort of charges can no longer be made. I would be delighted if the Minister did not try to canvass those issues.

The reasons why we raised the subject in Parliament were very sound. The background to G. H. Michell's arrangements with the State Government in terms of treatment of trade waste at Bolivar goes back to the early 1970s when agreement was made that G. H. Michell could dispose of those trade wastes which the E. and W.S. Department could take at Bolivar and that it would have to pay an additional levy. That service would be provided at normal sewerage rates. There was no defined period over which that agreement would extend. That arrangement would have been made between 1976 and 1982. This Government has given an undertaking that there will be a moratorium on increased charges over and above sewerage rates for trade waste from Michell for 20 years. That is a vastly different proposition from that which previously existed. I would be happy for the Minister to explain the real position if I am wrong.

I understand that, when this arrangement was originally entered into, the Minister of Environment was to undertake a study into waste disposal in South Australia. Whilst that study did not include liquid trade waste that the E. and W.S. Department could take through its works, nevertheless, it did have very important information in terms of liquid wastes in South Australia. That report came out in 1977. Although the Government did not change until 1979, there was certainly no change in the arrangement between G. H. Michell and the South Australian Government.

But, that arrangement is not really the most important matter I want to raise. Information came to me when the negotiations were taking place that Michell might not have been playing the game as true as it should. The arrangement between the Government and Michell is that, as long as the quantity of liquid waste that currently is fed into the Bolivar treatment works remains consistent, there will be no change to the charges made for that waste. But, if the quantity increases, new negotiations could be entered into for that increased quantity. So, a base flow had to be established.

As I understand it, the Bolivar treatment works tested the base flow at certain times. Information that we had indicated that at the time the base load was being vetted G. H. Michell was flooding its trade waste through to the Bolivar treatment works and that it was not a consistent flow over some days. It was a peak flow let through at the time that the test was being carried out. That is a fairly serious charge. The Opposition did not want to raise it in the atmosphere created by the Government when we asked perfectly reasonable questions before. Michell has now established its extensions. We cannot be charged with threatening new jobs or new extensions in South Australia. So, I think that the questions about which many people have been concerned ought to be asked. Will the Minister tell us whether, if such a practice occurred, the department had the resources to ensure that it did not occur, and, generally, will he report on the claims that have been made?

The Hon. P. B. Arnold: Unless the honourable member can furnish me with some evidence that that occurred, it has not, to my knowledge, been brought to my attention. I have no reason to believe that that is so, but the honourable member may have information to the contrary. The expansion of an operation like Michell in South Australia is of considerable benefit to the whole State. It is a major and important employer and, certainly, it is important that it expand its operations in this State for the benefit of the whole community—not only the wool growing industry but also employees in this State. The Director may have some

information relating to the honourable member's comments. I am personally unaware of any action that was taken to mislead the department, which is, I think, what the honourable member is virtually saying.

Mr K. W. Lewis: We have, in fact, been working at Michell to determine what the base load might be. I suppose that we would not expect Michell to operate over our normal brief testing periods to minimise the amount of load that might be put down the sewerage system in order to determine a base load. Our sampling has taken place over a considerable period and at varying times. I cannot say whether at this point we have finally determined what the base load is, but I can be fairly confident that our people who are carrying out these studies can satisfy themselves that the suggestion that Michell is putting one over us is not true. I would be very surprised if it occurred.

Mr KENEALLY: As the Director succinctly put it, the suggestion made to the Opposition was that, in fact, the company was trying to put one over the E. and W.S. Department. I am assured by the Director's comments that spot checks are made at different times and that the department is obviously aware that that possibility could occur. Even if the department believes that the suggestion might be unworthy, nevertheless it recognises the possibility and would certainly ensure that it did not occur. As I understand it, the volume of trade waste coming from Michell would take up to 25 per cent of the Bolivar treatment plant capacity.

Also, the extension from the Barossa Valley is to be accommodated there. Are we to foresee problems of capacity at the Bolivar treatment plant, having regard to the programmed effluent that it was going to treat, and now an additional permanent surge from Michell? Are we really getting into a difficult situation at Bolivar that would mean additional treatment works, or is the Minister content that there is no immediate problem and that the treatment works can accommodate the Barossa extension, plus the industrial extensions that are taking place in the northern suburbs?

The Hon. P. B. Arnold: As I understand it, in the foreseeable future the Bolivar plant certainly has the capacity to handle Michell and a load from the Barossa Valley. But, what development occurs and just how much ultimately comes from the Barossa Valley will, in the longer term, determine if and when extensions to the Bolivar treatment works will be necessary. The Director may have a better estimate of that programming and the likely surge load to be coming from the Barossa Valley, if that programme goes ahead, including the industrial trade waste from the wine-making industry in that areas. That is currently being investigated by a consultancy. Once that information is available, we will be in a better position to answer the honourable member's question.

Mr K. W. Lewis: At present, the Bolivar treatment works is loaded in the vicinity of approximately 7 per cent of its design, which means that it still has a significant capacity before it is fully utilised and required to be extended. Of course, there is provision in the design of the original plant for it to be extended. In fact, if I recall correctly, on the basis of estimates of growth in metropolitan Adelaide, made in 1954 when the plant was designed, we should have been extending it right now. That sort of growth has not taken place. I now look to the two points that have been raised. First, the Michell operations will not increase in any material way the load to the Bolivar treatment works. It is not increasing its wool scouring operation, which is the major load to the plant. I understand that the main part of its extension recently announced is to do with wool combing, which is the next stage in the wool processing procedure. So, in relation to the total organic or pollutional load on Bolivar, there is only a marginal increase as a result of the

next stage of the process. We do not expect a big load increase from Michell.

As to the Barossa Valley, that is at present in the hands of consultants, who will bring forward recommendations on the final way of dealing with the problem of winery waste and other waste disposal in that area. That problem is not only one of dealing with the very difficult waste in the Barossa Valley; it is also a very serious problem in respect of odours and the impact thereof on the tourist industry, as well as the pollution of the North Para River.

The consultants are now into the final stages of that study and we expect a report within the next six months. There are a number of alternatives. One can do the treatment in or near the Barossa Valley or bring the effluent down to Bolivar. The calculation as to which is the most suitable will be determined by the economics of both. The economics of increasing the capacity at Bolivar would be one of the aspects to be taken into account.

I am quite certain that the waste load from the Barossa Valley can be accommodated within the present capacity at Bolivar. That would bring forward the next extension at Bolivar as the load builds up on that plant, and that would have to be taken into account. Presently, we have no problem at Bolivar, but we will have to review that situation when we start to look at what will be done with the pollutional loads from the Barossa Valley.

Mr KENEALLY: I understand that South Australia is probably the only State in Australia that does not make an additional charge for liquid trade wastes that are serviced through the sewerage system. The charge to Michell is a normal sewerage rate, and we accommodate a noxious discharge, which puts an additional load on the facilities at our treatment works.

I accept the need to entice industry to South Australia. It is important in any competitive situation in which South Australia finds itself with other States in relation to major industry that we are able to compete. Obviously, concessions are given to industry. Having been a member of the Industries Development Committee, I am well aware of what takes place. Does the Minister or the department have a view on the principle of an additional charge over and above normal sewerage rates for noxious liquid wastes? I know that the South Australian Waste Management Commission report in December 1977 recommended that additional charges should be imposed for special types of noxious waste, etc. Can the Minister explain what takes place within his own department and whether he is, excluding the agreement with Michell, considering making a charge?

There is a problem with the wine wastes from the Barossa Valley that are to be fed into the Bolivar treatment works. I am not saying that wine wastes are necessarily noxious waste, but I understand that this can be a difficult waste to process. Will the Minister tell the Committee whether or not, as we give incentives in the disposal of that waste to industries, South Australia will be encouraged to become the centre for noxious waste-type industries in Australia, and whether what we have done for Michells was done because it is a South Australian industry to try to ensure that it stayed here. That sort of encouragement is not to be viewed by other companies as a base position to achieve a good deal with the South Australian Government.

The Hon. P. B. Arnold: One must realise the difference between noxious and toxic wastes and difficult wastes. Hamilton winery wastes have always been treated at the Glenelg sewage treatment works. However, noxious wastes are treated at Bolivar, and do not go through the sewage system. It is taken there by tanker or other means and then treated. That is where one must make the separation between difficult wastes and toxic/noxious wastes. Wastes from a winery, particularly a distillery, are difficult to handle but

are not noxious. As I say, South Australia has traditionally treated those difficult wastes on behalf of companies. All Governments in the past have abided by that approach, and I do not see any likelihood of change.

Mr EVANS: Will the Minister supply information about the monitoring, control and utilisation of pollution within our reservoirs, particularly referring to the controls and research that may take place in the water catchment areas that serve our reservoirs? I am conscious that Adelaide has its reservoirs closer to the metropolitan area than most other capital cities in Australia. I also realise that we do not have the high rainfall of some other cities, the area of mountain range from which to collect water, or soils that are suitable for the construction of reservoirs to enable us to retain water. I believe that that was the problem with the proposed reservoir in the Clarendon area.

Can the Minister inform the Committee whether or not that reservoir is likely to go ahead in the foreseeable future, or whether it is considered unnecessary, taking into consideration that at times we have wet years, when water flows out to sea and that at other times we are confronted with a season like this, when it would be nice to have as much water storage as possible? Are the Minister and his department concerned that over the years many hundreds of family homes have been demolished in the water catchment area? Can the Minister provide at some future time, the number of compulsorily acquired and demolished houses in the water catchment area?

I do not include buildings such as shops, business houses, farm buildings, and other buildings. I ask the Minister whether his officers are able to isolate the origin of pollution, or whether we are still in the experimental stage of trying to isolate the source of pollution resulting, from, say, increased use of artificial fertilisers, and whether that has caused eutrophication of our reservoirs? Has it to do with weedicides or herbicides used in agriculture? I refer to the situation at Woodside Army Camp, which is in the water catchment area and which is now to be further extended. The activities of people are the same within or outside the camp. Inhabitants of the camp have dogs and pets in the same way as do people living on farmlands.

Are eucalypt leaves a problem? When the Mount Bold Reservoir retaining wall was extended, a condition of the contract was that all bushland had to be removed because then (about 1962) it was believed that when the leaves rotted in the water they gave a taint and a discolouration to the water. Has that matter been subsequently researched? Similarly, what about adjacent pine forests? Many people had to leave their houses, but those properties were taken over by church and youth organisations to provide weekend recreation activities. Some of those properties are connected not to sewerage but to septic tanks, just as the original houses were, and in many cases these septic tanks are much closer to the river than those of the original houses. What is the position in regard to people swimming in the river? This activity must be of great concern to the department, more so than it is to people living on neighbouring properties.

I seek answers to those many questions, especially in regard to the progress of research to isolate the origin of pollution. Can the department isolate the origins of pollution, or is it merely controlling the situation in the hope that at some time it can be attributed to farming, residences, the activity of people living in residences, or their dogs or motor vehicles that are passing through the area?

The Hon. P. B. Arnold: I will not try to remember all the questions asked. However, in regard to the overall pollution of reservoirs as a result of activities in the Hills, it involves an on-going process whereby the department is collecting information year by year and putting it together. Certainly, pollution occurs as a result of dairies, septic tanks and

eutrophication, and the extent to which the eutrophication is attributed to particular areas is slowly but surely being identified. Certainly, most major capital works being undertaken on sewerage systems in the Hills catchment area are for the straight-out protection of reservoirs in order to try to control nutrient levels within those water storage areas. The next water storage to be built in South Australia will be the Clarendon proposal and, again, it involves a cost-benefit situation.

We have a 220 000 megalitre capacity in the Hills at the moment, and a capacity to pump about 300 000 megalitres from the Murray River. We must determine when it becomes necessary to construct the next dam as against our ability to pump from the Murray River with our existing capital having been spent on pumping plant and mains in order to deliver the water from the Murray. The same applies to other proposed water storages in South Australia.

Ultimately, it will be necessary to construct whatever storages are available in order to contain every conceivable drop of available water. At present, with the cost-benefit situation, it is a better proposition for us to pump from the Murray River while sufficient water is available from that source. I am not sure of current pumping costs in regard to electricity charges, but last year it was about 7 cents per kilolitre to pump water from the Murray River to the metropolitan area. That sum does not take into account overheads such as maintenance debt servicing charges on the capital involved. It will be some time before it becomes a proposition to build the next dam, because it is better at present to pump from the Murray River.

The honourable member referred to Woodside Army Camp and its development. I understand that the camp is just outside the catchment area. One must weigh up the effects of further development and, with those developments, the capital cost of sewerage as a result of eutrophication of the reservoirs. The general question asked was detailed and complex. I will ask Mr Williams to comment further on the operation of reservoirs in an effort to minimise eutrophication, in particular, and to comment on any other activities in which the department is involved in seeking to maintain the best quality water in those storages.

Mr Williams: First, I should like to clear up one matter about Woodside Army Camp. It is within the catchment area. There is a small treatment works at Woodside, and the effluent is pumped out of the catchment area. The town of Woodside also has a common effluent scheme, and we pump that effluent out of the catchment area. I will answer, as best as I can, the rather complex questions regarding monitoring controls and research into pollution in our catchment and the resultant effects on our reservoirs. We are and have been, over a number of years, testing for quality and quantity at various control points. We have been accumulating much data, which must be analysed in regard to what may be determined as a base condition.

Unfortunately, with our catchment, we could go back 25 or 30 years, when it would have been important to accumulate that evidence. However, as that has not been available, we have had to start from some basic position, and we are doing that now. In regard to the build-up of nutrients in our reservoirs and the possible increase in potential eutrophication, the phosphates, nitrates and other nutrients are continually being monitored in our reservoirs.

There are great advances in technology available to our laboratories to determine low levels of weedicides, herbicides, and pesticides in reservoirs (the exotics, we might call them), so our technical knowledge is certainly being advanced in our laboratories, enabling us to first detect and then measure these types of chemicals.

There were questions asked about the character of the bushland surrounding Mount Bold reservoir. The Onkpar-

inga catchment and the southern catchments at Myponga are characterised by a colour of the water resulting from tannin which comes from the foliage and the geological structures in the area. The comment made by Mr Evans is correct, there is colour in the water supplied to the southern areas. To the best of my knowledge we did not remove any bushland. We certainly would have logged and lowered the bush below the high water level at Mount Bold. Pine forests have been planted in that area over a number of years. There is an interesting study being undertaken regarding the quantity of run-off and quality of water in that area. In relation to the activities of the human section, I guess that that is a changing characteristic as numbers build up. A data bank of information is being prepared as the basis for future comparison and it will most certainly be possible to assess changes that occur in the future.

Mr EVANS: When the detail is available, will the Minister inform me how much copper sulphate is used annually in our reservoirs to combat eutrophication? Is the committee still investigating the recreational use of reservoirs and, if so, what stage has it reached in its recommendations about such future use? Also, has that committee made any recommendations about the use of other reservoirs, or greater use of existing reservoirs, presumably being used for recreational activities?

The Hon. P. B. Arnold: The Government has decided not to proceed with proposals for recreational use of reservoirs. The Government is rigidly restricting the activities of people living in catchment areas of reservoirs regarding what they can do on their own properties and what stock they can have because of the eutrophication of the reservoir. To open the reservoirs at the same time for sport and recreation would create a real conflict of interests.

The Government has decided that, although it might be desirable from the point of view of many people to open reservoirs for recreation purposes (and the South Para reservoir was the one studied in relation to this), it would not do so. So far as the eutrophication of reservoirs and the use of copper sulphate in those reservoirs are concerned, those questions would be better answered by Mr Williams as to how the use of copper sulphate interacts with the nutrients and the algae existing in the reservoirs.

Mr Williams: Records available indicate that copper sulphate use has increased over a period to combat the algae blooms occurring in the reservoirs. Algae blooms occur because nutrients are available for their multiplication. Those nutrients become available because of the development of agricultural and domestic practices in the catchment areas. The quantity of copper sulphate used is extremely low when taken as a part per million. It would have an insignificant effect on the quality of the water going to consumers.

Mr EVANS: Can the Minister say how many tonnes of copper sulphate are used each year in the reservoirs? I understand that it is in excess of 100 tonnes. Is that correct?

Mr Williams: I cannot say whether that statement is accurate. We will take the question on notice because I know that figure is available and can be supplied to the honourable member.

Mr EVANS: The department has the responsibility of giving permission for dams to be built, in particular, in the water catchment area. If I am wrong in that assessment I am prepared to be corrected. Is the site inspected before giving that permission for dams to be constructed? Is it inspected after completion and some time after completion, particularly after a wet season? I ask the same question in relation to permission given to property holders for bores for underground water supplies. In relation to dams, I know of one where a neighbour complains that permission was given for a dam to be built on a property above, resulting in the water finding a weakness in the soil, following a fault

and coming back up on the land of the property-owner below, causing problems to his use of his land. It appears that the owner has been able to achieve nothing in representations he has made to local government and also, I believe, to the department. I wonder whether inspections are carried out. In relation to drilling for underground water, has there been an increase in the applications for such activity in recent years or is it tending to drop off, and to what degree is the department monitoring the underground water supply, or is that left to the Mines Department?

The Hon. P. B. Arnold: What the honourable member says is correct: approval is required for the construction of dams. As to the inspections after they are completed, I will hand that question over to Mr Williams. There is no restriction on bores. It is necessary to obtain a permit before putting a bore in, but there is no restriction on it. What was the other query?

Mr EVANS: Do we monitor the underground aquifers to see what effect the bores have on different areas? I know we do it in the Northern Adelaide Plains, but what about in other areas?

The Hon. P. B. Arnold: The only place that would be monitored would be in the proclaimed areas such as the Northern Adelaide Plains, where it is necessary to keep a check on what is occurring in relation to the total basin. I ask my officers to provide some of the more technical detail in relation to the dams, dam construction and inspections.

Mr K. W. Lewis: Many years ago dam surveillance was brought in on the metropolitan watersheds. The objective of that was not to determine whether or not they were water-tight but to determine that they were most unlikely to fail and therefore cause a deterioration in water quality when they did fail. It is fair to say that we have had only one or two situations where dams have failed in the past. The inspections are fairly cursory or superficial because most of the dams up there are in scills which, if they are reasonably built, should be quite stable. As to the question of getting compensation for leakage from a dam, that is not a departmental responsibility. There would be, no doubt, some sort of litigation between the two landholders under common law. The department would certainly not get involved in that.

The Hon. D. J. HOPGOOD: I have three matters that I would like to raise with the Minister. I think that I can do it within the context of the three calls immediately available to me. First, I am seeking information about the future use of 20 hectares of E. and W.S. land in Byards Road, Happy Valley. The source for the information that I will impart to the Committee here is a letter that was written to the Minister on 9 July by Susan Lenihan, who is the A.L.P. candidate for the State seat of Mawson. The Minister may recall that letter. In it, Susan Lenihan reminded the Minister that local residents in that area, along with the school and the City of Noarlunga, were interested in the use of land owned by the E. and W.S. Department for water sewage treatment, as an open space reserve. She reminded the Minister that the Noarlunga Council was prepared to establish and maintain the reserve, if released to it by the department, and that therefore such action by the Minister would not be at any cost to his department in relation to the ongoing use, at least, of that piece of land.

She also reminded the Minister that in October 1980 he had stated that he was awaiting a report from his officers on the disposal options for the land available to the department, and she wondered why nothing further had happened even though nearly two years had elapsed. I take this opportunity of raising it with the Minister and would be grateful for any information that he could impart to the Committee.

The Hon. P. B. Arnold: The land to which the honourable member refers has in the past been used for oxidation

ponds. It is, because of its location, one might describe as an extremely valuable piece of real estate. It will be offered for sale to the district council. Whether or not the council takes up that option is yet to be seen. A similar situation occurred in relation to land that was surplus to requirements in another part of the metropolitan area where an option was offered to the Mitcham City Council, and the member for Mitchell was particularly interested in this subject a year or so ago. Ultimately, the council decided to take up the option and purchased the block of land on behalf of the residents in that council area. This piece of land will be available for purchase by the council if it so desires.

The Hon. D. J. HOPGOOD: I will not pursue that matter further because I have other fish to fry. If the Minister can give a specific time-table at a later date I will be grateful for it. I want to push a little further a question asked, along with one or two others, by the member for Mawson this morning in relation to filtration of the water supply from the Myponga reservoir.

If I briefly explain my concern to the Minister in this matter, the reference to the Public Works Standing Committee of the Happy Valley programme received a good deal of notice in the local press in the south. A lot of people did not understand at the time that a good deal of the south is not serviced at all from Happy Valley and that some is part-serviced from Happy Valley and part from Myponga. I would assume, therefore, that, with the completion of the Happy Valley scheme but with the Myponga scheme still in process, we would have a situation where some parts of the south (more O'Halloran Hill and to the north) were purely serviced by Happy Valley and would have filtered water throughout the year, and there would be areas of the south, particularly along the coast at Christies Beach and Port Noarlunga, that would not be getting filtered water at all. Areas such as Morphett Vale would have filtered water in the winter when supplied by Happy Valley but unfiltered water in the summer when supplied by Myponga. Could the Minister advise on that matter?

I have before me information which suggested that in mid-1979 when the programme commissioning the Happy Valley project was dated for the end of 1987, the similar programme commissioning the Myponga project was dated for the end of 1988. Could the Minister confirm that that programme is still as it then was?

The Hon. P. B. Arnold: Fundamentally, the water filtration programming has not been significantly changed in any way from that originally set down by the previous Government. The order of construction has been quite rigidly adhered to, as stated earlier by Mr Killmier. Hope Valley was the first one constructed and Anstey's Hill was the second. Currently, the Barossa filtration plant has been completed. Testing shows that filtered water is flowing from Barossa at the moment. The Barossa filtration plant is completed and the formalities of its coming on line will probably be in the next few weeks. Little Para is part way through construction and work has started on Happy Valley. I would imagine that Myponga construction will commence some way along the line during the construction process of Happy Valley. It could well be that the programmes outlined will basically be adhered to.

There has been no fundamental change from the programme originally mapped out back in the early 1970s, when the programme of construction was set. The order in which they were to come on line was set out. As a result of a stage programme building of all filtration plants in the metropolitan area, some areas will be filtered and others will not. This will continue until the last filtration plants are constructed. Even when the last filtration plant has been constructed in the metropolitan area we will still have vast

areas of the State served with virtually the same sort of water that is not filtered. There will still be plenty of people in other parts of South Australia who could be described as being disadvantaged in that they will not have filtered water. We could instance all the towns along the Murray River which are basically receiving the same water as people in the metropolitan area. None will have filtered water.

Certainly, the Mid North and the northern towns and most of Yorke Peninsula will be supplied. With the completion of the second filtration plant to be built at Stockwell, filtered water will be provided for the Barossa Valley also. There will still be people in South Australia on the same water supply which will be unfiltered. The order of construction was laid down in the early 1970s and has been precisely adhered to. Considering the 10-year construction stage and considering a total construction time of around 20 years, the programme will be closely adhered to, which is some achievement considering the size of the programme.

The Hon. D. J. HOPGOOD: My next question refers to the Murray River. I refer the Minister to an article written in *Environment and Planning* No. 1 of July 1982 where in Anne Jensen, environmental officer in the assessment branch of the Department of Environment and Planning, wrote an article titled 'Murray River Responding to Change'. That article will almost certainly have been perused by the Minister's officers. In this very interesting article, amongst other things, in regard to the future the writer stated:

The difficulty of evaluating the effects of change upon the river re-inforces the requirement that future management of the Murray should be based upon a knowledge of the environmental capability of the system.

It goes on to state:

Such management should take account of the many ecological considerations, for example—

It then goes on to list some of them. In the finish it states:

Sufficient areas of flood plain habitat with all their minor variations must be maintained to support the diversity of flora and fauna belonging to the natural river system—

The important point is:

—and also thought must be given to an allocation of flow out of the State's water entitlement simply to ensure the ecological health of the river system.

I seek information from the Minister as to whether this aspect has been investigated by his department. If so, have recommendations been made to the commission or elsewhere? It seems that allocation in the past has been based on what has been perceived as the needs of man, the domestic consumption, irrigation, and the like, but there are broader and longer-term considerations about the ecological health of the river system and the diversity of the gene pool which the whole system can support and which must obviously relate to the availability of water in the system. Can the Minister give any information on that matter?

The Hon. P. B. Arnold: The honourable member is referring to the availability of flush flows which will be of sufficient flow to spill beyond the confines of the banks of the Murray River out over the flood plains and the desirability of that to occur from an environmental ecological viewpoint. This is a problem with the increasing diversions that have occurred, particularly in New South Wales, and the greater utilisation of additional flows in that State and the greater damming and control of tributaries not under the control of the Murray River. We are finding that a situation is developing in South Australia, where, whilst it can be guaranteed of its entitlement for 39 out of 40 years, the flush flows that used to come through South Australia on a regular basis and produce inundation of the flood plains will not occur as frequently as in the past. I believe that this is unfortunate. Whilst we will get our allocation, the water will stay within the confines of the banks and not

spread. However, I appreciate the point made that it is necessary for the native trees from the flood plains to be covered with water. I refer to river redgums and box trees which need such flooding in order to germinate and grow. Without a flood over those flood plains no germination occurs.

Also, from a native fish point of view, fundamentally the only time that cod and callop, in particular, will breed is when water spills from the river, goes out over the floodplains and, as a result, the temperature of the water increases. Native fish tend to follow the rising floodwaters over the floodplains and spawn under those conditions. Particularly, as far as Murray cod is concerned, the floodplains being covered with water is critical to the survival of the young, inasmuch as the organism that comes up out of the dry clay once it is covered with water is the key to survival of the young fish in the early stages, particularly in the first three or four weeks after hatching. Without that process, fundamentally the native fish do not breed within the confines of the river proper. So, it is extremely important. The only likelihood of that occurring under normal controlled circumstances would be as a result of artificial diversion.

When we are talking about our allocation of water entering South Australia, the quantity of water required to do that would be far in excess of water available to us. So, the problem is appreciated, but with the additional commitment in the Eastern States the natural occurrence will be less and less. I am unaware of how or where the additional supplies of the water will come from to provide those conditions about which the honourable member speaks. This was one of the very reasons why the Government hotly opposed any further irrigation diversion on any large scale in either Victoria or New South Wales until these issues had been completely studied.

I think that, as a result now of the acceptance of the new River Murray Waters Agreement and of the attitude of the three States towards a much wider range of problems, other than just supplying them with their statutory allocation of water, a new approach has been adopted. From that point of view, I think it would be opportune if the Director-General, as Murray River Commissioner for South Australia, added to what I have been talking about because of the expanded role of the River Murray Commission now as a result of the agreement between the three States and the Commonwealth.

Mr K. W. Lewis: As members know, under the River Murray Waters Agreement, instead of the commission managing the water quantity in the Murray River, it now has to take into account not only matters of water quantity but also water quality and environmental matters. Taken in that context, a biological monitoring programme has already been instituted by the River Murray Commission. It is quite interesting that, for instance, up in the Barmera-Millewa Forests specific arrangements are being made to ensure the health of those forests and to make sure that they are not flooded at the wrong times.

Last year flows were put through the Barmera-Millewa Forests to ensure the completion and breeding cycle of ibis chicks. We have talked about the question of the changes that will take place in South Australia's ecology. As the Minister has pointed out, because the medial flows may not be experienced in the same frequency as in the past, there will undoubtedly be some change, the extent of which I cannot quantify at this stage. But, although the Murray River is seen as a regulated river with the Dartmouth and Hume reservoirs and other reservoirs on its tributaries, such as the Meningie lakes and dams on the Goulburn, the Murrumbidgee and other rivers, when there is a high flow in the river those storages really have hardly any influence at all. Taking the 1956 flood as an example, that filled all

the dams, and the river really performed as a free flowing river as it always has done. Flooding took place at the flats during that year as if there were no storage on the river at all. Although that has damped out in the less flooded periods, I think there were high flows in 1974 and last year when we did get flooding of those plains, the swamps and low lying areas near the river. I would not be able to say what the long term situation is, but it would seem to me that the impact would not be terribly great at this time. I have no doubt that biological monitoring taking place will indicate any trends in that regard.

The CHAIRMAN: Before I call on the member for Glenelg, I think the Chair has digressed to some degree during the day in questions asked, which have been fairly broad. It is difficult in some places to find reference to the subjects brought forward. From now on, if we could concentrate on particular votes to which those matters relate, by 6 p.m. perhaps we will have gone through the remaining votes. For instance, concerning the River Murray Commission, capital works, and so on, on the Hume dam, and the Griffith River interception scheme, perhaps when we are talking about the River Murray Commission, it may be more appropriate to discuss this under the capital works line rather than the present vote.

Mr CRAFTER: I turn briefly to the questions raised by the member for Stuart about waste treatment in connection with G. H. Michell.

The CHAIRMAN: I think this in one of the matters to which I have just referred. Members will notice that liquid waste management really comes under the 'Miscellaneous' line. We have allowed similar questions earlier.

Mr KENEALLY: I rise on a point of order. I think it would be under the E. and W. S. Department sewerage provision, which is rather a substantial line.

Mr Killmier: The reference there in the 'Miscellaneous' line is to the toxic waste facility at Bolivar. I think Mr Lewis made the point that the waste from Michell is non toxic waste such as such. I think that the appropriate line is the one we are on at the moment, because it really deals with sewage disposal at Bolivar, which is within the recurrent Budget, which is what we are dealing with at the moment.

The CHAIRMAN: We revert to the fact that there was a point of order by the member for Stuart. Because of the explanations given, I uphold the point of order and call the member for Norwood.

Mr CRAFTER: My question really relates to the Minister's line. The allegation made by the member for Stuart seemed to me to be very serious. The Minister said that he was not aware of the information coming to him from within or without the department about this matter. I would like to ask the Minister whether he will, in fact, conduct an inquiry into those allegations. I noticed that when the Director gave his reply he did not answer the question. It was not put to him, of course, whether he knew of that, but he implied that it may not be unknown to him that such a thing would occur. He reassured the Committee, for which we are grateful, that the E. and W. S. Department would not have the wool pulled over its eyes in those circumstances.

I think that that allegation is serious. Obviously, a lot of money is involved, and I would be reassured if the Minister would investigate these allegations.

The Hon. P. B. Arnold: I see no need whatsoever for any investigation unless the honourable member can furnish me with precise evidence of the allegations he is making. It is easy to make allegations. If the Government was to carry out inquiries every time an allegation was made, it would spend most of its time involved in chasing fruitless exercises. I am totally unaware that there is any evidence which would indicate that the department has been misled. The Director-General has said likewise. Unless the honourable member

can furnish me with some evidence that that is the case, then I have no basis upon which to take the matter further.

Mr CRAFTER: I think that it is sufficient for the purposes of the Minister that it be raised in this way. This is the most responsible way for the Opposition, which has a constitutional responsibility to raise matters of this nature, to raise them, and its credibility stands or falls on the way in which it behaves in raising such matters. I will ask a further question of the Minister which might indicate to the Committee whether or not the allegation was known within the department. Can the Minister or his officers say whether or not the method whereby samples were taken was altered at all during the test period, that is, whether or not the company was no longer notified or notified of these tests in a different manner during the testing period?

The Hon. P. B. Arnold: That area was covered by the Director-General in his response when he indicated that no precise time was given as to when the tests or sampling would be taken. The tests were carried out at random and the company would have been unaware as to when the department was going to move in and take certain samples. Unless the honourable member can come up with some precise evidence to back up the accusations that have been made, I will certainly not be taking the matter any further. Suggestions can be made at any time on any subject, but they really need to be substantiated.

It is a gross reflection by the Opposition on the department to suggest that it has had the wool pulled over its eyes. The Opposition has been in the game long enough to know pretty well what the load coming from Michells is, as a matter of historic information. The Director-General has given his views on the matter. Without some substantiating evidence from members, I certainly see no basis on which to take the matter any further.

Mr CRAFTER: The Opposition was not intending to pass any reflection on the department. I have every confidence in its ability to be discerning in matters of this nature, but it was of concern that that allegation was made. I was more concerned about the conduct of the company.

The final matter relating to these lines concerns concessions for water and sewerage rates that pensioners and other entitled persons receive. This amount of money is increasing substantially each year. I roughly added up the figures shown in the Auditor-General's Report under 'Pensioner Remissions' and that seems to differ from the amount appearing under the Minister of Community Welfare lines for remissions of water and sewerage rates. During the Estimates Committee on the community welfare lines I asked the Minister of Community Welfare some questions about this and he indicated that consideration was currently being given to transferring this responsibility of the granting of these concessions back to the E. and W.S. Department. Can the Minister state first, how those figures are reconciled and, secondly, the current position of granting these rates and concessions by the department which, in fact, delivers those services.

The CHAIRMAN: Would the honourable member please explain further and cite the pages and documents he referred to?

Mr CRAFTER: I refer to the Auditor-General's Report regarding pensioner remissions, pages 86, 88 and 90, that is, water, sewers and irrigation of reclaimed areas. The community welfare allocation is in the Estimates of Payments booklet on page 87.

The CHAIRMAN: We have not come to the vote on page 87 yet.

Mr CRAFTER: That is actually in the community welfare lines, but I am referring to that as the other side of the ledger with respect to pensioner concession payments. I am using it only by way of comparison.

Mr Killmier: The Auditor-General's Report would refer to actual payments made in 1981-82. The other document referred to is the Estimates for 1982-83.

Mr CRAFTER: It refers to actual payments for 1981-82.

Mr Killmier: I do not have that document.

Mr CRAFTER: There is the figure of \$6 756 000.

The CHAIRMAN: Is the figure just quoted by the honourable member from Parliamentary Paper No. 9, the Estimates of Payments?

Mr CRAFTER: Yes. I do not require this information straight away.

Mr Killmier: There is another point: the department's figures are the remissions given in any financial year, but the reimbursement by the Department for Community Welfare is on a May to May basis because that department has to be rendered an account in June so that it can pay it before the end of the financial year. There is always a carry-over figure for the month of June which is caught up in the following financial year. So, one is really looking at two different financial years: the E. and W.S. Department figures (the rates remitted by the department to pensioners for that financial year); and the Department for Community Welfare figures (payments made by the Community Welfare Department to the E. and W.S. Department to recompense it for amounts that it has remitted for the year to the end of May). There is a chance of a discrepancy between the two figures.

Mr CRAFTER: My original question concerned the transfer of the administration of remissions to the Department for Community Welfare.

Mr Killmier: The Department for Community Welfare handles these funds at the present time because my department believes that it is not in the business of concessions. We provide the facilities to ensure that people are provided with a concession, but we believe that the appropriate programme within the programme budgeting structure for showing such concessions is clearly in the community welfare area rather than in our area. I am surprised to hear any suggestion that it may be handed back to the department. Certainly, it has not come to my knowledge, and it would be resisted by me. I do not know whether the Minister would resist it, but I would, on the grounds that it is against the principles of programme budgeting.

Mr KENEALLY: I want to ask a question about urban flood and storm water problems. However, I take the matter of the Michell effluent one step further. I am surprised that the Minister acted as he did to a reasonable question from the member for Norwood. I remind the Minister that we are the official Opposition, and we do not raise matters of this kind unless we have good reason to do so. I can assure the Minister that the information that came to us is information on which we place some reliance but about which we are unable to tell him the source. The Minister has been around long enough to understand why that is so. We have reasons to believe that this situation could have happened. All the Minister has to do is ask his officers to check their figures in relation to the flow coming from Michells. Obviously, his officers are sufficiently on the ball to tell the Minister that the charges are either ill-founded or accurate. For him to reject this proposition out of hand seems to be unreasonable unless he, for some reason, believes that he may in some way disclose something that may embarrass him or the Government.

If the Minister is certain that there is no foundation in the matter raised, I would have thought that, now that it has been made public, it would be in his interests and those of Michells to have this matter clarified. All the Minister has to do is to ask his officers to investigate it. Is the Minister willing to investigate the charges that have been made by me as shadow Minister of Water Resources in line

with the question asked by the member for Norwood? Personally, I take it as a reflection on me and my role as a member of Parliament in regard to the suggestions that he made in reply to the member for Norwood. I can assure the Minister that we have not just picked the question out of the air and aired it here. We have reasons to ask the question.

The CHAIRMAN: Before calling on the Minister, I should say that the Chair has to make a decision on whether a question has become repetitious. As the member for Stuart has asked the question, I will give the Minister an opportunity to answer. I would say to the Committee that this should be the last time when the question can be asked.

The Hon. P. B. Arnold: As a matter of course, random spot checking will continue and, if there is any discrepancy in the information that the department currently has, that would have to show up. It is not as though checks on the load will cease: they will continue. If there is any validity in the fears that members have expressed, I am certain that, as a result of the continuation of the checking, it will certainly be brought to the fore.

Mr KENEALLY: In 1979 a study entitled 'Urban Flood and Stormwater Drainage Problems in South Australia' was published by the department, and in January 1982 a report entitled 'The Urban Flood Management of South Australia', reported:

A joint State and local government committee on urban flood management was brought down.

The information that I have is that both of these reports indicated that, as a result of poor or inappropriate development over the years, considerable flood damage has occurred in certain parts of metropolitan Adelaide, for example, in areas adjacent to Sturt Creek and the like. Can the Minister tell the Committee what funding is being made by the department this year to establish programmes to counter possible flood damage?

The Hon. P. B. Arnold: In line with the Government's decision to undertake this work, amendments will be made to the Local Government Act and the Water Resources Act. We have had lengthy discussions with the Local Government Association. The Government believed that the area in which legislative amendment should be made was in the Water Resources Act. However, the association was adamant that it would like to see the necessary legislative requirements included in the Local Government Act. As a result of those discussions, amendments will be made to that Act and to the Water Resources Act to enable the legal aspects of the urban flood management proposal to come into effect.

As a result of poor development (in many instances without care and consideration to the effects of creeks and streams), some problems have occurred which were highlighted about 12 or 14 months ago with the eastern suburbs flood. That flood brought the matter to a head, and it was clearly identified that neither local government nor the Government, through the E. and W.S. Department, had proper access to do anything about some of the problems that had occurred in creeks, particularly those passing through private property.

The amendments will enable the necessary approval to be given to allow access to local government and the Government. Also, they will provide access to local government; they will require that certain works be undertaken and enable the committee established by decision of the Government to carry out an exercise similar to the exercise undertaken in relation to flood management of the Torrens River. Each creek will be considered in turn, not only in the metropolitan area but also in country areas, at the request of local government. A flood management plan will be developed for each of the creeks in turn. The potential for flooding can thus be reduced to an absolute minimum.

Mr CRAFTER: This matter is of particular concern to local government bodies in my district. I have been having discussions with Norwood council about the management of creeks in its area. The Minister may be aware that that council is a member of an organisation of councils trying to deal with this matter in a limited way. The matter of gravest concern is the financial capacity of smaller councils to pay for the cost of management of creeks. There was a debate, to which the Minister alluded, about who is responsible for creeks that pass through private property when the flooding and maintenance of such creeks impinges upon the welfare of others.

Will the Minister tell the Committee what consideration is being given to assisting smaller councils, which have fewer resources than larger councils, to cope with the massive costs involved in the maintenance of creeks? The Kensington and Norwood Council has just diverted a creek near the Parade at a cost of nearly \$1 000 000. Residents and councillors agree that it is beyond the council's financial ability to do this year in and year out. It seems to me that we could set up legislative arrangements to tackle this problem, but without funding arrangements little can be achieved.

The CHAIRMAN: Does the question asked by the member for Norwood refer specifically to the River Torrens Flood Mitigation and Linear Park?

Mr CRAFTER: I am dealing with First, Second and Third Creeks.

The CHAIRMAN: Is it a general question concerning local government?

Mr CRAFTER: Yes.

The Hon. P. B. Arnold: The responsibility for urban local flooding is a local government one. I think that local government appreciates that, and, until there is any variation in that responsibility, it is a matter of where that responsibility lies. However, that is certainly where it lies at the moment. With the establishment of this Flood Management Committee the Government is endeavouring to supply engineering and technical back-up to councils. Any council can approach this Committee with a view to having a study made and recommendations brought back to it about what is the most effective way of handling a particular problem associated with a creek. The funding problem involved for local government is another issue altogether.

Mr KENEALLY: Last year, at page 88 of his report, the Auditor-General spoke critically about the department's ability to reduce outstanding rates. On page 90 of his report this year, the Auditor-General states:

Rates outstanding at 30 June 1982 were \$918 000 (an increase of \$347 000) and included \$333 000 raised prior to the 1981-82 rating year. The unsatisfactory level of outstandings was commented on last year. Although the department has upgraded monitoring procedures of outstandings, the situation has further deteriorated. The present recovery system still does not ensure payments or satisfactory arrangements for payments within acceptable time limits.

At page 2 of attachment five of the Budget papers, in relation to action taken in furtherance of the comments made in the Auditor-General's Report last year, the following appears:

An appraisal of the 'hard-core' debtors was undertaken with a view to obtaining further justification for the introduction of stronger recovery measures.

The present position is that approval has been given by Cabinet to amend the Irrigation Act to bring the penalty interest charged into line with that in the Local Government Act. Will the Minister inform the Committee just what was the problem in getting these unpaid rates that some irrigators are refusing to pay, and what sorts of actions he envisages will be taken under the new amendments to the Act regarding irrigators? Also, will the Minister say whether the powers

now vested in him as a result of those amendments will ensure the collection of this \$1 000 000 in outstanding rates?

The Hon. P. B. Arnold: The department and the Government are very conscious of the matter raised in the Auditor-General's Report. This is a long-standing problem. We are in the process of slowly but surely increasing the cost of water in irrigation areas to a level where it will meet our new operating costs. This has been an objective of Governments for a considerable period. The pricing structure for water in irrigation areas is reaching a point where, in the not too distant future, 100 per cent of operating costs will be recouped from the rate applied. Outstanding accounts for previous years are very much the result (and I think the honourable member is well aware of this) of the problems experienced in the horticultural industry, particularly in the canning fruit and wine-grapegrowing industries.

The citrus industry has been in a much better position in recent years than the canning fruit growing industry or the wine-grapegrowing industry. I think that most of indebtedness or failure to pay water rates is certainly in the area of growers producing wine grapes or canned fruit. I could highlight one or two instances where the growers concerned are predominately (or in one instance totally) canning fruit growers. The reduction in the requirement for canning fruit throughout Australia has hit those growers very badly. As a result of that and subsequent outstanding accounts, the Director of Administration and Finance has been contacting the people concerned and discussing their financial problems with them in an endeavour to sort out ways in which these accounts can be finalised. The Director has been visiting these irrigators on their properties and discussing this matter with them. The legislative changes on which we have decided have been approved by Cabinet. They are presently with the Parliamentary Counsel for drafting and will be introduced in the near future.

That will virtually bring irrigation charges in Government irrigation areas, or the method of penalty rates, into line with those applying under the Local Government Act in relation to outstanding rates. I believe that under the old system which has existed for a long time, where a flat 5 per cent interest charge was levied on an overdue account, once an irrigator exceeded the expiry date for payment of a water rate account, there was absolutely no incentive to pay that.

Mr KENEALLY: But 5 per cent was better than 18 per cent.

The Hon. P. B. Arnold: That is correct. Naturally, there was little incentive for an irrigator to pay that account once the 5 per cent charge had been incurred, before the 12-month period had expired. The proposal is to bring it into line with the principle adopted under the Local Government Act whereby the base 5 per cent will apply, increasing at the rate of 1 per cent per month thereafter. I believe that that will be an incentive that will bring in additional payments from outstanding rates.

Mr KENEALLY: Because of the constraints of time and because of the commitment that we have to complete the E. and W.S. Department before 6 p.m., is it your ruling, Sir, that any question dealing with the Murray River will be dealt with by the E. and W.S. Department as against the Engineering and Water Supply, which is the capital line? I want to ask a question on the Murray River. If you tell me, Sir, the line under which it is most appropriate, I will ask the question under that line.

The CHAIRMAN: The Chair will give the honourable member the opportunity in the line 'Works of a capital nature' on page 127 where there is a line relating to River

Murray Works, and South Australia's quota of expenditure on capital works of the River Murray Commission. It would be appropriate at that stage. There being no further questions, I declare the examination of the vote completed.

Works and Services—Engineering and Water Supply
Department, \$56 260 000

Chairman:

Mr E. K. Russack

Members:

Mr R. K. Abbott
Mr G. J. Crafter
Mr S. G. Evans
The Hon. D. J. Hopgood
Mr G. F. Keneally
Mr I. P. Lewis
Mr J. Mathwin
Mr I. Schmidt

Witness:

The Hon. P. B. Arnold, Minister of Water Resources, Minister of Irrigation, Minister of Lands, Minister of Repatriation, and Minister of Aboriginal Affairs.

Departmental Advisers:

Mr K. W. Lewis, Director-General and Engineer-in-Chief, Engineering and Water Supply Department
Mr R. C. Williams, Acting Deputy Director-General, Engineering and Water Supply Department.
Mr A. N. Killmier, Director, Administration and Finance, Engineering and Water Supply Department.
Mr K. R. John, Budget Accountant, Engineering and Water Supply Department.

The CHAIRMAN: I declare the proposed expenditure open for examination. It is to be found on page 127 of Parliamentary Paper 9, Estimates of Expenditure, but there is an explanation. The figure that I gave was \$56 260 000. That goes down to the line, 'Brunkunga Mines, \$60 000'. It is shown more readily on page 7 of the Appropriation Bill.

Mr KENEALLY: I notice that on Tuesday 31 August, the Minister responded to a question from Mr Trainer, the member for Ascot Park, in relation to a number of reports on the Murray River that had been commissioned by the E. and W.S. Department. The honourable member asked whether or not the Minister would advise the cost of each of those reports. The Minister's response was that he would not do so, as it was confidential between consultant and the Minister. I believe that reports of this nature are obtained at public expense, and that there would have to be an extremely good reason why the cost ought not be made public. If the Minister still insists that the costs are not to be made public, could he justify to this Committee (in fact, to the Parliament) why the Parliament of South Australia should not have access to the costs of preparation of public documents, and certainly, Government documents.

The Hon. P. B. Arnold: I take it that the honourable member is asking about the consultancy reports.

Mr KENEALLY: Yes. I will read the list of consultants and the nature of the work undertaken. In reply to the question 'How many consultants reports have been obtained?', the Minister replied, 'Twelve'. Nine of those 12 were as follows:

Consultant	Nature of Work Undertaken
Trojan Owen & Associates	River Murray Salinity Probe Investigation
Trojan Owen & Associates	River Murray Salinity Investigation
Trojan Owen & Associates	Implementation of public participation
Dr C. R. Twidale	Noora Basin Environmental Impact Statement
Kinnaird, Hill, de Rohan & Young	Noora Basin Salt Disposal Study
Kinnaird, Hill, de Rohan & Young	Murray River Overview Study
Kinnaird, Hill, de Rohan & Young	Lower Lakes Study Stage 1
Caldwell Connell AMDEL	Katarapko Island Environment Study Economic Impacts of Saline Water Supplies on Municipal & Industrial Use Stage 1

I understand, from reading the Minister's reply, that the other three, namely, River Murray Irrigation Overview Study, Stage 2, Economic Impacts of Saline Water Supplies on Municipal and Industrial Use, Stage 2, and Investigation of Saline Mitigation between Lock 2 and Lock 3 River Murray, have not as yet been completed. Some of these reports have been made public and others have not. Why has the cost of these reports been denied to the Parliament? There must obviously be a very good reason other than the Minister's response that it is confidential between consultant and the Minister.

The Hon. P. B. Arnold: Fundamentally, that is the reason for it. The consultancy is done on a tender basis, and the Government views it as being confidential between the client company that was appointed and the Government.

Mr KENEALLY: That would indicate that the Parliament is not to know what the Government pays for consultancies unless the Government itself determines that it will make this information available. As a Parliament, or as a Committee of Parliament, seeking to establish the costs of programmes and of the activities in which the department involves itself, we now find that, although it appears to be a fairly simple proposition that the costs of these consultancies ought to be made available, they cannot be made available. I suppose that all these people are public companies. I do not know about Dr C. R. Twidale. He is probably a public consultant who consults to all sorts of people, including the E. and W. S. Department. Why must charges to the department for the services of consultants necessarily remain confidential? The State Government is involved in consultancies, the cost of which is made available to the Parliament. I do not know why those should be made available yet these should not be. To me, quite frankly, it is incomprehensible that the department, the Minister or whoever finds it necessary to do so should refuse not me or the member for Ascot Park but the Parliament this information.

The Hon. P. B. Arnold: The figure for all those consultancies would appear in a total figure. The amount that the Government is spending on consultancies as a total would be available readily.

Mr KENEALLY: I point out that considerable relevant and very useful information has been provided as a result of my question. We have the commissioning date, the completion date and whether it was approved by Cabinet for the E. and W.S. Department. However, the cost of the consultancy fees have not been provided. A cost must have been established when the consultancy was agreed to. That information would be as readily available as would the commissioning or completion dates, who approved it, and so on. It is not a complex matter or a difficult proposition.

The Hon. P. B. Arnold: I am quite happy to take on board what the honourable member has said, and I will raise the matter again with Cabinet.

Mr KENEALLY: In dealing with the Murray River, would the Minister tell the Committee what action has been taken by the department to ascertain the levels of tri-halomethanes in the water supplied for Adelaide, and particularly for the northern centres such as Port Augusta and Port Pirie? I have statistics which suggest that a maximum figure for tri-halomethanes obtained at Port Augusta is 1 122. I believe that is parts per micro-litre. Would the Minister tell me what the technical term is?

In West Germany the level that is regarded as being acceptable is 25. In Canada it is 330. The average figure for Port Augusta is 383 and for Port Pirie 311. I understand that the maximum figure at Port Augusta is 1 122, for Port Pirie 688 and leaving Morgan 486. Will the Minister tell the Committee whether or not the department considers these figures to be serious or worthy of consideration? If so, what is it doing to monitor the problem and reduce the levels of tri-halomethanes in the water supply, particularly in the northern Spencer Gulf cities?

The Hon. P. B. Arnold: The fact that the tri-halomethane count is high in South Australia is precisely the reason why the Government proceeded with the appointment of personnel within the State Water Laboratory specifically to undertake this study. It is an area in which little is known. The World Health Organisation itself has not laid down a specific level as it has in relation to salinity, which I believe is 850 e.c. units maximum and which should not be exceeded as far as potable water is concerned. However, the World Health Organisation has not, to the best of my knowledge, come to a conclusion on tri-halomethanes, because it does not have sufficient data to know what effects tri-halomethanes have on humans.

That is very much the reason why Government decided that, in the light of the lack of knowledge available on this subject around the world, we in South Australia, with the comparatively high levels in South Australian water, its high organic content, the need to use high levels of chlorine as a result of turbidity in the water, and interaction between chlorine and organic materials, it would investigate the matter. We are not really aware of the long-term effects, if any, on people. That is why the study is proceeding in South Australia. The levels appear to be high, but we have little information on the subject. We are proceeding with our own investigations and research to try once again to come up with the answers in the same way that South Australia has done in relation to amoebic meningitis.

Mr LEWIS: I refer to the line 'Country waterworks' on page 127 of the Estimates of Payments. I would like information, if the Minister has it, about the proposal to provide the small fishing village of Southend (which has curiously small blocks, most of which are leased by the Lands Department) with a reticulated potable water supply. I have corresponded with the Minister on this matter for three years since the 1979 election. I am concerned that the township cannot expand given that there is not water supply and that it depends on the shallow underground aquifer at depths between 12ft and 18ft into which effluent from septic tanks returns from households using the water.

I see a health risk in that alone, if nothing else, and wonder whether it would be possible to break the impasse of the situation that has existed up until now, where there are insufficient residents to cover the cost and justify the expenditure on a reticulated supply of potable water. As there is no water, there are no prospective takers for the vacant land in the township, in order to enable the town to expand its population and thereby justify and meet that cost. It also has the unfortunate consequence of preventing

that town, as part of the District Council of Millicent, from developing as a tourist resort, even though it has as much natural beauty in its landscape and surroundings as have Beachport and Robe in the immediate vicinity. If the Minister has any information, I would be grateful for it.

The Hon. P. B. Arnold: I appreciate the problem outlined by the honourable member. It is really a problem of economics in relation to the exercise that was undertaken by the E. and W.S. Department, with the source that was decided on. That proposal, if fully implemented, would have cost about \$6 000 per allotment to provide a water supply to each allotment at Southend.

Its annual running cost would have been, in itself, way in excess of the rate revenue derived. We are talking about \$1 000 per allotment on annual running costs, which would be probably four times the rate revenue derived from each allotment. I also appreciate the point that has been made that in a number of towns like Southend where basically they draw their water from immediately beneath the town area, pollution occurs, particularly with the shallow aquifers, such as at Southend, and Coffin Bay, where exactly the same problem exists from the septic tanks, and obviously it is just not suitable for human consumption. It is not a potable source of water whatsoever. It clearly comes back to the cost of that scheme.

The member for Mallee has suggested to me that we would look at another source of water closer to Southend that has a higher nitrate content than does the source we were looking at before. This might reduce the development cost of that scheme, but I believe that we are still looking at a very expensive scheme for the residents of that community. Once again, as I said earlier, we would be looking at a significant capital contribution from that community for the implementation of that scheme, otherwise the effect of implementing a scheme in that area would be very expensive. Something like 30 other schemes have been put forward for other small areas in South Australia. This adds very much to the deficit operation of South Australia's water supply. Fundamentally, that is the key problem. It is the capital cost of \$6 000 per allotment and an annual running cost somewhere in the vicinity of \$1 000, which means that we could anticipate probably something like \$250 rate revenue. There would be a shortfall on every allotment in Southend of approximately \$750 or \$800.

Mr LEWIS: Could the Minister give us details of the cost of providing a reticulated water supply for people who live on Range Road between Houghton and Hermitage, which now has a reticulated water supply. I do not know whether they are part of the country water supply services.

The Hon. P. B. Arnold: The majority of residents along Range Road have had a water supply for many years. An upgrading of the system has occurred there, but the system itself has been in operation for some time. A number of residents along Range Road do not receive a water supply. Some are served by indirect services, but the work that has been carried out recently by the E. and W.S. Department in the Range Road area is an upgrading of the existing facility for people who are already paying water rates to the department.

Mr LEWIS: Supplementary to that, do we know the approximate cost of capital works to provide that water supply in that locality per block?

The Hon. P. B. Arnold: I am not sure when the initial scheme began, but the cost of work currently undertaken there is available. Mr Williams may remember the figure off hand, because the work has only recently been completed. That work upgraded booster pumping facilities so that people on the high points of the existing reticulation scheme did not run out of water during peak demand periods.

Mr Williams: In respect of works actually carried out involving augmentation of the pipe work on Range Road to improve the hydraulic capacity of the system, a booster pumping station adjacent to the Mannum to Adelaide pipeline has \$40 000 allocated in this financial year for its completion. So, the community along Range Road, Upper Hermitage, will be provided with a satisfactory water supply in the near future.

The ACTING CHAIRMAN (Mr Mathwin): I take it that the member for Mallee does not require a call for a third question.

Mr LEWIS: I will wait.

The ACTING CHAIRMAN: At the same time, I take this opportunity to remind the Committee that it is anticipated that the next three votes will be completed by 6 p.m. I ask the Committee to adjust their questions to that time, if possible.

Mr LEWIS: My question relates to the water supply at Kingston. I seek an assurance from the Minister that the present town supply and that to households immediately adjacent will not in any way be placed in jeopardy by any coal mining that might be undertaken there at any time in the future.

The Hon. P. B. Arnold: If, in the event of a major development like coal mining occurring in the Kingston area it would be a matter of additional facilities being provided. I would anticipate that that would be part of the development of the mining facility in that particular area, and would not adversely affect the town of Kingston.

Mr LEWIS: So, they are at no risk whatsoever?

Mr KENEALLY: This is my last question on this line. If the Committee agrees, the next two votes could be put. I ask a further question in relation to reports that the E. and W.S. Department and the Government have received in relation to the Murray River. A Murray River overview study was performed by Kinnaird, Hill, de Rohan and Young, and was completed on 5 June 1980. Another Murray River irrigation overview study stage 2, by Maunsell and Partners, is yet to be completed. Can the Minister tell me why it is necessary to have another report on what I understand to be the same subject? Was the Kinnaird, Hill, de Rohan and Young consultancy inadequate, which required the Maunsell and Partners study? I ask the question because of some confusing information gathered by reading the Auditor-General's Report at page 90, which says that that information will be made available so that costs can be reclaimed by 1988-89. In this year's yellow book at page 53, E. and W.S. Department, it states:

It is proposed to gradually increase irrigation and drainage rates to recover annual direct operating and maintenance expenses by approximately 1990.

That is a year different from the Auditor-General. The report continues:

An irrigation overview study has been conducted to assist long-term development strategies.

Last year it said this in the yellow book at page 13(46):

It is proposed to gradually increase irrigation and drainage rates to recover annual direct operating and maintenance expenses by approximately 1991.

So, we have had 1988, 1989, 1990, and 1991 in three different documents. It was stated:

An irrigation overview study is being conducted to assist long-term development strategies.

Last year we were looking to 1991 when an overview study was being conducted. This year we are looking to 1990; an overview study has been conducted. The Auditor-General used figures of 1988 and 1989. Are we talking about the same overview study? Why is it necessary, in view of that to have Maunsell and Partners prepare a stage 2 Murray River irrigation overview study? Does that suggest that the

one received by Kinnaird, Hill, de Rohan and Young was deficient and, if so, in what respect?

The Hon. P. B. Arnold: The first report was not in any way deficient. The first study was one of the current situation. It is a two-stage study: the first stage was a status report to determine, identify and document the current status of irrigation in South Australia; the second stage, which Mathwin is undertaking, is to identify what works should be done and what alterations should be made, having identified in the first stage the precise status. Up until that time there was no document which clearly set out the status of irrigation in this State.

Once having obtained that information, it was then a matter of the second stage, which would identify what options, improved irrigation practices and other matters should be supported and encouraged by the Government to get on top of the problems that were identified in the first stage.

Mr KENEALLY: Did you appoint the second consultants or did you go to tender for consultancy?

The Hon. P. B. Arnold: The consultants were appointed by tender. In other words, the first stage was undertaken and we received that. The second stage was then once again offered to consultants with a brief and the department made a recommendation to me on the consultancy that they believed would provide the information that we were seeking.

The ACTING CHAIRMAN (Mr Mathwin): There being no further questions, I declare the examination of the vote completed.

Works and Services—South-Eastern Drainage Board,
\$210 000—Examination declared completed.

Minister of Water Resources and Minister of Irrigation,
Miscellaneous, \$1 569 000

Chairman:

Mr E. K. Russack

Members:

Mr R. K. Abbott

Mr G. J. Crafter

Mr S. G. Evans

The Hon. D. J. Hopgood

Mr G. F. Keneally

Mr I. P. Lewis

Mr J. Mathwin

Mr I. Schmidt

Witness:

The Hon. P. B. Arnold, Minister of Water Resources, Minister of Irrigation, Minister of Lands, Minister of Repatriation and Minister of Aboriginal Affairs.

Departmental Advisers:

Mr K. W. Lewis, Director-General and Engineer-in-Chief, Engineering and Water Supply Department.

Mr R. C. Williams, Acting Deputy Director-General, Engineering and Water Supply Department.

Mr A. N. Killmier, Director, Administration and Finance, Engineering and Water Supply Department.

Mr K. R. John, Budget Accountant, Engineering and Water Supply Department.

The ACTING CHAIRMAN (Mr Mathwin): I declare the proposed expenditure open for examination.

Mr CRAFTER: My question seeks some information about the line 'Protection and improvement of the River Torrens—purchase of land subsidies to councils, administration and other expenses'. I accept that the information may not be available now about the way in which the \$40 479 was expended and how the \$25 000 is proposed to be expended this year. The Minister will know that there are a number of properties in my electorate and portions of those properties have to be acquired for this purpose. Indeed, some of my constituents are expecting compensation of around that full amount of \$25 000. I am surprised to see that such a small amount has been provided for that purpose, although I understand that those negotiations might not be completed in the current financial year.

The Hon. P. B. Arnold: The reason why the amount is very small is that the amount that the honourable member is probably looking for is on page 127 'The River Torrens Flood Mitigation and Linear Park' and most of the expenditure which he is referring to and which affects his constituents is contained in that particular line. The amount shown there is \$2 700 000.

Mr CRAFTER: I cannot fathom the sum for dredging and desnagging of the Murray River. I see that nothing was provided in the Budget last year but that it was necessary to spend an odd amount of \$199 999. This year a token amount of \$25 000 is set aside. Can the Minister explain this?

The Hon. P. B. Arnold: A significant amount of work was undertaken on the Murray River last year, particularly dredging between Loxton and Renmark. That section of the river was cleared to a navigable depth, which allows vessels the size of the *Murray Explorer* to travel through that area. Most of the problem snags that were identified during the past two years have now been removed and the provision of \$25 000 is there for any unforeseen snagging or minor work that might be needed. Fundamentally, the principal dredging work that was necessary has been undertaken.

Mr KENEALLY: I draw the Minister's attention to the line 'Legal costs incurred in appeals to the Land and Valuation Court of New South Wales'. Last year \$53 000 was voted but, in fact, only \$1 424 was spent. This year \$30 000 is the vote figure. Does this amount suggest that the Minister anticipates that in these days of increasing costs there are going to be fewer appeals to the New South Wales Land and Valuation Court, as we are voting \$23 000 less, or is it a precautionary figure based on no sound knowledge as to what it is likely to cost?

The Hon. P. B. Arnold: That provision has been set aside because of the action that we were taking in relation to the irrigation diversions in New South Wales. In 1981-82, \$53 000 was set aside. We expect a considerable amount of the cost involved in that action is yet to come in. Costs incurred and paid out last year were only \$1 400. The \$30 000 is set aside to cover anticipated costs that will ultimately come in as a result of the action that was taken about 12 or 18 months ago in our opposition to the irrigation diversions in New South Wales.

Mr KENEALLY: I understand that the Minister does not expect that there will be any need for the South Australian Government to take any further legal action against the New South Wales Government, although that does not prevent it from doing so if the need arises. The \$30 000 will be to pay for costs already incurred, but there is not any suggestion that that sum will cover other matters. Is that correct?

The Hon. P. B. Arnold: That assumption is correct. In fact, as a result of the agreement now having been reached between the three States and the Commonwealth, it is not

expected that there will be any further litigation between New South Wales and South Australia. The working relationship existing now between the three States is extremely good in the light of the new agreement, and the attitude to the total concept of management of the river has improved dramatically. I do not expect any further litigation.

Mr KENEALLY: I refer to the line 'Preliminary Investigations—Water Supply, sewerage, irrigation and sundry works', and I refer to the \$1 000 000 provided in 1981-82 in relation to sundry works and actual payments of \$1 200 000. The sum of \$500 000 is proposed to be spent this year. Can the Minister explain the reason for the variation in that line?

The Hon. P. B. Arnold: In 1981-82, expenditure included the final write-off of water resources and management costs which were transferred to the department's operations in 1981-82. Those costs will not exist this year.

Mr KENEALLY: I refer to protection and improvement of the River Torrens, the clearing of the river bed. The sum of \$50 000 was voted with only \$35 000 being expended. No vote is proposed this year. Is that because the work will be undertaken by a different authority or has the river bed now been satisfactorily cleared?

The Hon. P. B. Arnold: It was the result of the special clearing that was undertaken last year to get a flow-through passage developed. That work has now been taken over by the flood mitigation organisation and the River Torrens-Linear Park organisation, as indicated earlier.

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

[Sitting suspended from 5.57 to 7.30 p.m.]

Lands, \$19 291 000

Chairman:

Mr E. K. Russack

Members:

Mr R. K. Abbott
Mr G. J. Crafter
Mr S. G. Evans
The Hon. D. J. Hopgood
Mr G. F. Keneally
Mr I. P. Lewis
Mr R. J. Randall
Mr I. Schmidt

Witness:

The Hon. P. B. Arnold, Minister of Water Resources, Minister of Irrigation, Minister of Lands, Minister of Repatriation and Minister of Aboriginal Affairs.

Departmental Advisers:

Mr K. C. Taeuber, Director-General, Department of Lands.
Mr E. A. R. Mellen, Director, Administration and Finance, Department of Lands.

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

The Hon. D. J. HOPGOOD: I direct the attention of the Minister and the Committee to page 105 of the Estimates of Payments and the line 'Survey Division—Surveyor-General and Staff'. When one looks at this line one notices that last year an amount of \$4 730 000 was appropriated to this line and that actual payments during the year amounted to \$5 098 000. This year it is proposed to appropriate \$5 026 000, which, although higher than the vote last year, is down on the amount actually spent during that year. If

we turn our attention to the yellow book at page 95 we note that under the subprogramme titles 'Production of Maps and Aerial Photographs' and 'Conduct of State Land Survey', which I presume together comprise the vote we are referring to, the employment levels generated by these expenditures are as follows: for 'Production of Maps and Aerial Photographs' the proposed employment level for average full-time equivalents was 129, the outcome was 131, and the number proposed for this year was 123; for 'Conduct of State Lands Survey' the proposed employment level for average full-time equivalents for 1981-82 was 103, the outcome was 105, and the number proposed for 1982-83 is 97. There was a proposed employment level total for average full-time equivalents last year of 232; the outcome was 236 people actually employed; and this year there is a proposal to employ only 220 people. This matter is highlighted in the yellow book on page 93 and I think I should read into the record one or two comments about major resource variations. It states:

The net decrease in expenditure of \$93 000 results from two factors. Firstly, a differing pattern in capital expenditure resulting in an increase of \$149 000 and, secondly, a decrease in recurrent expenditure of \$242 000.

Then there is comment about contingency expenditure, to which I may return shortly. It states further (and I think this is very frank):

To retain staff levels of June 1982 is not possible within the proposed expenditure limits and even though part of the Contingency reduction has been allocated to salary expenditure it has still been necessary to lower manpower usage by 15 F.T.E. positions—

that does not quite line up with the 16 mentioned on the other page, but I am not going to quibble with that—

resulting in a reduction of \$224 000 Salary expenditure, in order to achieve the overall reduction in recurrent expenditure.

Production of maps will be reduced by 30 per cent and the cyclic photographic coverage of the State extended from 5 to 6 years reducing Contingency expenditure generally by \$155 000 and manpower levels by 7½.

Extension of the primary geodetic network into the northern areas of the State and the tertiary network into rural areas will cease, and the cyclic maintenance programme for geodetic and bench marks increased from 5 to 7 years reducing Contingency expenditure generally by \$119 000 and manpower levels by 7½.

The Minister is well aware of that. He has been approached about this matter by people from the Public Service Association, and so have I. Does the Minister agree that this reduction of effort must create problems for other areas of Government effort, for example, mineral exploration and survey, freeholding of leasehold lands and subdivisions, and the creation of new settlements? If so, what does the Government propose to do about it?

The Hon. P. B. Arnold: The reductions we are talking about here and in other Government departments are taken fully into account by the Budget Review Committee and Cabinet as a whole when framing the Budget. Many of the items listed here to which the honourable member has referred are part of a programme that will be extended to some degree, which will not affect the overall position in the long term.

The honourable member mentioned the reduction of the production of maps by 30 per cent. That refers to the total mapping area of the State. There are obviously certain maps that are in demand for use in mining, exploration and other areas of interest. Where there are requirements and considerable activity maps of those areas will be maintained. There are obviously certain maps produced that are of little demand and in those areas of little demand effort will be reduced. Obviously, where there is a significant demand those areas will be concentrated upon.

The Hon. D. J. HOPGOOD: That answer is a little disappointing because my question was almost a Dorothy

Dixer. There has been talk around the Public Service that the Government has agreed to a supplementary \$448 000, which amount would obviate the necessity for this reduction of 16 full-time equivalent employees. I was rather hoping that we would have been able to get that matter on the record.

I will proceed to my second question. However, the Minister may want to comment further on my remarks. It has been suggested that if this matter is no longer a problem (and possibly I have been misinformed), then what remains a problem is the matter of contingency expenditure. Here we turn to page 106 of the yellow book where, under 'Survey Division' we note that \$1 226 000 was voted last year and \$1 283 000 was spent. However, only \$1 135 000 has been appropriated for this year. The suggestion was made that that level of contingency expenditure would hardly sustain the total workforce from last year in gainful employment. Does the Minister adhere to the figures for full-time equivalents set out in the yellow book and, if he does not, can he marry what seems to be the discrepancy between what might be the new figures and the continuing reduced allocation for contingency expenditure?

The Hon. P. B. Arnold: The figure we arrived at relates to the total number of full-time equivalents. It was necessary to reduce the Lands Department staff by 28.9 full-time equivalent positions. So far as the redeployment of staff is concerned, that will occur as a result of attrition and voluntary transfers. It has been decided that there will not be any compulsory redeployment.

Therefore, the figure about which we are talking here could vary somewhat on what is contained, but there is no way to determine precisely what that figure will actually be. The honourable member was talking about the \$448 000 that he mentioned. As a result of there not being compulsory redeployment, the figure could vary anywhere between zero and \$448 000, but there is no way of indicating that, because it depends purely on what redeployment will naturally occur.

The Hon. D. J. HOPGOOD: The position is becoming a little clearer to me. This is not my question (the Minister can pick it up later if he wants to), but I assume that he is saying that that \$448 000 is a reserve amount that may be necessary to prevent what otherwise would be an overrun on the vote, because it may not be possible to redeploy some people into other areas as quickly as the Budget figures would dictate.

If I can turn to my third question in this call, carrying on with the matter of contingencies, we have additional information on page 94 of the yellow book over and above what we had last year, and that is in relation to fixed asset information. The most spectacular aspect of that fixed asset information is the survey aircraft; I take it that the figure of \$765 700 is the replacement cost of that aircraft. In view of the reduction of effort in the department, will this aircraft be utilised to the fullest practicable extent? Obviously, the thing cannot be in the air every day. Will it be utilised in the most efficient manner possible, or will there be problems in this utilisation because of reduction in effort and in staffing levels? Although, obviously, the Minister cannot give us this information now, could he at some later date provide us with information along these lines: how often is the machine used? What are the flying hours for the past three years? What are the anticipated flying hours for this year? What is the predicted life of the aircraft?

The Hon. P. B. Arnold: First, the survey aircraft identified at \$765 700 is the book value of the aircraft, not the replacement value. We are talking about a reduction of 28 per cent on last year. That means some 302 flying hours as against 420 last year.

Mr EVANS: I seek information from the Minister in relation to the leaseholding of land through the Lands Department and whether that programme is progressing as rapidly as the Minister expected. Can he give a report to the Committee or some indication of the numbers of people who are leasing land or who have leased land and have moved to freeholding their land?

The Hon. P. B. Arnold: The applications for conversion to freeholding are an initiative of the Government that is available to the public. We have not gone out to try to convince people or to market the land. It is an option that is available under the present Government's philosophy. The total number of applications received as at 31 August 1982 is 1 630. The number of applicants who were advised of offers (the ones that have been processed) is 1 464. The number of acceptances is as follows: land grants, 755; agreements to purchase, 305. In other words, a total of 1 060 freeholding proposals or offers that have been made have been taken up. That is an acceptance rate of 72.4 per cent of the total number of applications that have been made. That roughly covers the figures that the honourable member is seeking.

Mr EVANS: Have there been any refusals or are some still being processed? The next point I want to query—

The CHAIRMAN: Order! Would the member for Fisher like that clarified now?

The Hon. P. B. Arnold: The number of offers that have lapsed is 372—in other words, offers that have gone out to price, to valuation, and the freeholding figure that has been placed on the land has been such that the applicants have decided against proceeding with the offer to freehold.

Mr EVANS: The next question is related to an area of the Registrar-General's office, which I believe handles the distribution of titles, the exchange of ownership, or new titles that are created. In years gone by there has always been a long backlog of people waiting for titles to be processed, but within recent times the methods have been changed in the Registrar-General's office. Is there a long list of people waiting for a title to be issued or have the new methods that are being used tended to reduce that backlog?

The Hon. P. B. Arnold: I cannot give the actual time factor of the delay between the application arriving with the Registrar-General and the documentation being completed, but I believe that the Director-General could probably shed some light on that.

Mr Taeuber: There is always a delay inherent within the process of the work associated with transactions lodged with the Registrar-General, but at the moment the time has been reduced by adaptation to changed processes. There is now a backlog in dealing with surveys lodged with the Registrar-General because there has been a sudden upsurge in the numbers of surveys lodged. We assume that it is caused by the imminence of the new planning arrangements and that people are seeking to get their surveys through the process before the new planning arrangements come into effect. That is a natural phenomenon that always occurs when there is a change. There has been an improvement in the rate of processing documents, but there is now a temporary backlog in the survey examination area.

Mr EVANS: The other area that I wish to query is that of surveys. It has come to my notice that in recent times with many of the applications for new titles or adjustments to titles and even, in some cases, only minor adjustments to titles, in applying for a new title to be issued, the department is asking for a certified survey which runs, in many cases, into thousands of dollars. It appears that some of the old surveys were not accurate and that the new owners, unbeknown to them, are suddenly faced with a massive cost. I believed that the department held a reserve fund. I am not sure what that fund was for, but I believe that some

moneys were held for corrections—it may be only where it can be proved that the department is in error.

Some of the certified surveys asked for are very old. In some cases the corrections are quite large: I heard recently of one that was up to five metres. Sometimes in rural areas it is only a matter of centimetres—not even metres. However, the correction process of going back to points certified by the department accepted as being the set-off point is quite high and sometimes the owners of the land are of moderate means. I ask the Minister whether his department is concerned about the number of certified surveys requested. It is a move by the department to try to get all titles up to date and place the burden on present owners when in fact it may not have been their error: it may have been inherited by them.

The Hon. P. B. Arnold: The policy has been followed by the Lands Department for a long period because the freehold title of land in South Australia is absolutely guaranteed by the Government. It has been a process for a long period that these surveys are required otherwise, if a mistake is perpetuated, it worsens every time a further subdivision is made. The honourable member is quite correct—a fund is provided whereby, when a fault can be shown to be that of the department or the Government in relation to a survey, the Government is liable and the cost is recouped from that fund. It is an important question. I believe the Director-General will be able to expand on it.

Mr Taeuber: There has been no intentional increase in the number of times a survey is required in the circumstances mentioned by the member. It is an ongoing process to correct deficiencies in the identification of land; that process has existed ever since the early days of settlement of this State. It is true that, if a person's title is found to be defective and that defect causes them loss, they can claim compensation under the insurance provisions of the Real Property Act. Therefore, it is essential that every effort be made to protect the public purse from such occurrences. It is also in the interests of the individual to avoid the possibility of a boundary dispute between himself and his neighbour. In every case where a subdivision of land is contemplated, an outer boundary survey is requested to ensure that the subdivision does not perpetrate some of the unfortunate survey inaccuracies of the past. The department undertakes, of its own initiative, surveys where there is a high incidence of confused boundaries. Some of the older parts of the metropolitan area have a high incidence of survey deficiencies, sufficient to justify complete re-survey of the total area. That work is undertaken according to the resources that we have available.

The Hon. D. J. HOPGOOD: I also have a question or two in relation to the line for the Registrar-General's Office. If we look at the Budget papers we note that the appropriation is only marginally above that appropriated last year—\$3 023 000 last year up to \$3 131 000 this year and a little below what was actually spent—\$3 147 000. If we turn our attention to page 96 of the yellow book we see, under the heading 'Establishment Operation and Maintenance of Land-Related Record and Registration' (and I assume that that is what we are talking about here), that the proposition last year was for 214 full-time equivalents and this year for 207 full-time equivalents. In fact, the number employed last year was 198.4. I would have thought that staffing was fairly critical to the need being addressed as set out on page 95 of the booklet which states:

To process as expeditiously as possible all documents relating to land transactions as prescribed by the Real Property Act, 1886-1980.

I would be interested in learning from the Minister the reasons for fewer people being employed than was intended last year. Will the Minister also advise me as to the impact

of employment figures as set down in the Budget papers for the coming year in terms of service to the public?

The Hon. P. B. Arnold: I do not believe the public will see any impact in terms of service to it. In fact, the service has been of a very high calibre—virtually instant. One might notice that it is in the form of a few hours delay, but certainly the impact on the public will be negligible.

The Hon. D. J. HOPGOOD: I am pleased to have that assurance from the Minister. Perhaps he can clear up various stories I have heard floating around about just how quick it is for a title search to take place at present. On the one hand I am told that, where the average used to be about 15 minutes, it has now stretched out considerably from that. I am told by one person involved in brokerage that there are certain times of the day when it is not possible for the public to be properly serviced. On the other hand, a member of the Leader's staff was down there recently on a title search and assured me that the service was extremely good—about 15 minutes was all that was required. Finally, it has been put to me that it is a general rule of thumb that service should never take longer than 4½ hours but, if in fact it does take that long, someone from, say, the District of Chaffey would have to stay overnight to obtain information. There seems to be confusion about the time it takes. Can the Minister clear the air, as I am sure we will all be grateful?

The Hon. P. B. Arnold: I do not think people will find the problem suggested by the honourable member. In fact, with the LOTS terminals that are now available in country areas, people in the Riverland need not come to Adelaide to get that information. They only have to phone into the Berri office and it can come straight through or they can go into the Berri office and get that information very quickly. Obviously, at certain times of the day there are peak periods. I went out to where the LOTS computer is housed a few months ago and watched the operations. I was given a thorough inspection and explanation by the operators. On the graphs one can see the peak-load periods between 9 a.m. and 10 a.m., when the teabreak occurs at various land agents offices throughout South Australia. It then mounts to a peak around 11.30 a.m. and tails off during the lunch period. If any landbroker or agent has experienced delay they would only have to send their requirements through during the teabreak periods or lunch hour to get virtually instant service.

It is a matter of how much capacity one has to satisfy those three or four peak periods during the day, as against the time that is available during the day when there is surplus capacity in the system that is not being used.

The Hon. D. J. HOPGOOD: The matter of corporate plans, which was referred to once earlier today, is becoming a feature of the Public Service scene. Returning, for the moment, to the Survey Division, I understand that a corporate plan that has been prepared for that area has been before the Minister. Can the Minister give any information to the Committee about the current state of play for corporate planning?

The Hon. P. B. Arnold: That corporate plan has not been implemented at this stage. It is still in the draft form. As soon as it has been finalised and approved, it will become operative within the department.

Mr RANDALL: My questions relate to the Auditor-General's Report, page 117, and to page 103 of the yellow book, under the title 'Land and real estate services; sale of Government properties'. First, what is Government policy on method of disposal of land deemed to be surplus to Government requirements? Who is offered the parcels of land and in what order?

The Hon. P. B. Arnold: Principally, other Government departments are informed of the surplus Government land that is available. It is for them to indicate, when requested,

whether they have any need for that land. Usually, following that, if there is no indication of other departments requiring the land, it is then offered by auction. Perhaps the Director-General can add to that.

Mr Tæuber: It has been the longstanding practice that before any Government-owned real property is disposed of it is first to be ascertained that there is no other requirement for it within Government or local government. Therefore, the practice is established to advise either Government departments or local government authorities in the area in which the land is located as to its availability, and to give those authorities a period in which to indicate whether or not they wish to purchase the property. If the response is negative, the property is offered for sale by auction.

Mr RANDALL: Given that in the other mechanism private sector real estate agents are involved, I ask how many of all the sales listed in the Auditor-General's Report were sold to private enterprise, and what role private real estate agents play in those sales?

The Hon. P. B. Arnold: Fundamentally, the honourable member is looking for statistical information. I do not know whether the Director-General has those precise figures here. Perhaps he could indicate whether he has. If not, we will take that on notice.

Mr Tæuber: The figures shown in the Auditor-General's Report were related to properties sold by auction or by private treaty subsequent to auction through real estate agents. They would not include figures related to property taken up by another department or authority that would have been subject to adjustment in accounts through the Treasury accounting system. The total amount shown in the Auditor-General's Report would represent properties disposed of through private real estate agency services.

Mr RANDALL: The yellow book states:

The proceeds from sales during the year amounted to \$6 000 000.

I take it that is the overall surplus of Government-held land of all the land sold, which sales netted \$6 000 000.

The Hon. P. B. Arnold: This figure relates to land that was disposed of by the department. Other departments have their own real estate agencies within them. The Highways Department, for example, and the E. and W.S. Department have a property section which can dispose of Government property. I see that as being the figure that has been realised as a result of sales of land held by the Lands Department and other Government departments, such as the Education Department, and so forth, that have been disposed of by the Lands Department.

Mr RANDALL: I seek clarification from the Minister. I had the impression that the Minister's department was responsible for implementing policy for this Government to dispose of surplus Government property. Therefore, all property sales would come through the Minister's department.

The Hon. P. B. Arnold: No, that is not precisely the case. Cabinet has given approval for the E. and W.S. Department and the Highways Department property sections to dispose of Government property internally within those departments.

The Hon. D. J. HOPGOOD: Perhaps I can show my hand at the very beginning of this line of questioning. I am really after information about the total resources available to land resource management and, particularly, to the Pastoral Board. When one looks at page 105 of the Budget document, one has just a little trouble in piecing together exactly what has happened to this vote, because, when one looks for at what was appropriated last year and the actual payments one sees that under 'Regional operations', for example, there is the statement 'previously shown in part', under 'Administration and Finance, Land Resource Man-

agement and Valuer-General's Office'. Just what part is involved is a bit difficult.

So, I will assume that the more straightforward figures are in the yellow book on the pages following page 91, where the total votes under 'Management of unclaimed Crown land and administration of Crown leases' comes to \$1 713 000. I am also assuming (and the Minister can correct me) that the full-time equivalent employment figures which would correspond to that are on page 91 of the yellow book. It shows that, taking together the figures for the management of the unalienated Crown lands and the administration of Crown leases, last year it was assumed that 62 people would be employed, yet 70 were. This year, we are looking at a figure of 73.7. The Minister can confirm or otherwise whether or not my guesses as to how these figures fit together are correct. I want to know what is the staffing of the Pastoral Board. How many pastoral inspectors are involved? Does the Chairman have a support staff and, if so, how many people are involved in that support staff, and what other staffing resources are available to the Pastoral Board?

The Hon. P. B. Arnold: Going back to the beginning of the question, the Land Resource Management Director/Chairman, general members of the Land and Pastoral Boards and general and clerical staff figure is now contained in the line above in the Budget documents. If one moves to the actual staff available to the Pastoral Board for outback management, one is looking at a total of 12.

That comprises Mr Barratt, Range Technician; Mr Byrnes, Pastoral Inspector; Mr Choate, Range Technician; Mr Drevin, Senior Range Lands Officer; Mr Durdin, Secretary of the Dog Fence Board; Mr Edwards, Senior Pastoral Officer; Mr Evans, Chief Administrative Officer; Mr Everett, Chief Pastoral Officer and Chairman of the Dog Fence Board; Mr Osborne, Pastoral Inspector; Mr Playford, Administrative Officer; and Mr Starkey, a truck driver; and Mr Vickery, the Director of Outback Management.

The Hon. D. J. HOPGOOD: I take it from the figures that the Minister has just given to us that the range land technicians would have an inspectorial function along with the actual pastoral inspectors; otherwise, we are looking at a very small component of people who are really involved in the policing of the Act and the way in which the leases operate. I also ask the Minister what work is being carried out presently on the condition of Pastoral Lands? What effort is made to isolate the long-term trend from seasonal factors or the impact of domestic exotics from other introduced species, such as rabbits and, in particular, the impact of man's activities on the range lands?

The Hon. P. B. Arnold: Part of my response should relate to what the Pastoral Board is doing regarding some of the possible problems that exist in pastoral areas. A number of the problems to which honourable member has referred were the basis of amendments which the Government placed before, but which were not approved by Parliament. That has had the effect that a number of problems that have been suggested by the honourable member cannot proceed in the manner in which we would have liked.

In other words, the amendments would, in particular, have given the Pastoral Board much more control over, particularly, feral animals over which currently the Pastoral Board has no control. The Pastoral Board principally has control over stock numbers but has no control over numbers of kangaroos, emus and other feral animals, such as goats. It would be an excellent opportunity at this stage for the Chairman of the Pastoral Board to shed some light on some of the precise points raised by the honourable member.

Mr Tæuber: To pick up the first matter that the honourable member raised, range land technicians are scientifically trained officers whose main function is to make some assessment of the trend and condition of the land. There

are three of those officers: a senior rangelands officer and two range technicians. Those people work in conjunction with the pastoral inspectors. Pastoral inspectors are more involved in the pastoral management of the land from a pastoral industry point of view because the Pastoral Act, as it stands at the moment, is all about the pastoral industry. The terms and conditions of the leases and all the statutory provisions in the Act are directed towards the management of the land for pastoral enterprises. So, there is a combination of a small number of scientifically-based officers and a small number of officers with experience and knowledge of the pastoral industry relating to the board.

The process of inspection, since 1980, has been to attempt to use that fairly small resource as effectively as possible. In 1980 the board determined an inspection programme based primarily on categorising each pastoral lease into one of four categories. The first comprised leases that justified inspection every year; the second category involved leases that justified inspection every two years; the third category involved leases that justified inspection every three years; and the fourth category comprised leases that justified inspection every four years.

It is understandable, because of the vast distances and the immense spread of properties in that part of the State, that the board had to adopt that practice. The criteria that we used to determine the categories into which each lease would fall were, first, the size. It was necessary to look at the smaller leases that were subject to greater stocking pressure more frequently and any leases that were known to be suffering from any degree of heavy stocking were looked at more frequently. The main degradation of leases, leases that were known to be suffering from any degree of soil or vegetation degradation, was in the lower numbered category, that is, the first category. Every time that a lease was transferred, an inspection would be carried out, particularly in those cases where the lease had been purchased by a newcomer to the pastoral industry.

The purpose of that was to inform the lessees of their obligations under the leases. All the cattle leases outside the dog fence (bearing in mind that the dog fence is the demarcation between land used for grazing sheep and land used for grazing cattle) have been placed in category three. So, those leases are subjected to inspection every three years because of the range land grazing nature of husbandry on the land. Therefore, within that framework of the programme, the available staff (the pastoral inspectors and range land technicians) have been used effectively to carry out the provisions of the Act.

The Hon. D. J. HOPGOOD: We are aware that a response of the Minister to the allegations of Mr Vickery, which received considerable space in one of the daily newspapers recently, was a suggestion partially to restructure the Pastoral Board. Can the Minister indicate whether he has had further investigated either Mr Vickery's allegations or any other matters that were in that *Advertiser* Extra report? Can we anticipate further public statements or actions from the Minister as a result of such investigations and, if so, when?

The Hon. P. B. Arnold: I indicated twice in Ministerial Statements made in the House of Assembly that the Director-General of Lands had provided me with an interim report on the allegations made against the Pastoral Board, particularly in the articles in the *Advertiser* and that it would be some two to three months before the Director-General reported to me in detail making any further recommendations. As the Committee is well aware, the Director-General of Lands is currently the Chairman of the Pastoral Board and, as such, he believes that it will be at least two to three months before he has had an opportunity to investigate thoroughly the accusations that have been made. The Director-General will be making numerous inquiries from people

and seeking answers from some of those who have made accusations against the Pastoral Board regarding what they base their information on.

Mr EVANS: I wish to go back to the sale of land when it is handled through the Lands Department. The Minister responded to a question from the member for Henley Beach about this. If my question covers a broader area and the answer needs to go back to other Ministers, I trust that the Minister will take back my request, namely, that the subject that I raise is considered when any Government land is sold, particularly to another Government department.

The Minister said that where surplus land is under his control, or put under his control, for disposal, other departments, instrumentalities and local government are advised that the land is available, and they are given a period in which to indicate their intention to take possession of that land. I have had experience of this in my own district, and I am concerned that unfortunately the community is not advised of a change in ownership of Government land or that the land use could change. A school may have been suggested for a site; perhaps it has been leasehold or surplus land held for some years in open space, although not classified as such. (I realise that this matter is not covered in the Minister's responsibilities, but it is a good example). If it wished, the department could make the land available even to local government, and it could be used for a purpose that could provide an annoyance or a potential for a decrease in living standards for people on neighboring properties.

Has consideration been given in these circumstances to advising adjoining landholders that the land will be transferred from one department to another, indicating any possible change in land use? In the private sector land is zoned and it is difficult to change zoning. If there is in an area a use that is not an accepted use under the zoning regulations, it can continue but, if that use stops, the land reverts in accordance to the zoning regulation. Although this question arises in relation to other departments, will the Minister take up this matter with Cabinet? Will he also respond now, because I would like to hear his view?

The Hon. P. B. Arnold: Government departments are also bound to the zoning provisions in the same way as is the private sector.

Mr EVANS: I will give an example. Land at Aberfoyle Park was set aside for the Education Department, which no longer required the land in a private residential area. Subsequently the land was sold to the Housing Trust without local residents knowing of the sale. There could suddenly be a massive trust block adjacent to existing residents that could have a detrimental effect on the value of existing homes. For all the people buying homes in the area, the land appeared to be set aside for a school.

Members interjecting:

Mr EVANS: To all the people buying homes, the land was to be used for a school. Certainly, I am not arguing about trust homes or people's attitudes to them. This situation has happened several times previously in the metropolitan area in recent years, and owners of neighbouring land are at least entitled to know that the subject land is no longer to be used for a school but for other purposes within the zoning regulation. Although those concerned are not told at the time of buying land that the land use will change from, say, use as a school, a reservoir or the like, at a later date, the subject land is transferred for another use.

The Hon. P. B. Arnold: I am not sure what the implications would be; nor am I sure what the procedure that the honourable member is suggesting would be, whether advertisements should be lodged. In the event of any public objection, even if the land was within the appropriate zone, the land transfer might not proceed because of objections from adjacent landholders.

Mr EVANS: That would be a fair way of doing it, because landholders are disadvantaged and have no knowledge until some activity starts to take place. Where land is compulsorily acquired from an owner for a specific purpose (the notice of acquisition must state what the purpose is), if the Government subsequently does not wish to proceed with that stated purpose (I can think of one example many years ago in regard to Carclew), is the original owner given an opportunity to acquire that land first if no Government department, instrumentality or local government is not interested in it?

The Hon. P. B. Arnold: I refer to the situation at Monarto involving a large-scale operation over a large area that was compulsorily acquired from previous owners. Then, every effort was made to give the previous owners first option to repurchase that land. I give that instance as an example. In regard to every small allotment that is compulsorily acquired, often previous owners are not interested or have moved interstate. What the honourable member has suggested was the Government's attitude in relation to the significant area at Monarto.

Mr EVANS: As that was the attitude taken in regard to Monarto, will the Minister consider adopting that attitude in cases where original owners can be traced within the State?

The Hon. P. B. Arnold: I see no problem in looking at it. If the land was compulsorily acquired from a person who was an unwilling seller, I cannot see any real problem in endeavouring to identify that person. There would be some record of that person from the compulsory acquisition, and it would not be that difficult to try to identify where that person was and inform him or her that the property would be coming on to the market.

The Hon. D. J. HOPGOOD: First, the Minister will recall that in the original Vickery Report on pastoral lands there was a suggestion that there be a five-year investigation into the condition of those lands. Has that matter been abandoned altogether, or is it likely to be taken up in a different form or in the form recommended in that report? Secondly, can the Minister give any information about other resources available to him in the administration of pastoral lands from outside his department? For example, I refer to the use of Landsat imagery. The Minister may have seen in the current issue of *ECOS*, the C.S.I.R.O.'s magazine, an article about the pastoral area of Australia, which included in illustrated material some Landsat imagery. I am sure that the Minister would agree that it is an excellent means of obtaining a literal overview of the condition of vast tracts of land.

The Hon. P. B. Arnold: I should deal with the first matter raised in relation to what action the Government is now going to take. The Government will not be taking any further action until the Chairman of the Pastoral Board, as Director-General of Lands, has reported to me, as was stated in my Ministerial statement in the House. Depending on what is contained in that report, it will be used as a guide to the Government about what future action it will then adopt. It will certainly use that as a guide.

Until that report is available it is impossible to say just what decisions the Government will make, but the Government is awaiting that report before making that decision. The report is anticipated within about three months. As to further investigations, only the Chairman knows what those recommendations are, as I do not have them at this time. We will be guided by whatever the Chairman's recommendations are as to what further studies should be undertaken. So far as additional back-up and support for the Pastoral Board are concerned, there is a considerable amount of back-up in the form of what is known as LIBRIS (Landstat image-based resource inventory system), which remotely

senses and measures changes in land conditions and contributes to the assessment and trends generally on a regional and sectional basis. The Director-General can probably enlarge on those comments as to how that equipment is used to assist the Pastoral Board in its work.

Mr Taeuber: This project has been undertaken with the co-operation of the C.S.I.R.O. Arid Zone Research Station at Smordley in New South Wales. It is a process by which landstat imagery is used to determine trend conditions of vegetation in arid parts of the pastoral area, bearing in mind that changes in those areas usually occur over a fairly long term. Therefore, it is necessary continually to assess that change during that long term by using this technology. The programme employed has been developed in co-operation with the C.S.I.R.O. research station.

The Hon. D. J. HOPGOOD: I raised in the Parliament some time ago the problems brought to my notice by residents of Port Parham and Webb Beach. Can the Minister say whether he has had negotiations with Commonwealth authorities on behalf of the people of that area. I understand that he undertook to have those negotiations. The Minister responded in the House recently by saying that Webb Beach was subdivided under the Labor Government, and that is certainly true; however, I would have thought that the date of subdivision of Port Parham was almost antediluvian. It is a problem that goes back a long way and I guess it is one that cannot be easily resolved. I fully understand the advantages of the site so far as the defence authorities are concerned. However, the Minister did undertake, as I understand it, to negotiate with Commonwealth authorities on this matter. Can he report to us the outcome of those negotiations?

The Hon. P. B. Arnold: I indicated in the House in May, in answer to a question, that I had had discussions with two members of the community at Webb Beach at Port Parham who had agreed to prepare a document for and on behalf of the residents of that area. I told them that I would be more than prepared and happy to make representations to the Federal department based on their representations and the submission that they made to me. As yet, I have not received a submission from them. As soon as I do, I will be more than happy to make representations to the Federal Government about this matter. To the best of my knowledge, that has not come into the Parliament as yet and I have not seen it at this stage.

The Hon. D. J. HOPGOOD: I noted in a newspaper I have read in the past couple of days that the Army has again gazetted the area. I have not had a chance to look at the map in detail to ascertain whether the area gazetted is the area gazetted in the past. Does the Army, or any other arm of the Commonwealth, have any liaison with the Minister's department or so far as he is aware of any other department, before or at the time of that gazetting of these notices?

The Hon. P. B. Arnold: I cannot answer that question. The Director-General may have further information.

Mr Taeuber: The answer is 'No', as far as the Department of Lands is concerned. This is mainly, I guess, because the department no longer has any direct interest in the land in that area.

Mr RANDALL: My first question is based on the premise that the broad objective of the land programme is to arrange the sale of surplus Government property for a maximum return. At what valuation (the Valuer-General's or market value) is that land sold to Government departments or statutory bodies?

The Hon. P. B. Arnold: The Valuer-General's price is, for all intents and purposes, market value because that is the value that any valuer operates on. It is a reflection of market value. We would probably not ever get two valuers who

would put precisely the same value on any piece of land, but fundamentally it is market value that is placed on the land and that forms the basis of the reserve price. Usually when that land is put to auction there is a percentage for latitude which is approved at the same time in the event that the land does not sell at auction and within which the department can negotiate with a potential buyer.

Mr Tauber: If I might just amplify on the Minister's answer, the Valuer-General's valuation being referred to is not the current valuation used for setting rates and taxes that is made by the Valuer-General. It is a valuation arrived at specifically for the purposes of the transaction being undertaken.

Mr RANDALL: If Government departments and statutory bodies compete with private enterprise on the open market at auctions then I believe that the Government would maximise returns from the sale of land. How many properties of those Government properties sold in the past 12 months have been sold to the Housing Trust?

The Hon. P. B. Arnold: I do not have that information. I imagine that it will be possible to find that out for the honourable member.

Mr RANDALL: While he is doing that, will the Minister extract the figure for the number of private land agents involved in the sale of Government land, if any?

The Hon. P. B. Arnold: Unless I am mistaken, auctions are organised through private land agents in virtually every instance.

Mr ABBOTT: I want to inquire into the property owned by the Government at Dudley Park which is being sought by Simpson Ltd on a purchase-lease basis. This matter was referred to in the Premier's document.

Can the Minister advise whether this matter has been finalised? Can the Minister or his officers advise on the actual size of that property at Dudley Park? Does Simpson Limited require all of it, and for what purposes? Is the Minister in a position to reveal any detail of this arrangement?

The Hon. P. B. Arnold: I have quite a bit of information on this subject here. It is just a matter of trying to take out of it what is relevant to the question that has been asked. The initial purchase of the property and what portion of the factory had been leased, and so forth—it is a matter of identifying from this what information the honourable member requires.

The CHAIRMAN: Can the member for Spence give some more specific detail?

Mr ABBOTT: This information is not terribly urgent. I am interested in it because it is in my electorate. I would be happy to receive any information on this at a later stage if the Minister is able to provide it.

The CHAIRMAN: Will the Minister be prepared to take the question on notice?

The Hon. P. B. Arnold: It is probably better if we do that. We can go through the question as set out by the honourable member and endeavour to provide whatever information we can.

Mr ABBOTT: My next question relates to the line, Office of Aboriginal Affairs. It is noted that actual payments for 1981-82 were \$84 525 and that \$122 000 is proposed for 1982-83.

The CHAIRMAN: Can the honourable member say from where he is quoting? Is it in the yellow book?

Mr ABBOTT: I am quoting from page 105 of the Estimates of Payments, Office of Aboriginal Affairs—Secretary and Staff. That represents an increase of \$37 475, and I would like to know specifically what that increase is for. On page 84 of the yellow book it states under the heading, 'Major resource variations 1981-82 to 1982-83':

The increase in programme expenditure of \$112 000 and 3 staff arises mainly from the provision of funds to this Department for the operation of Wardang Island, previously funded through the Department of Technical and Further Education.

Can the Minister inform the Committee as to what the current operation of Wardang Island is? Are fewer staff employed now than were previously? What improvements have been made to the landing facilities and the water supply on this island?

The Hon. P. B. Arnold: The same staffing still exists. The Director-General of Lands visited Point Pearce only a few days ago for discussions with the community in relation to the future of Wardang Island. As the honourable member has said, Wardang Island was on virtually a lease arrangement to the Minister of Education. We are negotiating with the Point Pearce people in an endeavour to reach an agreement with them to terminate the sublease of Wardang Island to the Minister of Education or his department. This is a matter for negotiation. As I said, the first discussion has taken place and obviously there will be further discussions before this is finalised.

What the honourable member was referring to in the first place was the increase in the line, 'Office of Aboriginal Affairs Secretary and Staff', from \$84 000 to \$122 000, an increase of some \$38 000. This is due to the transfer to the Department of Lands of three staff engaged on Wardang Island, an operation previously funded through the Department of Further Education. That is where that increase has occurred.

Mr ABBOTT: On page 106 of the Estimates of Payments there is a line relating to Wardang Island project. The amount proposed for 1982-83 is \$47 000. In 1981-82 the amount voted was \$40 000, but the actual payments for 1981-82 were \$70 762. There seems to be a very wide differential in those two figures. Can the Minister explain the reason for that? I might add for the assistance of the Minister that the \$70 762 in actual payments was shown previously under the Minister of Education, Department of Technical and Further Education—Miscellaneous, in the last Budget.

The Hon. P. B. Arnold: The \$47 000 is purely for maintenance to retain what is there at this stage. There is no project going on at this time.

Mr ABBOTT: What was the reason for the \$70 762 that was actually spent in 1981-82, when only \$40 000 was voted?

The Hon. P. B. Arnold: That related to the Education Department project which was proceeding at that time, and which has since been terminated.

Mr ABBOTT: What are the activities on the island now?

The Hon. P. B. Arnold: None whatsoever. It is purely a caretaking operation until such time as we have negotiated a settlement with the Point Pearce people because there is a contract in existence between Point Pearce and the Minister of Education in relation to that project. That is what the negotiations are about reaching a financial arrangement for the termination of that project or for the lease that the Minister of Education has of the property.

Mr ABBOTT: I refer back to the Office of Aboriginal Affairs line on page 105 of the Estimates of Payments. Reference was made in the yellow book that one of the reasons for the increase in expenditure for this financial year was the fact that the Department of Community Welfare had not previously paid the pay-roll tax and that provision was being made for it this year. Can the Minister advise the Committee as to why the Department of Community Welfare had not paid that pay-roll tax, and how much is being provided for that purpose in this Budget?

The Hon. P. B. Arnold: As I understand it, the Department of Community Welfare does not pay pay-roll tax. The Director of Finance and Administration might be able to enlarge

on that, but I understand that that department does not pay pay-roll tax.

Mr Mellen: We have not had any good reason given as to why they do not but we had to make allowance for it in our Budget this year.

Mr ABBOTT: I was talking not about the Department of Community Welfare but about the Aboriginal Co-ordinating Committee. Was that committee required to pay pay-roll tax previously? Obviously, the Department of Community Welfare was obliged to pay it for them. How much has been provided for that as D.C.W. previously had not paid it?

Mr Mellen: An amount of \$5 000 is provided in the Department of Lands budget for the payment of pay-roll tax on the salaries of officers of the Office of Aboriginal Affairs and not the Aboriginal Co-ordinating Committee.

Mr ABBOTT: Is that for the current financial year? Is there no back-dating?

Mr Mellen: There is no back-dating. The \$5 000 is to cover pay-roll tax on salaries for officers of the Office of Aboriginal Affairs this year.

Mr EVANS: That shows how punitive pay-roll tax is on other sectors of society also. My question relates to the long-term management of our pastoral areas and the more semi-arid regions of the State. I seek from the Minister some assurance that we are going to look at the areas I mentioned. I am not talking about geographic areas but about areas in which I have some interest. From my knowledge of pastoral land, I believe that, given a permanent water hole, cattle will graze for up to 10 miles from that point in reasonable conditions. So, from a waterhole one can have 100 square miles of land grazed by a herd of cattle. Until the white man came here, the natural climate conditions tended to control our native species of animal, particularly the kangaroo, even though it was gifted with a talent of suspending pregnancy until a better season or until it had moved to a better area in order to improve the body condition to complete the pregnancy. However, as a result of the white man coming to the area, he has supplied permanent water in many cases from bores so that not only domestic animals but also native animals are guaranteed a water supply and therefore breed more rapidly than they would have had they been left without that supply close by. At least they would have moved out of the area to attempt to find food elsewhere but they are now encouraged to stay.

My concern is to attempt to fence areas so that we can keep out vermin such as rabbits, goats and donkeys as well as native animals, such as kangaroos and wallabies. It would be expensive to do so but unless we do something like that I believe that whenever any new plant growth comes to the surface and there is a shortage of feed, that plant, being succulent, will be devoured by any hungry animal. So, any chance of replacing the older or bigger trees becomes difficult for us in management, regardless of who is in Government.

I made a suggestion 10 years ago that we look at fencing areas for a period of one or two decades and rotating on that basis to give some of the new plant growth a chance. The Minister at that time suggested that that was very expensive and difficult to do. I accept and understand that. It would be beyond the resources of pastoralists to maintain and put in that style of fence because some of those animals, particularly kangaroos, do not have much respect for a fence. I believe that emus can be just as destructive. Is the Minister's department looking at a solution to the long-term problem? I believe that most pastoralists are responsible people and have more concern for their area than some people who visit the area and claim to have a real concern for it.

The Hon. P. B. Arnold: Under the Pastoral Act, and due to the manner in which the Pastoral Board operates, power

exists to destock certain areas altogether. What the honourable member has said in relation to permanent water is probably part of the problem concentrated on and highlighted in relation to the Strathearn property in as much as the area of that property was played up to a great extent in the press. An area of that property had a good source of water on it. Not mentioned in that article was the fact that two-thirds of the Strathearn property had an excellent coverage of vegetation but, because of the shortage of reliable water on the remaining two-thirds of the property, stock had tended to overgraze the area in the vicinity of the permanent water. The Pastoral Board in turn decided that one-third of the property should be completely destocked. As such, provision would have to be made on that property to get water into the area where there is adequate land coverage.

This can be achieved to a large degree in the areas under pastoral lease. Certainly, other areas that are not would be extremely difficult to handle. Kangaroos and emus do not have a great deal of respect for fences. One only has to go down the dog fence in South Australia to see the damage done almost entirely by kangaroos, emus and wombats.

Mr EVANS: Perhaps I need to explain further the point at which I am driving. Even if we remove all domestic stock such as cattle, horses (unless they are brumbies), and so on, the end result is the same because, while the water resource remains (and it needs to for future occasions) the native animals are just as destructive as are the goats that breed naturally. Often they are more destructive than ordinary cattle. The problem is not whether or not there are pastoralists but of our native animals and feral goats because the facility provided is of concern to us. The cost of controlling it is something which the Government will eventually have to carry. Will the Minister look at the problem so that in the long term we can have some form of fencing, if possible, to control the native animals from moving into areas, even if it is outside areas leased by pastoralists?

The Hon. P. B. Arnold: The point made by the honourable member is well taken in as much as the population of indigenous animals is probably far greater today in the pastoral areas than in years prior to pastoral undertakings being established. There is no doubt that the establishment of permanent water has increased the security and life of animals in that area many times.

The problem certainly is that it is a matter of managing not only sheep and cattle but also other animals, both native and feral, in that area. This was one of the main provisions of the Bill before Parliament to amend the Pastoral Act, which was to give the Pastoral Board the power to require pastoralists to reduce (whether it be kangaroo, emu or goat) numbers on that property, and to issue an order on that leaseholder in the same manner that it can issue an order in relation to sheep or cattle numbers.

Without that power the Pastoral Board is very limited in coming to grips with the problem that has been outlined. I do not really believe that we will keep kangaroos and emus out of country that has permanent water on it. The quality of fence that would be required to keep them out when they are starving on the outside would have to be extremely good, and its cost would be enormous.

Mr CRAFTER: I would like some information from the Minister regarding significant initiative in achieving criteria referred to at page 84 of the yellow book under the heading, 'To maintain the impetus of Aboriginal housing programmes following changes in Commonwealth funding'. I am mindful of the transfer of this area of responsibility to the general welfare housing programme. I also note that at page 106 of the Estimates of Payments booklet funding has been progressively reduced in this area in recent years. It is on page 106 that \$137 000-odd was expended last year for admin-

istration and maintenance of Aboriginal housing, and the sum voted was \$224 000, which was substantially underspent.

I recently visited the township of Meningie and visited each family in that town living in Aboriginal housing. To say the least, I was absolutely appalled at the condition of the housing in which those people were living. Indeed, they were people, in some circumstances, who held most responsible positions in the town. They said to me that they would very much like to have their friends come back to their houses, but they were so ashamed of the housing in which they were living that they could not socialise fully in that town.

Briefly, I can tell you that there was repair work, such as holes in the floors where stoves had been taken out that had not been covered for many years. The dampness in the houses was appalling. In fact, there was moss growing out of the ceiling of one house where water had obviously been lying in the roof. There were shocks and flashes of fire coming from faulty wiring, and cockroaches in most houses. Many of the children, I was told, had chest complaints, and maybe one could relate that to the conditions in which they were living. Indeed, the ventilation in some houses was such in a township like that, close to the lakes, that there were very strong breezes within the houses. I inspected many of the repairs that had been carried out, which I believe were done by private contractors, many of which were shoddy.

They would not pass any test, I would have thought, by an average tradesman. I was interested to find out that the week before I arrived (and I was accompanied by a member of the Federal Parliament and by an Aboriginal person who is very highly regarded in the Aboriginal community in this State, who has had a long history of association with Aboriginal housing organisations) some repair work had been done on each of those houses, which was of a cosmetic nature to fix up those most obvious faults in the houses. I told each of the families that I intended to raise this matter on an appropriate occasion. I believe that this is one.

I have since been telephoned by one of the families who told me that just last week each of the families has now received a bill for the repair work done on each of those properties. The bills range from \$80 to \$110 for that repair work. One Aboriginal family was living in a non-Aboriginal funded house, an ordinary Housing Trust rental house, which was a different kettle of fish. It was properly maintained, as were all the other houses in the town, apart from the Aboriginal houses.

The rents that those people were paying I thought were quite substantial. For example, one family with five children where the breadwinner was out of work was paying \$32 a week for the house. At another house where the breadwinner was in employment the rent was approximately the same amount. Indeed, there had been no reductions in rent where people had not been working. The general maintenance, painting and screens on the houses were very tatty. I could go on and list, as I will if the Minister requires it in correspondence to him, all of the conditions at those houses, because I took copious notes.

I must say that I found the families to be very upstanding people who belong to a particular Christian faith in that town, which is quite active. There is no sign of alcoholism. They are people quite active in the community, in the schools, the church and sporting clubs in the town. One could hardly find a clearer comparison between conditions provided for the white community and those for the black community. I am not blaming this Government, or the Minister in particular. But, that is the situation as I found it on that inspection. I would be pleased if the Minister could take up this matter for those people in view of the clearly stated responsibility that the Minister has provided

for himself and his department at page 84 of the yellow book.

The Hon. P. B. Arnold: I take it that the honourable member is referring to page 106 of the Estimates, which indicates that that has been transferred to the Housing Trust. That work is now to be undertaken by the Housing Trust from its welfare housing fund. The honourable member has mentioned accounts going to the people concerned. I am afraid that I am unaware of what that is all about.

Mr CRAFTER: The other matter I wish to raise relates to the Granite Downs property or those leases that relate to what is inherently known as the Granite Downs pastoral lease; that is, Amaroodina, Wallatinna and Oolarinna, along with Granite Downs. The Opposition has received reports, as no doubt the Government has, from the Aboriginal Development Commission about the impasse that has arisen with respect to the transfer of these leases to the commission. I wish to read from the correspondence, which will explain this in some detail, from the Chairman of the Aboriginal Development Commission, Mr Perkins, who says in his letter:

The South Australian Government has said in a letter to the commission that in reaching an agreement with the pastoral lessee, it is fair and reasonable that the lessee should be compensated for the depreciation in value of the pastoral leases in consequence of the Government's decision. The State Government considered that a payment in the vicinity of \$338 000 was appropriate compensation which had to be paid as soon as the Pitjantjatjara land rights legislation was passed and agreements completed with the pastoral lessee. In a letter dated 24 September 1980, the Attorney-General, the Hon. K. T. Griffin said:

We would hope to be in a position to make an announcement some time next week about agreed legislation but, of course, that does depend on at least agreement in principle with respect to funding of the compensation and improvements value for Granite Downs.

At an earlier part in the same letter, the Attorney said:

If compensation were paid now, it will mean that the only remaining figure to consider is a payment for the improvements at the value on the date of surrender of the leases or expiry, whichever occurs first. In the short term, the Anangu Pitjantjatjara will undoubtedly have difficulties in finding this sum although in the longer term that difficulty can be expected to diminish or disappear.

It would be helpful if your commission could consider these matters and arrive at a tentative decision which would involve a commitment for the compensation payable now and a form of guarantee to Anangu Pitjantjatjara balanced against a commitment by Anangu Pitjantjatjara in the longer term to repay the whole or some part of the amount required to be paid out for improvements . . .

In September 1981 this commission duly paid the sum of \$338 000 to the State Government of South Australia to facilitate the payment of compensation to the holders of the Granite Downs leases pursuant to section 15 of the Pitjantjatjara Land Rights Act.

I note that on page 70 of the yellow book it is stated that that Act is not yet proclaimed. The letter continues:

Since that time the commission and the Pitjantjatjara people have been singularly unsuccessful in persuading the lessee to participate in negotiations for the sale of the leases. Regrettably section 15 places the lessee in an extraordinarily favoured position.

The lessee's response thus far has been marked by two disturbing features:

A hard line non-negotiable asking price of \$6 000 000. This is more than treble the value (as far as we can ascertain it) of the leases and improvements, and

An outright rejection of the commission's request to have the leases and the improvements thereon valued by independent valuation.

Against this background, the commission's attempts to negotiate a fair settlement have ground to a halt. It is clear that section 15 is defective. In the commission's opinion it should be amended to bind the lessee to sell the property within say 12 months of a declared intention by the Pitjantjatjara people to acquire it, and it should provide for settlement at the average of several independent valuations. Moreover, the amount of compensation paid should be reviewable—especially if the independent valuations indicate that the figure provided by the lessee and the State Government is not a fair one. Moreover, if the lessee has had the

benefit of that capital without acquisition progressing within a reasonable period, the amount of compensation should be reviewed.

The penultimate paragraph is, indeed, telling. It states:

The Pitjantjatjara people of Indulkana live in appalling circumstances. They occupy 12 square miles of barren rock-strewn land within Granite Downs. That land is encircled by a high fence (at the lessee's insistence), and there is only one exit. Water is in very short supply and the community has often experienced crisis due to its dependence on the solitary bore supply. The prospects for economic and social development of these people are being adversely affected by the intransigence of the lessee, and there is little hope of real progress for them until they control the Granite Downs leases, which are after all, their traditional homelands.

I draw this matter to the attention of the Minister and the Committee because I think that the Government has entered into this matter in no small way and, indeed, the limited funds of the development commission have been advanced in good faith and now a most undesirable situation is arising. Can the Minister advise what steps he has taken since he has been Minister to try and remedy that situation?

The Hon. P. B. Arnold: Can the honourable member indicate to whom that letter was addressed? I believe that the letter was written by Mr Perkins.

Mr CRAFTER: Yes. The letter was addressed to the Leader of the Opposition.

The Hon. P. B. Arnold: Mr Perkins has not written a similar letter to me. I have seen that letter, but that is the only opportunity I have had to see what his views are on this matter. Mr Perkins has not written to me about it.

Mr CRAFTER: I would be interested to hear the Minister's answer.

The Hon. P. B. Arnold: Can the honourable member suggest to Mr Perkins that he write to me on the subject in the same way that he has written to the Leader of the Opposition?

Mr CRAFTER: By way of explanation, I take it that the Opposition was written to because of the unsatisfactory position—

The Hon. P. B. Arnold: I have had no approach whatsoever.

Mr CRAFTER: I point out that this matter has been going on for many years and that the Opposition has been asked to raise it and I believe that I have done so. I would be pleased if the Minister would consider the request that the Opposition is making in this forum.

The Hon. P. B. Arnold: I still say that it would be appropriate that, if Mr Perkins, on behalf of the commission, wants to raise this matter, he might raise it with the Minister of Aboriginal Affairs in South Australia.

Mr CRAFTER: I find the unwillingness of the Minister to respond in any rational way to requests that I make, as the shadow Minister for Aboriginal affairs in this State, quite unsatisfactory. I have raised the matter, which is of concern to the Opposition. It is contained in correspondence from the Commonwealth authority to the Opposition; I have raised it, and the Minister has now refused to answer it. Obviously, it is a matter that has come to the Minister's attention and I would like to hear the Government's policy on it.

The Hon. P. B. Arnold: I find it quite amazing and staggering for a Federal public servant to approach a matter in this way. If it had not been for the fact that someone had made a copy of that letter available to me, unofficially, I would be totally unaware of its existence. I have said that I am more than happy to look at the matter but I believe that it would be more appropriate if Mr Perkins would do me the courtesy of affording me a copy of the letter.

Mr ABBOTT interjecting:

The Hon. P. B. Arnold: He did not.

The CHAIRMAN: Order! The Chair views the situation as this: the member for Norwood has brought a matter

before the Chair, and the Minister has answered the matter. Has the honourable member any further questions?

Mr CRAFTER: I refer to page 70 of the yellow book and the reference to the Pitjantjatjara Land Rights Act, 1981, and the statement that the Act has not yet been proclaimed. The research that I have undertaken on this matter shows that the Act was assented to on 19 March 1981 and was proclaimed to commence on 2 October 1981. However, it was not committed to the Minister of Aboriginal Affairs until 15 July 1982. Can the Minister say whether the yellow book is inaccurate and why there has been, first, this long delay in proclaiming it to commence and, secondly, the further delay in committing the Act to the Minister of Aboriginal Affairs?

The Hon. P. B. Arnold: All I can say is that what is printed is inaccurate. The Act has been proclaimed and is now committed to the Minister of Aboriginal Affairs by a recent decision of Cabinet.

Mr RANDALL: My question also involves Aboriginal policy. If the Minister has not the statistical information at hand, I would be happy if he provides it to me later in regard to the number of young Aborigines held in correctional services institutions in South Australia. Does his department monitor that situation? If it does, what are the Government's policies relating to methods to encourage young Aboriginal people to become more law abiding? Are we grappling with this area?

The Hon. P. B. Arnold: I do not have that statistical information at hand, but it should be possible to obtain it, and I will do that.

Mr RANDALL: Can the Minister advise the Committee whether his group listed as the Office of Aboriginal Affairs actually monitors such problems and provides information to the Minister of concerns in that area?

The Hon. P. B. Arnold: The Secretary of the Office of Aboriginal Affairs does monitor the number of Aboriginal offenders, and statistics on that matter would be available.

Mr RANDALL: I refer to Aboriginal people wanting more say in their self determination and the running of their communities. I can think of one case of a community which would love to say that no alcohol can be brought into the community. Is the department helping Aboriginal communities to have a greater say in self-determination?

The Hon. P. B. Arnold: In regard to alcohol, this matter is currently being considered seriously by the Pitjantjatjara people and, in discussions with them at Ernabella two weeks ago, they advised me that they would be in a position to make a statement or give me in writing their attitude to alcohol being available on Pitjantjatjara lands.

Mr RANDALL: I do not expect the Minister to be up to date, but my question is in regard to the people at Port McLeay and their farming prospects. It has been some time since I made myself familiar with the situation. Have the issues between the Lands Trust and the Aboriginal Development Corporation been finally resolved? Have they, as a community, sorted themselves out and are they getting on with the job of serving the community?

The Hon. P. B. Arnold: I do not have the latest information, unless the Director-General has further information. I will take that question on notice and provide a subsequent reply.

Mr KENEALLY: I wish to raise a matter that is of great social significance amongst our northern communities, that is, the problem of petrol sniffing amongst Aboriginal children and young adults. Living in Port Augusta I come in contact with many people who visit the communities both for construction work and for other reasons. I have had numerous reports that the problem of petrol sniffing now is almost endemic in these communities.

One suggestion that has been put to me by a person who has had considerable contact with the community is that, because alcohol is no longer allowed into some of the communities, those people who previously were drinking alcohol have now turned to petrol sniffing. He says that if alcohol is not allowed into the community, so that Aborigines cannot consume alcohol, the Government should do what it can to ensure that petrol is not allowed in the community. He suggests that as far as it is within the power of the Government to ensure, all vehicles serving the communities should be diesel powered.

A number of vehicles that go there are so powered. I understand that teachers who have petrol-driven vehicles back their vehicles up against each other in a tight group so that it is difficult for people to gain access to their locked petrol caps. However, people in these areas find ways to unlock those petrol caps. I understand that the teachers have evolved a way to prevent young people up there gaining access to the petrol in their cars. However, the groups that enter the area to perform maintenance duties, such as Public Buildings Department type of workers, are finding that their petrol tanks are being drained.

As a result of petrol sniffing, people who go there to work for the Government are sometimes threatened and subjected to quite unruly behaviour. That behaviour causes much pressure on contractors who go into the area. This problem would be overcome if one could control the amount of petrol allowed into that community. Has the Minister, or indeed any of his officers, considered that one way of reducing the incidence of petrol sniffing is to ensure that there is as little petrol as possible available to sniff? It seems that that is not an unreasonable idea and that it ought to be considered. Can the Minister tell the Committee whether this matter has been considered, and, if it has not, whether he will give an undertaking to have his department look into the matter in co-operation with other service departments that visit these communities frequently to see what can be done about it? This makes much common sense to me. Some logistical problems of which I am not aware may be related to this matter, but it seems to me that diesel vehicles are readily available and that the authorities ought to try to ensure that such vehicles are the only ones that are allowed into these communities. In this way he could see what effect that has on the degree of petrol sniffing that occurs there.

The Hon. P. B. Arnold: I can appreciate the problem about which the member is speaking. However, I think it would be a very real restriction on teachers and other people who work and assist in those communities if they were limited to using diesel vehicles. I can appreciate what the member is getting at, but I believe that these people, like the Aborigines in many areas, are starting to come to grips with and handle the alcohol problem that some of their people have had. I believe that they are also starting to handle the petrol and glue situation in much the same way.

The Director-General was at Point Pearce a week or so ago, and the Aborigines there raised this very problem with him. They made the point that petrol sniffing is now virtually non-existent. It is a problem that they have got on top of and, to all intents and purposes, it has virtually disappeared. The Director might be interested to comment on his recent visit to Point Pearce and on the discussion that he had with the Aborigines there about this problem.

Mr Tæuber: It was certainly said at Point Pearce that they had this problem with young people but that over a period it has faded; it is now under control. It has been said that it is still a problem in some areas in the north. It is a difficult problem to deal with, because it involves denying people access to the petrol that they need for all sorts of purposes other than sniffing.

It is very difficult, particularly when so many of the Aboriginal people are entitled to and do own their own motor vehicles. I suggest that the Minister seek the advice of the Aboriginal Co-ordinating Committee, because it is representative of a wide range of Aboriginal interests throughout South Australia, including representations from the various Aboriginal communities. He might care to seek their advice on the issue.

The Hon. P. B. Arnold: That is probably a good idea. I attend meetings of the Aboriginal Co-ordinating Committee and I believe that it would be sensible to refer this problem that has been highlighted by the member for Stuart to that committee for its consideration.

Mr KENEALLY: I would be happy if the Minister would do that. I was a little afraid for a while that he was going to reject the suggestion out of hand. I understand that logistical problems are involved, but the Government has a capacity within its resources to reduce the amount of petrol that is available, and it ought to be seen to be doing what it can. Although the Minister is confident that the communities can solve this problem, as he says they have overcome the problem of alcohol, I am not totally convinced that the problem of alcohol has been solved. I am absolutely certain that at the moment there is no indication in the northern communities that petrol sniffing is being overcome. All the evidence given to me by independent people who, one would hopefully say, have no axe to grind (although I cannot believe that that is necessarily the case) is that the problem is getting worse in these areas. I understand, although I am certainly no expert on the matter, that the damage that petrol sniffing can do to one's physical and mental health is worse than what alcohol is likely to do.

I suppose that if one drinks enough alcohol and sniffs enough petrol and glue the end result is that it has an enormously debilitating effect on one's health. In terms of the average (if there is such a thing as 'average') drinking and sniffing, sniffing is a more serious problem. I am asking the Minister not to solve the problem but to acknowledge that it exists and to raise the problem with the appropriate authority. Now, I am pleased to say that he has undertaken to do that. Hopefully, if the Aboriginal Co-ordinating Committee, which is much better equipped to pass an opinion on this matter than I am, believes that something should be done, it will be done, but, if the Aboriginal Co-ordinating Committee says that nothing should be done, I would be pleased, as a member of this Committee (and I expect that other members of the Committee would be, also) to receive a report back from the Minister telling us what has been the results of his discussions with his committee and what it intends to do. I would be disappointed if, the matter having been raised, the Minister went away and did something and that was the last that we heard of it. This is an important issue and I, for one, would like to receive a report from the Government on this matter.

The Hon. P. B. Arnold: I will see that a report comes back following my discussions with the co-ordinating committee.

Mr EVANS: Is the Minister aware of whether the Aboriginal Lands Trust maintains land that is lying idle in relation to noxious weeds and pests? For example, I believe that a piece of land at Bellevue Heights that used to have a home called Colebrook situated on it still belongs to the Aboriginal Lands Trust. In the summer months it can become quite a fire menace. Other than that, it is a haven for noxious weeds. I am unsure whether the local authority is responsible for noxious weeds or whether the Aboriginal Lands Trust picks up the tab for that operation.

If the Minister does not have the detail now, I would appreciate receiving a reply from him on whether the Aboriginal Lands Trust maintains its land in the same way as

other landholders must maintain their land and abide by State regulations and local government by-laws and regulations.

The Hon. P. B. Arnold: As they are freehold land owners, I imagine that the normal requirements of the law would prevail. I cannot say to what extent that requirement is carried out in regard to noxious weeds and vermin. However, I will certainly inquire in relation to the property to which the honourable member has referred.

Mr KENEALLY: I understand that a committee called the Colebrook Home Land Committee (or a name not dissimilar to that) has been established. Its intention is to sell the land to which the member for Fisher has referred and place the money in trust for the Aboriginal people who have been part of the Colebrook Home system over the years. I am not sure of that, but I would be happy if the Director could be more specific than I have been.

Mr Tæuber: I know little more than the honourable member, although I have been informed that the Aboriginal people, who have had close association with Colebrook Home in the past, are now considering whether the land in question could not be more advantageously used in some other way by realising its value to the benefit of the people involved.

Mr EVANS: I would appreciate a report on that at a later stage.

The Hon. P. B. Arnold: I will obtain such a report.

Mr CRAFTER: I refer to page 84 of the yellow book in regard to the reference to the resolution of outstanding matters about the transfer of lands to Aboriginal control. Has the Government a stated policy on land rights, particularly on the grant of similar rights to traditional owners of lands? If so, what is that policy?

The Hon. P. B. Arnold: In regard to Aboriginal land claims, the Government's policy is to dedicate to the Aboriginal Lands Trust appropriate lands as freehold titles, particularly in relation to the Maralinga lands. I understand that it was the original intention of the previous Government to do that, and certainly this Government has proceeded to negotiate with the Yalata people for the purpose of transferring the Maralinga lands to the Aboriginal Lands Trust and for that trust then to invest the land with the traditional owners. That was as a result of years of discussion. I believe that it originally goes back to a commitment given in 1962 by the late Sir Thomas Playford when he stated that ultimately the Maralinga lands would be made available to the Aboriginal people or the traditional owners.

We have been trying to reach agreement in relation to the vesting of those lands. Some two or three months ago I visited the Yalata people at Ooldea. We had lengthy discussions on that occasion as to the future dedication of the land. But, the principal interest of the Yalata people, above all else, was that the land be made over to them. Their first and foremost request was that they have title to that land and that it be made over to them as soon as possible, which is certainly the Government's intention.

As a result of the lengthy discussions I had with them, I sought from them their particular views in relation to mining and exploration of that land. As I say, their principal interest was that they have title to the land. But, fundamentally, they were not opposed to mining or exploration. They wanted to be assured that their sacred sites and other significant sites were protected from any damage, and that they would be given the opportunity to discuss with any potential company coming in on the land just what its intention was, where it wanted to go, and to make sure that their significant sites were protected.

At that meeting I said to them that it was purely a matter of arriving at a mutually agreeable proclamation that could be published at the same time as the land was dedicated to

the Aboriginal Lands Trust. I believe a significant amount of progress was made. I have had numerous lengthy discussions with their senior legal rights adviser, the solicitor, Mr Gary Hiskey, on this matter. In fact, we reached the point where, as a result of those discussions and Mr Hiskey being aware of the Government's position on this matter, knowing the Aboriginal people's attitude, a proclamation was drafted. In fact, the proclamation was drafted by Mr Hiskey for discussion and consideration by the Government and the people of Yalata.

The Government considered Mr Hiskey's draft and agreed that it could accept it. All that remained was whether it was acceptable to the Yalata people. Unfortunately, even though the proclamation was drafted by the Yalata people's legal representative, they said that it was not satisfactory. So, unfortunately, negotiations are still pending on the final outcome on the dedication of the land. But, from the Government's point of view, the decision to dedicate the land has been made. It is purely a matter of a proclamation acceptable to the Government and the Yalata people being drafted. I would like to pay a tribute to Mr Hiskey for his efforts in endeavouring to reach agreement between the Government and the Yalata people.

I believe that he did an excellent job in trying to meet the requirements of both parties. I find that it is unfortunate that it was finally rejected, because the rejection has the effect that until such time as agreement is reached, the Aborigines themselves will not receive the freehold title that is so important to them. For the sake of the record, so that members of the Committee are aware of what was contained in the draft proclamation, I seek leave to have it tabled.

Leave granted.

The Hon. P. B. Arnold: The proclamation states:

ABORIGINAL LANDS TRUST ACT, 1966-1975: DECLARATION THAT THE MINING ACT, 1971-1978 AND THE PETROLEUM ACT, 1940-1981, APPLY TO LANDS HELD BY THE ABORIGINAL LANDS TRUST

SOUTH AUSTRALIA } Proclamation by His Excellency the Governor
to wit } of the State of South Australia

(L.S.) D. B. DUNSTAN

BY VIRTUE of the provisions of the Aboriginal Lands Trust Act, 1966-1975, and all other enabling powers, I, the said Governor with the advice and consent of the Executive Council, hereby declared that the rights of entry, prospecting, exploration and mining conferred by the Mining Act, 1971-1978, and the Petroleum Act, 1940-1981, shall be exercisable, subject to the conditions and modifications set out in the first schedule hereto, in relation to the land vested in the Aboriginal Lands Trust and described in the second schedule hereto.

FIRST SCHEDULE

1. In this schedule 'mining tenement' means any permit, claim, lease or licence under the Mining Act, 1971-1978, or the Petroleum Act, 1940-1981.

2. The Minister of Mines and Energy shall not approve the issue of any mining tenement unless he has first:

- (a) consulted with the Aboriginal Lands Trust and
- (b) satisfied himself that the applicant and the Aboriginal Lands Trust have consulted with the Yalata Community Inc. and any other traditional owners of the land to which the mining tenement is to relate.

3. The said rights of entry, prospecting, exploration and mining shall be exercised subject to such conditions (if any) as the Minister of Mines and Energy endorses upon the mining tenement after such consultation.

4. The said rights of entry, prospecting, exploration and mining shall not be exercised until such time as:

- (a) each phase of the proposed exploration of mining programme has been explained by the applicant to Yalata Community Inc. and any other traditional owners of the land to which the mining tenement is to relate and
- (b) the effects of the implementation of the proposed exploration or mining programme upon the preservation and protection of their ways of life, culture and traditions have been assessed by them.

5. There shall be a right of objection to the Minister of Mines and Energy by Yalata Community Inc. and any other traditional owners of the land to which the mining tenement is to relate if in their opinion the exercise of such rights is likely to have an

adverse effect upon the preservation and protection of their ways of life, culture or traditions.

6. In the event that objection is made to the exercise of such rights, those rights shall not be exercised unless both the Minister of Mines and Energy and the Minister of Aboriginal Affairs are satisfied that the rights will be exercised in a manner which will minimize such adverse effects and unless both Ministers consent to the exercise of such rights.

Prepared without prejudice and without instructions.

G. F. HISKEY

Mr CRAFTER: I am pleased that this draft has been tabled because it contains the words 'prepared without prejudice and without instructions' and that is most significant, indeed.

The Hon. P. B. Arnold: It was drafted for consideration by the Aborigines' legal adviser and by both parties. I think that it is significant. It was not drafted by the Government; it was drafted by the community's own legal adviser.

Mr CRAFTER: The thrust of my question to the Minister was regarding the Government's overall policy on land rights. I was interested to hear the Minister's explanation of the claim of the southern Pitjantjatjara people. I am concerned that this and the previous Government, over a long period of time, established a land rights model which has been proclaimed by the Premier and by people throughout Australia as a model for others to follow. The community to the immediate south of the community that will benefit from the grant of land rights under that piece of legislation are, as is contained in the document that the Minister has just tabled, to enjoy a far less significant amount of rights to that land. Indeed, I would go so far as to say that it is land, but without significant rights. I am concerned that the Government has a policy that appears for each grant of land to traditional owners, not an overall policy with respect to land rights.

The Hon. P. B. Arnold: The Government's position has been spelt out very clearly in relation to its attitude towards the Aboriginal Lands Trust. The Aboriginal Lands Trust legislation was established by the former Minister of Aboriginal Affairs in South Australia, the Hon. D. A. Dunstan. I believe that that legislation was established exactly for this purpose, to vest appropriate land with the Aboriginal people. I believe that vesting of land through the Aboriginal Lands Trust, with an appropriate proclamation in each circumstance, can vary the situation.

What the proclamation drafted by Mr Hiskey does is give significantly greater benefits to the Aboriginal community than exists for any other private citizen in South Australia. As far as any other private citizen is concerned, the provisions of the Mining Act and the Petroleum Act apply without question. The purpose of that proclamation was to give added safeguards to the Yalata people over the land that they have freehold title to. So, any suggestion that they have been disadvantaged by what has been put forward is, in fact, not so, because of the fact that in my view they have

a significantly greater benefit under that proposal than what any other citizen in South Australia has.

I do not think it is a matter where anyone can cite that there is a disadvantage to the Aboriginal people. I understand from my discussions with them when I was at Ooldea that fundamentally they accepted the situation that I was putting to them. However, as a result of time and what occurred when Mr Hiskey presented that proposed proclamation to the Yalata people along with the other community advisers is something that I am not privy to; the precise reason for the change of heart, I am not so sure of. All I can say is that the provision contained in that proclamation certainly gives the Aboriginal people far greater benefits than has any other freehold owner in South Australia.

Mr CRAFTER: My question is in regard to the Government's policy on the rights of traditional landholders holding title to their lands to negotiate directly with mining companies in regard to the development of those lands.

The Hon. P. B. Arnold: If the honourable member studies the proclamation proposed it will give a clear insight into just what was being proposed not only by the Government but in regard to what has been advanced by the Aboriginal legal adviser. It is a document that should be studied by all members of both Houses of Parliament and by the South Australian people generally. I believe that the proposal as drafted by Mr Hiskey was eminently fair to all parties concerned. I would be more than happy to discuss the matter further with him if he so wishes.

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

Works and Services—Department of Lands, \$2 280 000—
Examination declared completed.

Minister of Lands, Minister of Repatriation and Minister
of Aboriginal Affairs, Miscellaneous, \$2 066 000—Exami-
nation declared completed.

ADJOURNMENT

At 9.54 p.m. the Committee adjourned until Wednesday
29 September at 11 a.m.