

HOUSE OF ASSEMBLY

Wednesday 23 September 1987

ESTIMATES COMMITTEE B

Chairperson:

Ms D.L. Gayler

Members:

The Hon. B.C. Eastick
 Mr K.C. Hamilton
 Mr I.P. Lewis
 Mr J.K.G. Oswald
 Mr M.D. Rann
 Mr P.B. Tyler

The Committee met at 11 a.m.

The CHAIRPERSON: The procedure to be adopted will be relatively informal. There is no need to stand to ask or answer questions. The Committee will determine the approximate timetable for consideration of proposed payments to facilitate the changeover of departmental advisers. Changes to the composition of the Committee will be notified to the Clerk as they occur. If the Minister undertakes to supply information at a later date, it must be in a form that is suitable for insertion in *Hansard* and submitted at the latest by 9 October. I propose to allow the lead speaker for the Opposition and the Minister to make an opening statement of about 10 minutes if they so wish.

The Committee will take a flexible approach to the call for the asking of questions based on three questions per member and alternating sides. Members will also be allowed to ask a brief supplementary question to conclude a line of questioning. Subject to the convenience of the Committee, a member outside the Committee who wishes to ask a question will be permitted to do so once Committee members have exhausted a line of questioning. An indication in advance by members outside the Committee would be appreciated.

Questions should be based on lines of expenditure as revealed in the Estimates of Payments. However, reference may also be made to other documents, such as the Program Estimates and the Auditor-General's Report. The Minister will be asked to introduce his advisers prior to the commencement and at any changeover. Questions are to be directed through the Chair to the Minister and not to advisers but, of course, the Minister may refer questions to his advisers for a response.

Services and Supply, \$12 344 000
 Works and Services—Department of Services and Supply,
 \$4 310 000

Witness:

The Hon. G.F. Keneally, Minister of Transport.

Departmental Advisers:

Mr R.L. Dundon, Chief Executive Officer, Department of Services and Supply.
 Mr D. Patriarca, Acting Director, Support Services.
 Dr W.J. Tilstone, Director of Forensic Science.
 Mr M.E. Jones, Director, Government Computing Centre.
 Dr I. Dainis, Director of Chemistry.

Mr P.J. Bridge, Director, State Supply.

Mr P.J. Grenville, Director of Transport Services.

Mr D.J. Woolman, Government Printer.

The CHAIRPERSON: I declare the proposed expenditures open for examination. I call on the lead speaker for the Opposition if he wishes to make an opening statement.

The Hon. B.C. EASTICK: Only to apologise that, given the time available, it may well be that all of the Minister's advisers will not get a guernsey.

The Hon. G.F. Keneally: I will provide the Committee with some information that would be of assistance in reviewing the estimates for Services and Supply. The department provides a range of services, primarily to Government. These include supply, computing, printing, analytical chemistry, forensic science, transport and remote sensing. Services and Supply is required to recover its cost of operations from fees charged for the services rendered, except in those limited cases where services are provided in the interests of the community. Examples of community services are the State Information Centre, which provides a referral service to the general public, and the State Supply Board Secretariat, which promotes sound procurement practices throughout Government.

In terms of the budget, members of the Committee should be aware that a large proportion of the department trades on a commercial basis. Income must be earned from the department's clients to pay for the expenses incurred by the operation, that is, funds are not provided directly from Consolidated Account. This arrangement applies to printing, computing and car pool services. Chemistry, forensic and supply services are funded from the Consolidated Account at the commencement of the year, and through cross-charging, they are required to recover the cost of their operations and pay the receipts into the Consolidated Account. Community services, such as the State Information Centre, are funded directly from Consolidated Account.

Significant progress has been made by the department in moving towards full cost recovery through implementing cross-charging and the 'user pays' principle. For example, last financial year (1986-87), the warehousing operations of the State Supply Division produced a surplus, while only three years ago the same warehouses were deficit funded to the extent of \$600 000. Commencing from 1 July 1987, the South Australian Centre for Remote Sensing and the Government Motor Garage have transferred to deposit account operations with the level of direct funding being substantially reduced. This means that these activities have been placed on a more business-like footing and have been given the incentive to recover their full costs of operation through sales of their services.

The city-based car pool operation, which was established in 1983-84, is another example of cost recovery with significant savings to the Government. Last year a post implementation review suggested that savings to the Government of \$350 000 per annum were being realised, with a significant reduction in the number of motor vehicles operated by the Government in the central business district. It is the department's policy to contain price increases within the rate of inflation by making improvements to its internal operations. In fact, the Government Computing Centre has held its prices to no more than a 4 per cent increase over each of the past three years. The department has, therefore, been successful in improving its financial performance while at the same time maintaining its standard of service.

A number of the services which it provides may be compared directly with alternative suppliers, either 'in-house' within Government agencies, or in the private sector. Reg-

ular comparisons of price and quality of service are undertaken by the department to evaluate the performance of its services against these alternative suppliers. Notable improvements to the internal operations of the department include productivity improvements by the Government Printing Division, which in the past six months reflect savings of the order of \$236 000 per annum. The State Information Centre has also improved its telephone inquiry service by utilising improved technology and redirecting resources. It should be noted that these improvements have been achieved during a time of economic constraint, and considering that the department operates in a fixed market, the result has been good. Although the department's market is fixed there have been some areas of significant service growth. Recent examples are the monitoring of hazardous substances and meat analysis for pesticides by the Chemistry Division, and the questioned documents service provided by the Forensic Science Division.

I turn to the future. Further emphasis will be given by the Government to utilising the department's expertise in promoting productivity improvements in the public sector, including implementation of the common automated procurement system on a pilot basis in the Department of Services and Supply and the Highways Department, extension of the range and geographical locations of the services provided by transport services, and promoting the application of remote sensing technology. The Government's initiatives to improve the occupational safety, health and welfare and its equal employment opportunity program will continue to be implemented by the department.

The Hon. B.C. EASTICK: In relation to the provision of information program at page 391 of the yellow book, it is indicated that three concurrent inquiries are being undertaken; it almost suggests that the department is under siege. There is no question about the importance of the one stop shop principle, which it is envisaged will come from the review. But can the Minister give a clearer indication of when these reviews are likely to be completed and whether they have pinpointed any issues that will advance the cause of the department? As an aside, I note that the Government services directory was deferred while this operation was taking place. It would seem that that will be the selling arm for the department and that any delay might not be particularly cost effective.

The Hon. G.F. Keneally: I certainly can understand the importance of the honourable member's question, and he has drawn to the attention of the Committee some critical aspects of the review and the timing. I think it would be more appropriate for Mr Dundon to respond directly, because he has been more closely involved in some of these studies prior to his appointment and subsequently, of course.

Mr Dundon: The three inquiries referred to are being carried out by the Government Management Board. The first and the last are nearing completion at this stage. The improvement of telephone access to government has resulted in significant improvements in the receipt of telephone calls in the State Information Centre. Approximately 70 per cent to 75 per cent of calls coming through there now are being successfully answered in the first instance, whereas 12 months ago it was only 35 per cent. One of the features of the telephone access investigation concerns the development of a telephone directory and services directory for government.

The outcome rests, in part, on the third inquiry, namely, the inquiry into government communications, which has recently completed its study and which is now about to put some proposals to the Government Management Board and Cabinet for implementation of a communications strategy for government. As a result of that implementation, the

development of directories will be carried out electronically and will involve tremendous savings over the old methods of manual preparation and, more importantly, it will allow updated information to be made available at an instant, on line. So, both of those studies are almost complete. The one stop shop for small business approach is something that the Government Management Board has picked up on since I left it three or four months ago, and I cannot give an updated report on that study, except to say that for any one stop shop that would be developed the State Information Centre would play a very significant role.

The Hon. B.C. EASTICK: On the same program, it is stated that in addition to the stated targets for 1986-87 an additional matter pursued, not envisaged at the commencement of the year, was the intensive investigation of electronic data-basing for inquiry handling and electronic publishing, and the acquisition of an IBM PC on a long-term loan. It is noted that that will be advanced in 1987-88. How effective is it expected that that equipment will be? How often is it intended to update it? How cost effective is it? Can it be measured against the system working anywhere else in government? Finally, is it directly in relation to that electronic process that it has been found necessary to pick up the need to improve security arrangements at the centre?

The Hon. G.F. Keneally: I will ask the Director-General to reply.

Mr Dundon: I will deal with the security arrangements first. It is not related at all to the electronic publishing or data basing business. The centre has a large number of clients coming through its door each day and at this stage there is relatively free access behind the counter to some of the more highly valued books that are for sale. The security arrangements are simply to limit access by customers and other people to areas where high value items are stored.

Going back to the issue of the personal computer, part of the difficulty in getting the developmental work done in the State Information Centre has been the fact that there has been a continuing high demand for the delivery of services. We have had to delay the intensive effort that we had hoped to put into the development of the data base. A personal computer has been provided and a number of pilot initiatives are being tested to hold electronically some of the information referred to frequently by inquirers at the centre so that it can be easily updated and recalled at the time of a telephone call. A more intensive program is planned for this year.

The Hon. B.C. EASTICK: In relation to the computing services, shown in the program papers on page 393, the initiatives for 1987-88 pick up that it is intended to establish a small systems and personal computing consultancy service by June 1988. What are the parameters within which this consultancy will function? I ask that against the background of the statement by the Auditor-General that he is a little less than satisfied with some of the movements away from proper procedures within the department.

The Hon. G.F. Keneally: I will ask the Director of the Computing Centre to answer the substantive point raised by the member for Light. The Auditor-General, in drawing attention to some difficulties in the security system at the Government Computing Centre, also said:

It is acknowledged that a number of security initiatives commenced by the centre will address the areas raised in the review.

We do not disagree with the Auditor-General's comments, but it is important also to note that the systems are being put in place to provide the best security possible. I ask the Director to more fully explain to the Committee the real problems in security. There is a degree of misunderstanding

that people reading the Auditor-General's Report could draw from these bald statements about security. There is more to it, and I ask Mr Jones to fill in that information gap for the Committee.

Mr Jones: As to the first aspect regarding the consultancy areas in personal computing for small systems, the Government Computing Centre's major role has been to provide main frame computing services to its customers. Over the last few years personal computing has become a lot more widespread in departments. We have been asked whether we could support and advise people on the best use and the best sort of personal computers to acquire for stand alone purposes or, more especially, for linking back to the main frame equipment at the Government Computing Centre. That is the sort of facility that we intend to provide, starting this year.

The Auditor-General carried out a review of security facilities available at the Government Computing Centre to detect unauthorised access or changes to computer systems or data and to look at the management and organisational control as well as at the physical security and the continued availability of the systems to our customers. The one concern that the Auditor-General highlighted in his report is due to a movement away from some of the procedures that were laid down two or three years ago.

That system was proven to be cumbersome, required considerable additional work and was not responsive to our user requirements. Acting on a realisation of the practical implications of that and in trying to provide an appropriate responsive service to our customers, we have looked at security quite significantly over the past two years and have developed a security policy and an implementation plan for improving security aspects at the centre. In fact, we are in the middle of a project that will overcome the inadequacies that have been identified in the Auditor-General's Report. Some interim steps have been taken to cover the issues that he identified, particularly any system that has financial implications. The Auditor-General found no evidence of any problems in security and stated that other aspects of the review, including physical and environmental security, were satisfactory.

The Hon. B.C. EASTICK: Is the consultancy to be on a user-pays basis consistent with the new Government approach that costs be refunded?

Mr Jones: That will vary, depending on the type of service that is provided. Some individual services are provided on a no-cost basis, but overall the centre must recover its costs. There may be a charge for small individual consultancies depending on marketing decisions.

The Hon. G.F. Keneally: It will not be classed as general revenue; it must be met within the operational budget of the centre.

Mr HAMILTON: My question concerns the investigation of the feasibility of rationalising Government warehouses, which can be found on page 121 of the Estimates of Payments and page 392 of the yellow book. What rationalisation of Government warehouses took place? Where were those warehouses located? What impact, if any, will there be upon the Seaton State Supply warehouse, which is in my electorate and at which many employees are presently gainfully employed?

The Hon. G.F. Keneally: The department operates three warehouses, and the Seaton store is the major establishment. There are also two decentralised warehouses at Whyalla and Mount Gambier. At the start of this financial year there were viability problems under the department's charter at Whyalla and, more particularly, at Mount Gambier. There have been significant improvements, and I think it would

be appropriate if the Director of State Supply, Mr Peter Bridge, informs the Committee of what has taken place in terms of those warehouses.

Mr Bridge: The objective to which the honourable member referred was an initiative that the State Supply Board took to look at the possibility of rationalising inventories across Government. It began with a pilot study in the Mount Gambier area, where a number of departments run various types of warehouses. The pilot study showed that not a great deal of benefit was to be gained by rationalising the warehouses in that area. A study was also conducted in the metropolitan area of Adelaide, and that showed that there might be some benefits in rationalising inventories in the health area and the board referred that matter to the Health Commission, which is currently undertaking a review of the supply arrangements within the Health Commission.

The board has also written to other Government departments asking them to look at their inventories with a view to reducing them where possible, and at this stage it is left to the agencies to decide what reductions can be made without affecting operational efficiency. The warehouse at Seaton was not part of the study. Seaton is the only warehouse in the public sector that operates along commercial lines, and its inventory is tied to its commercial operations. Whilst I am not saying that the board is not looking at the inventory at Seaton, it tends to be done on a regular basis because of the pressures of commercial operations.

Mr HAMILTON: In September 1986 a conference was held between State, Commonwealth and New Zealand supply authorities. What was the outcome of that conference in terms of benefits to South Australia, and what specific programs will the Government look at as a consequence of that conference?

The Hon. G.F. Keneally: I can say that the conference was successful, and my recollection is that I opened it, so it was set off on a very productive footing. Inevitably some very good papers would have been presented and some benefits gained. Here again, Mr Bridge, who directly conducted that conference, is better able to give that report.

Mr Bridge: Obviously I would support the Minister's remarks. The conference is held annually and is attended by the Directors of State Supply or their equivalents in each of the States, the First Assistant Secretary of the Purchasing and Sales Division of the Commonwealth Government, and the Secretary to the Tender Board in New Zealand. It was held in Adelaide to coincide with our sesquicentenary.

The conference looks at two major issues involving a range of concerns that are developed by each of the States prior to the conference. Those questions are circulated to the other members for answers to be provided. The second aspect, which was new at the last conference, was to look at a number of topics that were included in a memorandum of understanding to the national preference agreement. The items were aimed at achieving standardisation between the States and the Commonwealth in the methods of purchasing and supply. For example, we are working toward a similar approach to specifications, the development of forward procurement plans and a common catalogue. Even though similar approaches to purchasing and supply exist throughout Australia, a considerable number of variations also exist, and it is considered that if these functions can be performed in a similar fashion it will help private enterprise, particularly in its dealings with, and in submitting tenders to, Governments in all States of the Commonwealth.

The Hon. G.F. Keneally: As the Government has been the largest customer for private enterprise in Australia, it would be of assistance to the private sector if the Government's tendering processes were common and it would make

for a much more efficient tendering process that would be of benefit to the private sector.

Mr HAMILTON: The *Atlas of South Australia* was one of the prime Government Jubilee year publications and was closely associated with the Government Printer. Can the Minister advise how successful in terms of sales the publication has been? Is there any indication as to whether a reprint has been considered and, if so, to what extent?

The Hon. G.F. Keneally: It is true to say that the atlas has been an outstanding success. The first run of 10 000 is almost sold out. I imagine that plans are in place for an additional run which I believe would be equally successful, but I will ask the Government Printer to give further detail.

Mr Woolman: The success of the atlas was possibly beyond my belief. We expected to sell the 7 500 copies within 12 months. The atlas was released on 17 September last year, and those 7 500 copies were basically sold out on Christmas Eve. Another 2 500 copies produced as school kits were sold through the education system to schools as loose leaf project kits. The sale of these kits was not as successful as we had thought it would be but fortunately we held a large number of sheets in folded sections rather than cutting them to loose sheets. Over the past six months, we have recovered those sets and completed them into finished books, and they have kept the sales of the atlas going through the retail book trade since the original 7 500 run was sold. We have actually started a reprint which is due for completion in December for the Christmas market this year. The success of the atlas dollar value wise was excellent. Print production costs and marketing costs totalled \$207 000 and the return on sales was approximately \$350 000, so it has been a great success for the State as the flagship of the Jubilee publications for 1986.

The Hon. B.C. EASTICK: The Minister recently told us in answer to the member for Albert Park that it is the aim of the department to provide a uniform and beneficial tendering process. Does the Minister acknowledge the advice or involvement of the department in relation to the tendering for the *Island Seaway* and, more specifically, for the sale of the *Troubridge*?

The Hon. G.F. Keneally: If I understand the honourable member's question, he asked whether I as Minister acknowledged the role that State Supply has in the process of disposing of the *Troubridge* and in the purchasing procedure for the *Island Seaway*. The State Supply Board has that responsibility by legislation, and I acknowledge that, of course. The purchase of the *Island Seaway* was processed through the Supply Board as was the sale of the *Troubridge*. Before Cabinet made its final decisions on the sale of the *Troubridge*, the matter was processed through the State Supply Board, which recommended in favour of the action that was taken. The same applied to the *Island Seaway*. That was submitted to State Supply for consideration and recommendation.

The Hon. B.C. EASTICK: In relation to the two contracts which have been identified, is the Minister able to indicate the final contract price for the *Island Seaway*, and will it come in on target? In relation to the sale of the *Troubridge*, has it yet been delivered to the successful tenderer, and does the Minister acknowledge that the Master of the Supreme Court has indicated that the basis upon which another tender was refused was not factually correct in law, particularly in respect of the letter of financial competency?

The Hon. G.F. Keneally: In response to the first question, the tendering process in which State Supply was involved was for the Department of Marine and Harbors. The honourable member asked what was the final cost of the *Island Seaway*?

The Hon. B.C. EASTICK: Yes, and did it come in within the terms of the tender?

The Hon. G.F. Keneally: I will ask the Director of State Supply to get a detailed response as to the actual cost of the *Island Seaway*, and we will have that information provided within the terms of the instruction given by the Chairperson. I want to reinforce that, as Minister of Transport, I am not involved in the *Island Seaway* until it is handed over to the Highways Department. We are the operating agency, not the purchasing agency, and State Supply has to process it. That information would be available. There are still some claims outstanding against the Government and I understand that the situation will take some time to resolve. There are still matters to be dealt with by State Supply and the Department of Marine and Harbors with Eglo, so those factors hopefully can be identified in the answer that I will provide for the honourable member.

I know that the Aloren syndicate applied to the court and the application seeking an injunction to stop the State Government from selling the *Troubridge* to the successful tenderer was heard by the Master. The company that tendered was Gold Copper Exploration Limited through its subsidiary, Tamlay Limited. The Master looked very closely, as we would expect, at all of the evidence available. He heard evidence from the Aloren syndicate, the Highways Department, the Department of Transport and Crown Law, and he had access to the documents from State Supply. He refused the injunction and the sale went ahead. I am not too sure of the actual point that the honourable member is making. Could he be more specific?

These matters were addressed by the court and the court did not find any reason to approve of the injunction, so the sale of the vessel went ahead. The vessel itself has not been delivered because we are still using the *Troubridge* and will do so until the *Island Seaway* is handed over to the agents who will operate it, and the Highways Department will provide the necessary subsidies, and so on, to ensure that the people on Kangaroo Island are able to afford the services provided.

The Hon. B.C. EASTICK: The Master indicated that, notwithstanding that he would not allow the injunction, the action of the Minister and the Cabinet in refusing to take the letter from the bank was in error, and that it was a legitimate document and one which has the force of law. That finding can be located in the judgment on this matter, and I can provide the Minister with a copy of the judgment if he so wishes.

The CHAIRPERSON: Does the honourable member have a supplementary question?

The Hon. B.C. EASTICK: I am coming to my third question. I was asked to respond as to what I was getting at and I was putting the point of view that the Master found that the Minister and/or the department and/or the Cabinet were wrong in refusing to accept the letter that was proffered before the time had expired. The Minister indicated that some problems were associated with completing the arrangements with Eglo. Can he indicate those difficulties? I raise that question against the background that his colleague the Minister of Marine, when questioned yesterday, indicated that any questions relating to the *Island Seaway* would be better directed to the Minister of Transport.

The CHAIRPERSON: Before the Minister answers the question, for the benefit of members who were not on the Committee yesterday, I indicate that quite lengthy questioning and answering took place about the *Island Seaway* to the extent that it falls within the responsibility of the Minister of Marine to oversee the initial contract and the

fulfilment of that contract. Perhaps we can proceed with that knowledge.

The Hon. G.F. Keneally: As Minister of Transport I have no responsibility for the *Island Seaway* until it is handed over to the agents and until it starts operating on the service to Kangaroo Island. Quite clearly, at that stage, the *Island Seaway* then becomes a vessel for which I would be directly responsible in this Parliament. However, the Chairman of the State Supply Board may be aware of the nature of the claims outstanding against the Government in relation to the *Island Seaway*. If that is the case, I ask him to assist but, if he is not able to do so, we could obtain that information.

In responding to an earlier statement made by the honourable member, I can say that I, too, have a judgment of the Master of the Supreme Court, who felt that there may well have been a proposal from Alorene, but I point out that it was some six weeks after the tenders had closed and after a very lengthy and extensive period of negotiation had taken place between Alorene and the Government, which tried to assist that syndicate to put a proposition to the Government. In fact, I found myself in the interesting situation of being accused, on the one hand, of not giving the Alorene syndicate the opportunity to tender and, on the other hand, of giving it every opportunity and, indeed, of giving the syndicate the vessel. I cannot be criticised on both counts. In fact, the Alorene syndicate was given every opportunity that any organisation could expect to get and, as I have said in Parliament earlier, the syndicate, because it is a South Australian organisation tendering for a South Australian vessel, was provided with more opportunity than it could reasonably expect. Had it been any other organisation, I doubt whether my patience would have been quite as extensive.

This matter was tested in the court, which looked at the application for the injunction. The decision of the Master was that there were no grounds on which to grant such an application. I think that that finding supported the action that, as Minister, I took. I will ask the Director of the department whether he is able to clarify the nature of the outstanding claims and, if he is not able to do so, whether he can obtain that information.

Mr Bridge: There are outstanding claims from the Government side in respect of Eglo's activities, and Eglo has also placed claims on the Government in respect of its building. I think that it would be far more helpful to the honourable member if we provided a written reply. This is a rather complicated matter and I think that, if I spoke now, probably I would confuse the matter and I do not think that would be helpful, so I would rather produce a written response.

The Hon. B.C. EASTICK: As a supplementary question, I point out that a newspaper article written in the last fortnight indicated that the vessel had been sold to the National Bank for \$16 million. If that is fact, has the Government been able to recoup the total of its costs from the \$16 million sale?

The Hon. G.F. Keneally: I will ensure that a report is provided to the honourable member. The purchase was on a lease-back arrangement, and I will provide a full report to the honourable member as to the leasing arrangements into which the Government has entered on the *Island Seaway*. The purpose of the leasing arrangement was to create financial benefits for the State Government and, through it, the taxpayer. The lease-back system has been used by the Government in a number of capital purchases and I will provide a detailed report to the Committee that clearly indicates the nature of that arrangement.

The CHAIRPERSON: That information can be provided by 9 October?

The Hon. G.F. Keneally: Certainly.

Mr RANN: In relation to the Forensic Science Centre, I was very interested to read in the yellow book about the work that is being undertaken in terms of uniquely identifying individuals through the use of the DNA molecule, which is deoxyribonucleic acid. How advanced is the work of the Forensic Science Division in relation to DNA typing, what staff are involved and what is the significance to crime detection of the work that is being undertaken?

The Hon. G.F. Keneally: I will ask the Director of the Forensic Science Division, Dr Tilstone, to answer that. Because of the rather technical nature of the question, I think it is more appropriate that the Director responds.

Dr Tilstone: The potential of DNA typing is probably the most exciting thing that has ever happened in forensic science. Very briefly, it gives us the opportunity to uniquely identify an individual by looking at a blood stain or a semen stain in the same way that historically someone could be identified from a finger print. I think that the implications of that in the law and order sphere are quite obvious. For example, it means that in a sexual offence such as rape, or even more sensitively in a sexual offence like an incest case, the semen found on the woman can be uniquely associated with a particular man, even if it is the girl's father. That is something that has been beyond us previously.

However, it is quite a technically complex area and one in which our laboratory and other laboratories throughout the world are performing a great deal of work. We have seconded one of our senior members of staff to Flinders University, where he has been researching with colleagues for the past 18 months, and I am very pleased to say that the state of development that we have achieved here is as good as it is anywhere else in the world and better than it is anywhere else in Australia and New Zealand. We expect to have the technology in the laboratory and in operational use in the next 12 months or so.

Mr RANN: I note with some interest that the Director of Forensic Science has been elected President of the world body, the International Association of Forensic Scientists, and that Adelaide will host the World Conference on Forensic Science. Will this DNA typing be a central feature of that conference? Further, is it basically also a reflection of the forensic science laboratory's standing as a centre for world excellence in this area?

The Hon. G.F. Keneally: Before asking Dr Tilstone to respond to that, I would like to put on record the Government's appreciation of the work that Dr Tilstone has done here in South Australia. I think everybody who has an interest in forensic science and law and order would recognise the dramatic improvements in our forensic capacity in South Australia, as a result of the Currie report, the Cramond report and the work that has now been done in the forensic science area. Dr Tilstone is more than directly responsible for that. I believe that it is because of his eminence in the profession that not only has he been elected the world president of the association but also that he has been able to encourage the confederation to have its world conference in Adelaide in 1990.

Dr Tilstone: Thank you, Minister. I think there were two parts to the question: the first part related to the role of the conference and the developments in DNA. I think the timing will be quite critical, because any new technique with the potential that DNA has of course comes under immense scrutiny in the courts; quite rightly, no court will allow evidence relating to this unless it is assured that it is a reliable technique which has a sound basis in science. I

think that the timing of the meeting here in 1990 is almost perfect, because by that time the technological problems will all have been resolved, and the matter of acceptability in a legal sense can then be taken as an issue and that, in fact, should set the seal on the introduction of this technique into everyday use.

The meeting itself gives me tremendous satisfaction in the sense that it reflects the turnaround in international and national credibility of the forensic science service which this State enjoys. It also reflects very much on the efforts of the staff at the Forensic Science Centre, who have worked very hard and very effectively to win the meeting. It is also a reflection on the convention and other social facilities which the State has available. The facilities in the Convention Centre, in the sense of the flexibility of accommodation and the quality of accommodation that it offers, were one of the most critical factors in successfully winning the nomination. I think that 1990 will give us something of which scientifically, professionally and socially the State can be very proud, and we are very, very pleased to achieve this success.

The Hon. G.F. Keneally: It is the first time ever that this convention has been held outside Europe or North America. I think some 1 000 delegates will be attending.

Dr Tilstone: I was quite interested in the dollars and cents business, as opposed to the scientific business of the convention. We expect at least 1 000 delegates from outside South Australia to attend, the meeting will last about eight days, and the value to the State will be in excess of \$3.3 million—and this is quite apart from the advantages and developments in the profession.

Mr RANN: What is the Chemistry Division's involvement in locating pesticides in meat, following, obviously, some months of controversy over the impact that this is having on Australia's overseas trade?

The Hon. G.F. Keneally: The pesticide laboratory of the Chemistry Division is the State Government's only dedicated facility for the analysis of pesticides and, as members would expect, it has been extremely busy in recent months. It is fair to say that it has been a very economically beneficial part of the Chemistry Division's operations in recent months. I would like Dr Dainis, who is the Director of the Chemistry Division, to add to that.

Dr Dainis: The pesticides laboratory of the Chemistry Division carries out work for the South Australian Health Commission, the Department of Agriculture, and also the meat industry in South Australia. It has also carried out pesticide work for the Department of Fisheries people and for the Department of Environment and Planning. So, it has a core of expert people to look at the pesticides that are a problem. The current demand on the present crisis has really accentuated the need for us to respond. Let me just say that, prior to the present crisis the laboratory, on average, dealt with one farm quarantine and one pesticide chemical spillage per year. The present situation has seen farm quarantinings and their associated samplings increase 10-fold and, more particularly, the number of meat samples taken has increased 300-fold in the past three months. Industry projections for the lot sampling are that that number will increase 1 000-fold.

So, there has been a fantastic impact on the pesticide laboratory's work and we have met that by tripling the number of staff, and in that we have utilised the expert analysts that we have at the laboratory and we have taken on temporary and casual temporary staff to work on two shifts, a day shift and a night shift. We have purchased additional equipment, and we are satisfying the requirements of our three clients, namely, the Department of Agri-

culture, the South Australian Health Commission and South Australia's meat industry. We are very keen to see that this work does not go out of this State because we believe that we provide a very fast and economical service. I might add that we have also provided services to the Commonwealth Government, which has been hard pressed, and recently, for example, we carried out urgent analysis on samples that came from Western Australia, which resulted in the saving of about \$2 million worth of beef exports. So, that is just an indication of the way in which we have responded, and I must say here that I would like to praise the staff who are working under very pressing circumstances at the moment. They have responded magnificently and I think that they are a credit to the Chemistry Division and to the State.

Mr LEWIS: Thank you, Mr Acting Chairman: I have waited patiently for an hour to ask a question on this very topic. I do not want the question to be misconstrued by anyone to mean that I am not concerned about the necessity to avert and avoid the unfortunate consequences that may arise from the use of agricultural chemicals which can prove to be injurious to human health or, indeed, to the environment at large. But I want to place on record my belief that the people who accuse Australia, particularly the North Americans and the Japanese, are not guilt-free in their holier than thou attitude of the moment in relation to the use of devices to, as it were, mask the effects of agricultural chemicals in foodstuffs or otherwise to have invented, produced and sold them to the world. Japanese corporations, whether based in Japan or elsewhere in the Far East, have been known to use the breeding technique of fish fingers, to build up bulk quantity around the foodstuff to reduce the mercury level to World Health Organisation acceptable limits on a weight/weight basis. That sort of activity is abominable. The Americans had a fair bit to do with the production of agricultural chemicals of doubtful benefit to humanity over many years.

What are the current levels of agriculture pesticides being identified and documented presently in meat for those substances which cause concern overseas? How do they compare over time with samples tested one, five or 10 years ago (if that result is available) and which way is the trend going—up or down? I do not want a detailed answer but rather an undertaking to incorporate a table in the record, as I am presently engaged in discussions with United States congressmen and senators in the visits I make there from time to time. I am giving them to understand that they are more ignorant than their political and public statements would indicate about what has been going on. A table of this nature would help me.

The Hon. G.F. Keneally: The question directed to me as Minister is specific. The honourable member wants to know what percentage of pesticides is currently found in meat sampled or tested by the Chemistry Division and how it compares with testing of three to five years ago. If the Director of the Chemistry Division is able to give that information, well and good. If not, we will be able to respond in the way the honourable member requests. I will ask Dr Dainis to respond to those parts of the question on which he has personal information.

Dr Dainis: The answer to the question lies in the national market basket survey, which is carried out annually by the National Health and Medical Research Council. It looks at the incidence of chemicals, pollutants, additives, preservatives and trace elements in the national diet. Samples are taken in each State by health surveyors and sent to a central point in Sydney. Those samples of food are cooked and then analysed. Information is gathered every year on the incidence of organochlorins such as DDT in the national

diet. This year it was decided not to include in the survey organochlorins such as Heptachlor, Dieldrin and DDT. Since the first survey in 1972 there was a declining trend in the incidence of these organochlorins.

Mr LEWIS: That is the information I sought, and the table that I requested would also be appreciated.

Mr TYLER: I refer to page 394 of the Program Estimates which contains a statement to the effect that there has been a valuation or review of the pilot satellite car pool. I understand that the scheme has been operating in the Noarlunga area. What are some of the results of that review and has any cost saving been involved?

The Hon. G.F. Keneally: I will ask the Director to give a more complete answer to the question, but there have certainly been some benefits to the Government. There was a saving of seven vehicles initially and areas of cost benefit can be identified. We are looking very seriously at the whole concept of car pooling and looking to expand the Noarlunga experience into regional centres some time this financial year. Significant savings to the Government have been achieved by a central car pool and we have been able to make a contribution to general revenue as a result of the operations, including a considerable reduction in the number of vehicles needed to be kept. We are also looking very closely at maximising the use of our vehicles through short-term leases rather than long-term leases, so that the maximum use of vehicles can be obtained.

Mr Grenville: The Noarlunga situation has been quite successful. For a satellite car pool to be successful we need to place it where a number of Government agencies are situated because people who use these vehicles do not like to walk very far. The situation at Noarlunga was very satisfactory. A number of departments down there are located in close proximity to one another, and the vehicles were placed in a pool in an enclosed compound which is floodlit. As the Minister stated, we had a saving of seven vehicles. We found that after a six-month pilot operation we had a significant saving to agencies, particularly the Education Department, which was reimbursing officers for the use of their private vehicles. The pooling of vehicles allowed them access to that pool, thus allowing considerable savings.

We will be looking further afield in 1987-88 at areas elsewhere in the metropolitan area such as Elizabeth and the country centres of Murray Bridge and Mount Gambier where a number of agencies are located close to one another. We will ascertain whether a satellite pool could be formed in these locations. One of the difficulties in the metropolitan area is that not many Government agencies are located close to one another. For instance, Housing and Construction may have a large complex at Netley, but no-one else is close by. Elizabeth, however, looks like a strong possibility.

The Hon. G.F. Keneally: As some members may have misunderstood a point made by Mr Grenville, I point out that it is important that people who want access to the car pool do not lose time gaining access to the vehicles. The vehicles need to be as available as possible because lost time is costly to the taxpayer. It would not make sense for people to be taking an inordinate time to get from their office to the car pool as it would render the benefits of the car pool less substantial.

Mr TYLER: Seven cars would be a significant saving in dollar terms. How much would be saved? I realise that hidden costs are involved, and the point the Minister just outlined would be a significant saving.

The Hon. G.F. Keneally: When the Government looked closely at the establishment of a satellite car pool at Noarlunga, it looked at cost savings and where these savings

would benefit the department directly or benefit general revenue. Figures are available, although I do not have them with me. I will obtain that information for the honourable member to show where such benefits or cost savings are being met.

Mr Grenville: The price of seven vehicles to the Government would be around \$80 000 in terms of capital expenditure. It is a saving that can be redirected to other priorities. At the same time, it saves the Government interest, in terms of the investment that it does not have to make in motor vehicles, which at current rates for 1987-88 of 13.75 per cent amounts to a saving of approximately \$9 000 or \$10 000.

The Hon. B.C. EASTICK: Why is it that the Government appears to be taxing itself, if a dividend from the department to the Treasury is seen as a form of taxation? On page 394 it is revealed that there was a dividend payment of 13.25 per cent. This year it will be 13.75 per cent, as an indication of funds recovered from recurrent lines.

The Hon. G.F. Keneally: This indicates the nature of the services provided by the Department of Services and Supply. They must be seen to compete with the costs that are met by private sector organisations. Those sorts of charges are applied within that policy.

Mr Dundon: The business is operated by the department, which tries to put such operations on as businesslike a footing as possible. In setting up the car pool, a number of motor cars were transferred to the department at no cost. These had previously been purchased out of recurrent funds when they were owned by departments prior to the establishment of the car pool. The car pool was established using those vehicles, and they represent an equity of the Government in the operations of the car pool. In transactions that take place with any alternative supplier some return needs to be given to the equity holders.

The department has negotiated with Treasury a return to the Government from its operations, which enables the department more adequately to compare its operations with the performance of alternative suppliers. The department does that quite successfully because the dividend is more than would apply for an equity dividend for somebody operating in a similar industry in the private sector. It is designed to reflect some Government equity in the operation and its commercial and businesslike nature.

The CHAIRPERSON: There being no further questions, I declare the examinations completed.

Transport, \$34 401 000
Works and Services—Department of Transport,
\$1 215 000

Chairperson:
Ms D.L. Gayler

Members:
Mr K.C. Hamilton
Mr G.A. Ingerson
Mr I.P. Lewis
Mr J.K.G. Oswald
Mr M.D. Rann
Mr P.B. Tyler

Witness:
The Hon. G.F. Keneally, Minister of Transport.

Departmental Advisers:
Dr D. Scafton, Director-General, Department of Transport.
Mr D.M. Ryan, Director, Support Services.

Mr J. Bettcher, Chief Finance Officer.
Mr P. Tregoweth, Senior Finance Officer.

The CHAIRPERSON: I declare the proposed expenditures open for examination and invite the Minister and the lead Opposition member to make an opening statement.

The Hon. G.F. Keneally: Even in the current difficult economic climate, the 1987-88 budget for the Department of Transport maintains most existing functions and continues to implement several new initiatives commenced in 1986-87. Initiatives going into the first full year of operation include the access cab scheme for the disabled, the rider-safe program for motorcyclists, and the vehicle security register. The O-Bahn and on-line projects continue as high priority activities. The information that I am able to give is better elucidated through questions.

Mr INGERSON: On page 349 of the Program Estimates can be found the actual receipts for 1986-87 (\$95.6 million) and the estimated receipts for 1987-88 (\$107.91 million). I am aware that the department does not spend that sort of money. Can the Committee be supplied with a breakdown of receipts? I ask that question in line with the statement by the Auditor-General that there should be better detailing of receipts and expenditure before the Committee so that it can more easily be understood. As the Minister would be aware, \$107 million in receipts compared with \$35 million in payouts is a significant difference. I am aware that some of that money goes to the Highways Department.

The Hon. G.F. Keneally: For the benefit of the Committee, I can explain the breakdown that the honourable member seeks, and it can be provided in more detail in graph form. Would the honourable member prefer to have that information in a detailed report?

Mr INGERSON: I would prefer to have it as a detailed report, but I would accept a brief explanation.

Dr Scrafton: In general terms, \$99 million of the \$107 million is essentially MRD receipts. Of the remainder \$2.1 million is MRD commissions. In addition, revenue is gained at the vehicle inspection station at Regency Park which levies charges for its services, and charges are levied at the road safety centre for students doing courses. The residue of the \$99 million can be detailed today if the honourable member wishes.

Mr INGERSON: My next question relates to concessions. On page 350 there is a figure of \$11.214 million, and on page 354 it is stated that there has been a decline in pensioner patronage of .9 per cent. It further says that concessional reimbursements to pensioners and children remain relatively static. Can the Minister explain where the difference has occurred and what are the reasons for that difference?

The Hon. G.F. Keneally: It is difficult to identify the patronage of the STA, particularly the inter-peak patronage, because for a number of years people travelled on public transport free of charge and obviously there was no direct record of ticket sales. So the STA used a formula to identify the patronage and, whilst it is reasonable to believe that that is accurate to within a certain percentage, I would not like to identify that percentage.

Until the Crouzet ticketing equipment is in place next week, the department will not be able to accurately identify the total number of persons who travel on STA vehicles, the nature of their travel (whether they are full fare paying passengers or concessional passengers), where they board the system, and what sort of tickets they buy. That information will be available as one of the benefits of the Crouzet ticketing system. Until the department knows the total ridership of concession passengers—and it is known more accu-

rately this year because of experience gained in the sale of a 20c ticket for concession ticket riders—it will not be absolutely sure of what the accurate level of subsidy should be. However, it is to be expected that from next year's budget papers the department will be able to better predict the situation.

The .9 per cent drop in ridership is a calculated figure and there has been a significant drop in inter-peak patronage this year according to the formula used by the department. At the same time I point out that the number of passengers travelling in the peak period is holding up very well, and that is where the costs are involved. I will ask the Director to add his comments.

Dr Scrafton: An analysis of the pensioner line on page 115 shows a slight drop, and that is a reflection of the factors that the Minister has already mentioned. Of that total of approximately \$8 million, only \$7.3 million went to the STA in the last year. That line also covers pensioner reimbursement to country towns bus services, to some of the private bus operators, to Australian National Railways for certain purposes, and to the operator of the *Troubridge* through the Highways Department. Of more significance is not so much the slight drop in pensioner passengers, which is only an estimate, but the fact that the figure reimburses, for instance, the STA for the cost of the normal fare. Once the 20c fare was included it automatically meant that there would be a drop in the amount calculated for that line. When more detailed data is available that line can be refined even more accurately, but it does show the existing trend.

Mr INGERSON: Can the Minister supply a detailed breakdown of that line at a later date?

Dr Scrafton: With the Minister's approval that could be done by the end of the day. It would be a break-down of the actual figures for 1986-87.

Mr INGERSON: In relation to motor vehicle registration and licences, there is a lump sum for receipts. How is the figure of \$99.91 million achieved? Can the Minister explain the mathematics of how a figure of 10 per cent out of 16.7 is achieved, although that is another side issue. Page 351 of the Program Estimates shows that the Division employs 286 people, whereas page 200 of the Auditor-General's Report shows a figure of 387 personnel. Why is there such a significant difference?

The Hon. G.F. Keneally: While that information is being ascertained, I will state that the \$99.5 million is made up of \$79 million for registration and \$20.5 million for licence fees. A more detailed break-down of those receipts will be provided for the honourable member.

Without responding in detail to the honourable member's amusing comment about rounding up, I would point out that it is damage control. The system that has been applied in South Australia since 1976 by this Government and by the honourable member's Party when in Government is exactly the same, the only difference being that nobody ever said so to the press. I think that is the only difference between the way that the honourable member's Party organised its fee increases and the way in which the present Government has organised them. Previously the Government did not state publicly what was contained in the regulation. I will ask Mr Ryan to respond to the employment question and then I will respond to the breakdown of receipts.

Mr Ryan: As I understand it, the question of the honourable member relates to the reconciliation between the employment figures which are used in the yellow book for program 8, which is the revenue collection service for other Government agencies, and the employment figure which is used in the Auditor-General's Report. The employment

figure used in the Auditor-General's Report relates to the total employment in that division of the department called the Motor Registration Division.

For the sake of the yellow book which is based on the program budgeting principles where the employment is referred back to the purpose for which the employment is incurred, that total number used in the Auditor-General's book is split between program 7, the collection of revenue, program 3, the road safety program which is the employment of primarily the licensed examiners and some other people involved in the licence operation in head office of the Motor Registration Division, and finally some officers employed under program 2 which is the vehicle security register, which is listed under 'Industry, Occupational, Licensing and/or Regulation.' One needs to take various elements of those three programs to add together to reconcile with the 386 staff quoted in the Auditor-General's Report.

The Hon. G.F. Keneally: I will now give the breakdown of receipts that total \$107 million that the member for Bragg has asked for. It includes: registration, \$79 million; licences, \$20 500 000; commissions, \$2 100 000; road safety recoupment, \$3 653 000; interest on on-line capital, \$410 000; vehicle security register, \$392 000; bus regulation fees, \$337 000; road safety fees etc, \$250 000; sundries, \$5 000; tow truck fees, \$71 000; vehicle engineering branch, \$433 000; capital—repayment of advances, \$508 000; sale of vehicles, \$155 000; service fees etc, \$100 000; totalling \$107 914 000.

Mr HAMILTON: In relation to the blood alcohol content, can the Minister advise the Committee, following the release of the Road Safety Division report 'Review of the Legal Blood Alcohol Concentration for Drivers', prepared by Leanne Weber, if the Government has decided whether it favours the lowering of the blood alcohol content to .05 and, if so, the reasons why and, if not, why not? In that report on page 30, it states in the bottom paragraph:

The initial response to RBT in South Australia indicated that drivers at all BAC levels moderated their behaviour, but that heavier drinkers were more easily 'undeterred' by the failure to maintain a high risk of detection. The reduction to 0.05 in NSW before RBT failed to achieve any added deterrence, but the combination of a low legal BAC with high intensity of RBT testing in NSW . . . resulted in reduction in accident involvement at all BAC levels.

I point out to the Minister that I am neither in favour of nor against the lowering of .08 at this stage.

The Hon. G.F. Keneally: I, as Minister, have available to me a report from the Road Safety Division and from the Health Commission, both strongly supporting a reduction in the blood alcohol limit from .08 to .05, and there have been recent seminars, including one convened by Mr Peter Oatey at the Royal Adelaide Hospital, that also strongly supported the reduction to .05. Because all of these agencies are represented on the Road Safety Advisory Council which is established to advise the Minister on matters of road safety, this issue has been referred to that body. It is a very widely representative and high level body of concerned people. I understand that they will be very shortly providing me with their recommendations as a result of their studies.

It should be pointed out that the Road Accident Research Unit at the Adelaide University chaired by Dr McLean has not been so supportive of a move from .08 to .05. I make that point to highlight that there is still some debate within those expert bodies who would advise the Government on this matter. Once having received their report, I propose not only to take the matter to Cabinet but also to discuss this matter with my colleagues prior to any firm decision being taken. At the moment I am waiting upon expert advice before I propose to make any decision at all.

Mr INGERSON interjecting:

The Hon. G.F. Keneally: In a matter as important as this is to the community, the Minister ought to be persuaded by expert advice that is available. Then it is up to the Minister to persuade his colleagues, I suppose, if that is necessary.

Mr HAMILTON: Can the Minister outline the progress of the access cab scheme and what further regard does the department have for the needs of disabled persons in terms of further transport services?

The Hon. G.F. Keneally: The access cab scheme was designed to provide an opportunity for mobility for all purposes for people who cannot access public transport currently with dignity. The access scheme commenced operations on 11 May 1987 and as of 22 September 1987 had a membership in excess of 1 820 people.

The take up of membership has been in the vicinity of 300 people a month and if this take up rate continues, the proposed membership of 3 500 will be reached by March 1988. To date, there have been 5 034 fifty per cent subsidised taxi fares taken in access cabs, and the subsidy has averaged \$4.29. People who can ride in standard taxis have taken 4 725 rides at an average subsidy of approximately \$3.00. At present, the access cab company is handling around 90 calls a day. Membership figures taken show that female members are at 64 per cent and the male members at 36 per cent. I do not for the life of me understand why we are making that distinction, but for the interests of the Committee, we have 64 per cent female members and 36 per cent male members. People confined to wheelchairs claim 50.75 per cent of the membership.

There has been a remarkable acceptance of the scheme by both the disabled patrons and those ambulant people who use the vehicles as taxi-cabs when not transporting people with disabilities. A user group committee is about to be formed under the chairmanship of Ms Jill Dury, a member of the State Transport Authority. This will permit the users direct access to the Minister of Transport through the good offices of Ms Dury. The access cabs are operating from a radio base located in the now unused Department of Housing and Construction administration block located on Marion Road adjacent to the Government Printer. This site has a strong room for docket storage and has proven to be an ideal operational site.

The four radio taxi companies have banded together to form specialised Transport Services Limited trading as Access Cabs. The directors meet monthly to superintend the operation which is operating in a manner which indicates a need for more vehicles to accommodate the demand. I am pleased to say that other cities have followed very quickly on the example that was provided to us by New South Wales and by us to some cities like Brisbane, for instance, so the access cab is a very well accepted means of transporting people who otherwise would not have the capacity to use those community facilities that the rest of the community take for granted.

Mr HAMILTON: What further transport services are planned by the department for the disabled?

The Hon. G.F. Keneally: From time to time the Department of Transport as well as the STA give special consideration to the needs of disabled people. I should say that that occurs more than on a from time to time basis: it is a group of people for which we have continual concern. A small example is the provision of parking permits for disabled people who have their own motor cars. There are two major current thrusts in the area of transport for disabled persons. One is the progressive upgrading, as new rolling stock is acquired, of the STA fleet to allow increased accessibility for marginally disabled persons, the better placement

of handgrips, adjustment of step heights and designation of seats for people with walking difficulties. They are amongst the sorts of activities that the STA endeavours to introduce into the design of new rolling stock. Secondly, recently the Government introduced the access cab scheme which I have already highlighted to the Committee. The needs of the disabled will be considered also as part of a strategic planning process.

In relation to the STA, I presume that honourable members are aware that one of the members of the committee is confined to a wheelchair, so there is a direct input into the STA board's deliberations at that level. The work that is going on will build on past reviews of the need for better information for disabled persons. I think that that is a critical matter. One can have all the facilities in the world but, if people do not have information as to their access, then the original charter is not fulfilled. We are considering the role and potential of the transport broker to bring together people in need of transport as potential providers, together with the available supply of vehicles to satisfy the needs of disabled persons. All of these matters are being considered continually by the department.

Mr HAMILTON: In relation to our international airport, one of the transport policy items about the airport notes that the Government wants to improve intrastate and interstate services, plus a limited international airport. Why is there reservation about international flights? Why does the Government not aim for full international facilities and services? I note also that during the Estimates Committee hearings the proposed alternative site for an airport to serve Adelaide was mentioned. I assume that this refers to the often canvassed proposition of the Two Wells region. Is this still a practical proposition and what is being considered?

The Hon. G.F. Keneally: I take the point raised by the honourable member. I think it is fair to say that it should not have appeared in the Program Estimates in such a way. The Government is certainly not interested in a 'limited' international air service. This Government is attempting, basically through three agencies—the good offices of the Premier, the Department of State Development and more particularly in tourism—to attract as many international flights to Adelaide as it can. Of course, the Department of Transport assists in a technical way in achieving that aim, so we are not interested in a limited international access to our airport. I would be very pleased if members would put a heavy blue line through the word 'limited' as it relates to international air travel.

I believe that generally the Government is having some success, and will continue to do so, in encouraging more international flights into Adelaide as our city and our State become better known through the sorts of promotional programs that have been under way. The Grand Prix has given Adelaide an international prominence that we might not otherwise have had and the increasing number of world conventions and conferences that are held at our convention centre also gives Adelaide a high profile. I believe that our increased credibility in the high tech area and our increasing capacity to trade internationally provide an international profile for Adelaide that warrants a much better international air service into Adelaide than we are getting.

Having said all that, in relation to the point made by the honourable member about the future siting of an international airport, the studies undertaken by the committee (and I will ask the Director to enlarge on this in a moment) indicate that any decision about moving the international airport from its current siting ought not to be a matter for decision by Government until some time in the next century

and that is certainly, on the information available to me, a sustainable proposition. I ask the Director to provide some more information on that study.

Dr Scrafton: The department takes the rebuke very seriously. I think that that word has been in the yellow book since the first one was written. The important point that is emphasised by the word 'limited' is simply that the terminal itself is comparatively small and was never designed for extensive services. In fact, if one looks back at the success that has been achieved over the past six years, the level of service that Adelaide now receives in direct air services is really quite remarkable. I suppose that, if one looks at it from an international transport point of view, it is limited but, if one looks at it from the point of view of what we had seven or eight years ago, really it is quite remarkable growth. Something like 82 000 inbound trips through the international terminal and 76 000 outbound trips are undertaken, together with a considerable number (75 000) transit trips, which is quite remarkable for Adelaide and it demonstrates that there is some potential for growth.

I do not think that in 1980 we would have contemplated a great deal of transit travel, but it demonstrates that quite a lot of flights are routed through Adelaide from other points in Australia. That gives us some hope for the increased services that were referred to by the Minister. We should not pretend for one minute that we could pack a 747 with loadings out of Adelaide which, on those figures, would indicate that it would be doing well if there were 125 or 150 boardings a trip and that 200 boardings a trip from Adelaide would be quite remarkable. We are looking to fill loads and to mix with, say, Melbourne or Perth in developing a flight of that sort.

As the Minister said, those sorts of discussions go on all the time. Members would be aware of the recent statement made by the Lord Mayor of Adelaide. He said that he was looking for improved service I think it was from Malaysian Airlines. I think that he had discussions with that company, but discussions have been going on for six years with that airline and, essentially, the problem is one of negotiation with Canberra as to the number of flights into Australia and what rights we can get in Malaysia for Qantas in exchange. It is something that takes a long time.

Similarly, the Two Wells airport is some way off in terms of the harsh realities of the cost of constructing such a large facility, but work is going on to delineate the site of the Two Wells airport. The detailed delineation of that land will be completed probably in the mid-1990s, by which time the property itself will be protected.

Mr INGERSON: I do not want to cast any aspersions, but the answer to the last question in terms of personnel was really a very good 'Yes, Minister' answer. I could quite easily have referred to the total figures provided and referred, for example, to the difference between the total of 543 referred to by the Auditor-General and the total in the program performance budget papers of only 529. I chose to refer to an individual part of the Auditor-General's Report just to highlight this matter, but we still have a major problem of differences between the Auditor-General's statements and the program performance budget. It really does highlight the question that the Auditor-General put in the first pages of his report, namely, that we ought to try to tie up both the actual figures that go to the Auditor-General and the program performance budget figures. That is just a statement, but it highlights the fact that there is a significant difference between the figures in these papers.

The Hon. G.F. Keneally: If the honourable member feels that the answers were unsatisfactory and that they were more in the line of 'Yes, Minister' answers rather than

factual, I will undertake to have a reconciliation of those figures made available for him before the end of today's sitting.

Mr INGERSON: Yes, that is okay.

The Hon. G.F. Keneally: We acknowledge that it can be confusing. The Director has just mentioned that the actual number is different again. However, we will get a reconciliation for the honourable member.

Mr INGERSON: The point I am making is that it just does not add up.

The Hon. G.F. Keneally: After the honourable member sees the reconciled figures he will be quite clearly convinced that it does add up.

Mr INGERSON: I now refer to the Motor Registration Division. The Minister would be aware that there has been a considerable amount of questioning in relation to the rationalisation of offices in particular. A document has been circulating in the community which suggests that the offices at Marion, Mitcham, Lockleys, and perhaps Tranmere, are all part of that rationalisation program. Will the Minister explain to the Committee what will happen in the total rationalisation of Motor Registration Division offices?

The Hon. G.F. Keneally: I believe that all Department of Transport operations are run with no fat at all. Any fat that may have existed previously went some years ago—and I would extend that to the STA and the Highways Department. I believe that we do run very cost-effective systems, and when as an agency we are expected to find 3 per cent savings as a requirement of Treasury then in the area of transport that means that very difficult decisions which will impact on service delivery have to be made. I think it should be pointed out that over recent years there has been a net loss in the Motor Registration Division of about 126 positions, and with the on-line computing system we expect that some 30 to 35 positions will be lost in future. It is in that sort of environment that a 3 per cent cut has to be funded. One of the only areas available to the Motor Registration Division is the rationalisation of suburban and country offices. We have tried to establish a set of criteria to ensure that most people throughout the State have access to a Motor Registration Division office—and that is more difficult in the country than it is in the metropolitan area.

Our decision to close the Nuriootpa office was based on that premise. A certain degree of publicity was associated with the closure of that office. I have asked the Registrar of Motor Vehicles to look at all the city offices and to report to me as to what savings can be found within those offices. It seems quite clear that the only way we can find savings is to close further offices. At this stage, no decision has been made and studies are still in progress. But certainly at least one office will have to be closed to meet our targets, and it is more likely that two offices will be closed. I am in the process of considering all the options available to me. In making any decisions I need to speak to the staff involved and their unions and I need to consider the needs of the local community, etc. But I think I ought to say that I expect that certainly one office will close and, more likely, two offices will close. However, at this stage I am not able to identify those for the honourable member.

Mr INGERSON: Will the Minister explain how it was that the Nuriootpa office was targeted when, in fact, the Port Augusta and Kadina offices had fewer transactions per day than the Nuriootpa office?

The Hon. G.F. Keneally: Yes, I would be happy to do so. As the honourable member would appreciate these were difficult decisions for me to make, as I am the local member for Port Augusta and Port Pirie, where regional offices are established, and so I needed to be very careful of criticism

of the decisions that I made. The decision was based on two major propositions. The first is the number of transactions, and in that respect Nuriootpa was certainly higher than Kadina and Port Augusta. The second proposition relates to the availability of alternative Motor Registration Division offices.

In considering those two factors, it is clear, for example, that if the Kadina office were closed the people in that area would be involved in very lengthy travel to access another office. Travel for people in the Port Augusta area would be lengthier than that for people travelling from Nuriootpa, or the Barossa Valley, to Elizabeth. The other point in relation to the Port Augusta office, established, I think, two years ago, is that the number of transactions is already not very much less than that for Nuriootpa. It also services a very significant and fast growing area, which includes Olympic Dam, Leigh Creek and Woomera. Many people access the Motor Registration Division through the Port Augusta office. That needs to be considered as well.

So, they were very difficult decisions. I might say that, in relation to metropolitan Adelaide, the people who need to use a Motor Registration Division office have more convenient access to other offices in the event of one or two being lost. I am not happy that we had to take the decision that we did in relation to Nuriootpa. It was not an easy decision to make and it has certainly caused me some pain as Minister. Nevertheless, these are the sorts of decisions that one has to make when revenue is down and when people oppose increases in taxes and charges and those things that Governments need to impose in order to provide a continuing level of service.

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

Mr INGERSON: My next question relates to the online computer system. Going back through the program performance budget papers, I notice it has been on line for about four years. Again this year it says that we will implement the online computer system to increase effectiveness and reduce cost of collection. What has been the delay over five years and what has been the approximate cost escalation over that period?

The Hon. G.F. Keneally: If I ask the Director-General to answer directly, it will shorten the time.

Dr Scrafton: The main delay in the recent past has been finding skilled staff to bring in the system. It will start in January and 1988-89 will be the first full year of operation and will be fully implemented. Presently we are having a great deal of difficulty with getting the senior computer specialists to bring on to our staff. The stoppage time involved runs into weeks. We are overcoming the present difficulty by contracting out with a contract specialist, but that is expensive and we have had to seek the approval of the Commissioner of Public Employment to go outside the normal staffing techniques.

The Public Service in general has a great deal of difficulty recruiting and holding computer specialists. The only additional delay that has occurred in the recent past (this calendar year) was the one due to staffing and the slippage time would be a matter of months. There has been no increase in costs since the project was approved in, I think, 1985. The establishment cost and project development expenditure cost in the submission was for capital hardware purchases, plus software purchases, plus installation, \$456 000, and actual expenditure was \$358 000. Operating network rental was \$820 000 in the submission seeking approval and expenditure to date has been \$492 000. That reflects the slippage to which I have just referred.

The capital cost shows in the budget as much greater expenditure in 1986-87 than previously planned and that is

because we were able to require the Fujitsu and Olivetti hardware almost all in 1987, whereas previously it was planned to bring it in over two years. A relationship between the submission seeking approval from Cabinet and the cost incurred to date has shown no escalation in costs. We expect to bring in the project within the submission. However, as the project papers show, capital expenditure last year was high, but this year there is very little, with only residual payments on the capital side.

Mr INGERSON: I refer to one of the specific targets/objectives for last year which refers to analysis and training undertaken by Government Management Board consultants for improved quality of service, management of people and effective management of change. What does that mean and what has occurred?

The Hon. G.F. Keneally: It was a useful piece of advice. The bottom line is to make our staff 'user friendly'. That is one of the intentions of it, but I will ask the Director-General to comment.

Dr Scrafton: One could go into great detail, but the Government Management Board has on its staff a number of specialists on improving performance across the counter. We applied their skills to the Motor Registration Division, but it was not just a matter of people smiling while taking your registration and licence money, but also encouraging our employees. Many of the employees are young people and school leavers coming straight in at the clerical rank. We were trying to get those people to appreciate their role within the Government machine and appreciate the relationship between taking money off people for vehicle registration and the service that is provided outside with that money, in particular, applying it to the constructing and maintaining of roads on which they will drive the vehicles that they have come into register. People are not anxious to be reminded of that sort of thing, but it helps our employees and lifts their performance if they are able to understand that relationship.

The Minister mentioned earlier the decline in staffing in the Motor Registration Division which created a morale problem, particularly in the headquarters building, and it was an attempt to lift that morale. The third aspect was to encourage and train these people to understand the change in their duties when the online comes in; that is, instead of being specialists in one area most of the employees in the Motor Registration Division will be expected to be multi-skilled. That was all part of the training. We had introduced the multiskilling before the consultants came to help us, but the two GMB staff assigned to us did a marvellous job. One was a technician and computer specialist and the other was a manager-type person. They worked as a team with our people. The bottom line is a sad one. No sooner was the program finished (we were happy with what had been done, we reported to the Government Management Board and the board had a feed-back session with on how it might apply to other organisations), and we had to close the Nuriootpa office. A lot of that good work was snuffed out instantly. It was very sad, but that is the truth. The program itself was very good.

Mr TYLER: I note that the program that assists local governments in purchasing community buses has been withdrawn. When I first saw that this had occurred my first reaction was one of disappointment because in my electorate the Happy Valley council runs a very successful bus which operates intra-city for people in the area. Will the Minister explain the rationale for the withdrawal of this money?

The Hon. G.F. Keneally: The honourable member said that he was disappointed that the program was not being

funded this year (the \$36 000 is a residual amount). I agree with his disappointment. It is one of those difficult decisions that the department and the Government had to make in the transport area.

The whole concept of a community bus scheme is highly desirable and has everyone's support. Since 1979 the funds voted to the program have been \$100 000 each year. However, the relative value of that amount has depreciated. The stage has been reached at which the \$100 000 for that program makes very little, if any, impact on the demand from the number of councils that want to be party to the scheme.

Over the 10 years, 36 councils received buses under the scheme. The cost of the smaller buses that are commonly used in the community bus scheme is now of the order of \$40 000. The Government is not in a position to make a significant impact on demand. Rather than have a program that is poorly funded and does not accomplish what it was established to do, the Government decided that, this year and until circumstances change dramatically, no funds would be made available on the Department of Transport lines to provide community buses. I reiterate that the Government provides capital expenditure. Recurrent expenditure is met by the councils. The capital expenditure has had a significant community benefit and the councils with which the Government has been involved have done an excellent job. It is a reality of economic life that, in trying to order our priorities in a way that would have the least impact on the level of services, the community bus program was one that we were not able to continue.

Mr TYLER: Last month the residential street management manual was issued by the Department of Transport to local government bodies throughout the State. Can the Minister say what has been the outcome of this work and where the next stages of the work are shown in the budget?

The Hon. G.F. Keneally: The residential street management program is complete except for the evaluation of two pilot study areas; this is intended for the 1988-89 financial year, and no budget allocation has been made for that purpose during this year. The program was initiated about three years ago and has produced a series of reports, demonstration projects and a contribution towards the Australian Road Research Board's national local streets information system.

The manual to which the member referred was the final document of many dealing with the evaluation, objectives, design and physical devices which were prepared and circulated to local government throughout the course of the study. In addition, a video explaining the role and purpose of local communities in residential street management has been prepared for use by local government and residential groups. This work has been undertaken in close cooperation with local government, the police, the Highways Department and the Housing Trust.

Two demonstration projects have been supported: one in Unley, the other in Enfield. They involved the design and installation in a residential area of entry controls, slow points, speed humps and other devices for the purposes of reducing the volume, noise and speed of through traffic on residential streets. The evaluation of the effectiveness of these schemes is, as I mentioned earlier, to be undertaken during 1988-89. One of the consequences of this work has been that the authority and responsibility for the installation of many residential street management devices has been delegated to local government, thus reducing the cost and delay inherent in central approval.

The program has been well accepted by the participating bodies and has created enormous interest throughout Australia. The team within the department that was involved

in the preparation of this program deserves a vote of thanks. The program has been excellent and will make a significant contribution to the movement of people through residential streets. Many local members have already had access to an explanation of the benefits of the program.

Mr TYLER: Can the Minister say what his department is doing to address the question of technological change and how it will impact on transport in the future? Current speculation is that improved communications will reduce the need for transport.

The Hon. G.F. Keneally: The connection between communication and transport has excited technologists for many years. My understanding is that, the more that business and commerce uses personal computers, the information flow between the operator and the business will require less and less transport; people will be able to work in the home. A news item this morning suggested that people who worked from home worked longer hours and were probably not as productive as might otherwise have been assumed. Those sort of issues will be part of any future study that the department will undertake.

This question has been the cause of considerable debate over the past 15 to 20 years. As I mentioned, the evolution of the personal computer during the 1970s has created a totally new environment in which many clerical and professional officers are starting to work with a communications terminal or personal computer literally on their own desks.

While the conventional wisdom has been that moving the message, not the person, will tend to reduce the demand for transport, we see some evidence to the contrary. However, that evidence is a bit flimsy and, during the course of this financial year, an allocation has been made by the Policy and Research Division to undertake another review of the current state of the art and the forces which could cause change in the demand for transport as a result of changes in communication technology.

In addition, the Policy and Research Division has been undertaking a review of technological developments to examine their likely rate of uptake and their possible impact on transport needs in South Australia. That work is focused both on transport and the technological changes that are likely to take place within transport modes as well as other areas likely to impact on the South Australian economy. For example, technological developments in water supply, construction, agriculture and computing have been assessed.

As an outcome of this work, some short papers are to be prepared. They have the aim of advising the community and transport providers in particular of the sorts of technical change which may affect their future. The intent is to raise the level of awareness of transport providers and planners to a level which will allow them to accommodate the changes as they occur. The rate of technological change in transport, as in other areas, is very rapid, and any sensible planning department would spend time and resources in ensuring that the State was able to adjust readily to the changes that occurred.

Mr INGERSON: On page 356 it is stated that red light cameras will be introduced in 1987-88. Can the Minister say what is the most up-to-date cost of introducing that system and when it is likely to occur? Also, what budgeted revenue is expected from the introduction of the cameras?

Additional Departmental Adviser:

Mr I. Lees, Director of Road Safety.

The Hon. G.F. Keneally: The revenue that will be generated by red light cameras is incidental to the safety aspect that red light cameras are programmed to provide to motor-

ists. The revenue, in any event, would go to the Police Department rather than into general revenue and would certainly not go into road safety revenue. The Director of Road Safety may be able to give the honourable member the figures that he has requested and some idea of expected revenue.

Mr Lees: It is intended that the initial group of red light cameras will be installed during the current financial year, probably in December or January. It is intended to have a group of five cameras to be rotated between 15 intersections. The cost of purchase and installation of the cameras will be approximately \$150 000. The revenue, which, as the Minister has indicated, is really incidental, will be raised through the administration of traffic infringement notices. It is difficult to estimate the amount of that revenue because it is hoped that no traffic infringement notices will be issued. However, we suspect that the revenue will amount to over \$100 000. I think the Police Department would have the latest estimate.

The Hon. G.F. Keneally: The matter could be referred to the Police Department in order to obtain an estimate for the honourable member, but I stress that it will only be an estimate.

Mr INGERSON: Whilst I respect the comment that it is only a side issue, the reality is that revenue will be collected and I only requested an estimate.

Mention is made in the Program Estimates of proposed changes in road safety education. I am aware from discussion with the Minister in Parliament that road safety education is not necessarily seen as a high priority. What changes are likely to occur in this area?

The Hon. G.F. Keneally: I dispute that the department believes that road safety education is not a high priority. The point I have made in response to questions both inside and outside the House is that skilled training is not as important in road safety as the correct attitude. You can be the most skilled driver but with a poor attitude you will be a risk on the road. If you have a good attitude and poor skills you are not the most competent driver but you are probably less of a threat to yourself and other road users.

This whole area of driver education has not been neglected but, as in all areas of road safety, the funding needs to be spent wisely and cost effectiveness principles should be incorporated. The Cabinet road safety subcommittee is investigating road safety education in schools. That committee is chaired by Mr Don Blackman, who is the principal of a secondary school. A report will soon be provided to the Cabinet subcommittee for its consideration prior to its being presented to Cabinet. The work that the subcommittee is doing relies to some extent on experience gained elsewhere, and hopefully it will be able to recommend a number of initiatives to the Government. As officers of the department are involved in that committee, the Director may be able to give more detail as to the recommendations that are likely to flow from that committee. But, I point out that the committee is required to report to Cabinet first.

Mr Lees: The committee consists of representatives of the Education Department, the Health Commission, and the Police and Transport Department and is chaired by a senior officer of the Education Department. As well as looking at the practice in South Australia it is looking at the practice in other States because we do not want to reinvent the wheel. Parents are also represented on this committee. I cannot state specifically what the recommendations will be because the committee has not finished its deliberations, but I am sure that it will be asking for a change in direction.

Mr INGERSON: It is stated in the Program Estimates that the department plans to 'improve vehicle inspection efficiency by decentralisation'. The Committee was informed earlier today that the Motor Vehicles Registry is, in fact, pulling in these decentralised divisions. Can the Minister explain how decentralisation of this area will improve efficiency, even though many people in the country would recognise its advantages?

The Hon. G.F. Keneally: One does what is possible in terms of economic realities and, if the honourable member has related the Nuriootpa experience to what is going to be done with the vehicle engineering branch, I would argue that they are not directly related in economic terms. I acknowledge that the honourable member has pointed out that many people in the country—and as I live in the country I am well aware of the complaints that emanate from there—have complained not of the quality of vehicle inspections but of the delays that sometimes occur. The Government proposes to provide a more localised, efficient and cost effective service to the community. The actual details of such a service have not been finalised. I am confident that those expectations will be realised; in fact, the budget requirement of the department is that they will, and I have requested the Director-General of the department and the Director-General of Road Safety to provide a more efficient and cost effective system. I assume that the honourable member will take the opportunity during the sittings of the House to ask that question again, and hopefully in the not too distant future I will be able to give him a full response. The Director would like to add to those comments.

Dr Scrafton: This situation is a little different from the Motor Registration Division situation in that, although the vehicle engineering branch staff at Regency Park do an excellent job, they are subject to staffing constraints which are creating morale problems and practical difficulties in the achievement of their workload in the time that is available. As the Minister has said, a more cost effective system must be devised to handle the inspection of vehicles, but the department would also like to improve the working conditions of the employees at Regency Park.

A great deal of country travel is involved in their work, and the situation has reached the stage where the Public Service Association has intimated very strongly that the present working conditions will not be tolerated. The association is as anxious to receive the report as is the Government. The major problem will be in matching improved performance with better working conditions within the existing budgetary constraints.

Mr RANN: The yellow book states that staffing in school and child safety has decreased. Does this reflect any reduction in effort in this very important area of road safety?

The Hon. G.F. Keneally: That reduction certainly has not resulted from any lessening of emphasis on the importance of road safety within schools. Previously, the allocation to school and child safety services was calculated by dividing the total resource allocation to the Road Safety Centre by one-third. The other two-thirds of the effort of the Road Safety Centre was allocated to the sub-program driver education. In this year's estimates, a more accurate representation of the effort has been utilised which has resulted in the recurrent expenditure in dollar terms being increased whilst the average of full time equivalents has decreased from five to three.

During 1986 a school group of three full time officers has formed and transferred to head office. This group, which has been incorporated into the Road User Branch, has aimed at increasing the use of volunteers and working much

closer with teachers and curriculum advisers to develop a more effective effort in reaching inter-schools via the school curriculum and the teachers rather than as a stand alone road safety effort. Such an approach is consistent with the most recent research in road safety which indicates that road safety education is best pursued through normal school structures. The group manages children's road safety centres at Oaklands Park, Elizabeth, Whyalla, Port Pirie, Jamestown, Millicent, Bordertown and Tea Tree Gully. It prepares and distributes material to schools and community groups and is putting particular emphasis on bike helmets and safe cycling programs. The sum of \$20 000 will be used from the publicity and promotions budget for children's road safety materials.

So, in short, the effort has been more directed at the schools where we believe that the programs can be more effective, but it does not represent a reduction in effort from road safety towards children in schools. In fact, I think it improves the quality of the performance.

Mr RANN: As a follow-up question, would there be any emphasis on bicycle education? I am certainly concerned in my area to drive around at night and see children coming back from various clubs—sports clubs, etc.—with absolutely no lights on their machines. It seemed to me there might be some need to emphasise the importance to parents as well as educators of fitting lights and reflector strips to children's bikes.

The Hon. G.F. Keneally: That particular area of road safety—adequate lighting and reflector strips on bicycles—is a matter that parents of school children, and certainly school children themselves, ought to be concerned about, but I think a responsibility to ensure the safety of their children is something that parents should not seek to avoid, and I believe that very few would do so. Certainly, the road safety work that is done within the schools has a heavy emphasis on cycling because so many of the school children go to and from school by bicycle, and it is a potentially dangerous method of transport if all care is not taken. If all care is taken, of course it is a desirable, healthy and most attractive form of transport, and one that I would encourage. Any carelessness that is displayed by the rider results in potential dangers. I take the point that the honourable member mentions. I will reinforce with the department that appropriate emphasis should be given to cycling. The Director can add his comments to that.

Mr Lees: In addition to the work which the Minister has described that we will be doing through the Education Department and the school community, we shall, through our publicity budget, be doing complementary work through the media, and we are liaising with the police so that they will be doing more education and minor enforcement on the road, all to complement the solution to the same problem.

The Hon. G.F. Keneally: I make the point that the wearing of bicycle safety helmets is essentially part of the overall safety program. I am pleased to say that the work that has been done by the Education Department and by parents and concerned groups within the community has really been very effective in increasing the percentage of young cyclists—and adult cyclists—who wear helmets. I will find out what that percentage increase is.

Mr RANN: I also note that there has been an increase in expenditure on compulsory blood tests. Has the Department of Transport carried out a review of the effectiveness of that program?

The Hon. G.F. Keneally: The amount of funds expended on compulsory blood tests is expected to be \$295 000 in the year 1987-88. In order to ensure the best use of financial

resources, I have asked the Road Safety Division, consulting as necessary with other authorities, to set up a review of the effectiveness of the program. That review will consider, amongst other things: background to compulsory testing—when it was introduced and why; current reasons for undertaking blood tests, including legal and research proposals; situation in other States; how tests should be undertaken and by whom to maximise cost-efficiency; who should fund the testing program; what legislative changes (if any) should be undertaken; drug testing of blood samples; and data collection, analysis and monitoring procedures.

Once we have the results of that review, we will be in a better position to evaluate the work that is currently being done and make decisions as to what future changes, if any, both in a practical and legislative sense need to be undertaken.

Mr RANN: Finally, on the road safety program again, graduated licences are discussed. There has been considerable community and media debate about graduated licences and their effectiveness. Where is the Government on this matter at the moment?

The Hon. G.F. Keneally: There has been more than a considerable community interest and discussion and input to the concept of a graduated licence. The graduated licence was recommended by the Federal Government through the Federal Office of Road Safety, and it was particularly promoted by the previous Minister for Transport, Mr Morris, who is now Minister for Resources. All the States were encouraged to implement a graduated licence scheme and this has been a matter for discussion at the most recent ATAC conferences. It seems that the States, except South Australia, have been standing aside and waiting for some State to implement a graduated licence system. The discussion paper that was put out by the Department of Road Safety some months ago had as its major components the L plate restrictions, the P plate restrictions and a curfew.

It seems quite clear that the concept of a curfew in South Australia at this time is not universally popular, although it is very strongly supported by a whole number of road safety people. However, certainly universally, it has not been well accepted, so I have directed that the curfew be no longer a part of the graduated licence package. What we basically have now are the restrictions that will surround the L and the P plates. The department is in the process of putting together a submission for Cabinet, and it still has to be approved by Government. It is still a discussion paper. As I said earlier, there has been quite considerable response and when all of those are evaluated a report will be given to me and I will take it to Cabinet for a final decision. Of course, there will be other inputs, I imagine, between now and then, if I am any judge.

Mr INGERSON: Referring to a question on road safety education, I noted in the comments made by the Director that there were people from both the Education Department and the Department of Transport, but there did not appear to be any community people involved in it. In line with the objective set out for 1987-88 where it states that there will be a greater community and local government involvement, and in line with comments made by the RAA and in general follow-up from schools that I have attended recently, there is a very significant comment that the community is being left out of this whole road safety area. How does the Minister see the Government getting greater community involvement in this area?

The Hon. G.F. Keneally: I think the honourable member probably missed the full reply by the Director of Road Safety, because in answering the previous question, he did point out that the committee that has been established,

chaired by Mr Blackman, has representation from the Department of Transport, the Health Commission, the police and from parent groups from the community, and we do have a very capable representative from the community. In fact, that component of the committee did create considerable interest and there were a number of recommendations to us, but there is a parent/community representative on that committee.

Mr INGERSON: In relation to air transport, the last sentence on page 357 states that the increase in expenditure is due to an increase in the operating loss of the air service to the far north-eastern corner of the State. Could the Minister explain in detail what the increase was, together with the actual program, what it is all about and who is involved?

The Hon. G.F. Keneally: Yes, it is a subsidy that the State Government pays to Augusta Airways to enable it to operate what we term the milk run, which goes from Adelaide through Port Augusta up to the Queensland channel country, including Birdsville, the Strzelecki Track and a number of station properties and outposts. More recently, I have had correspondence with the Queensland Minister and the then Minister for Aviation, Peter Morris, to achieve a more appropriate sharing of the cost of that service. Three Governments are involved—the Federal Government, the State Government and the Queensland Government. The increase is due to the expected shortfall in operations for this route by Augusta Airways and in 1983-84 the South Australian Government's share was \$16 303. We pay two-ninths, Queensland pays half of that two-ninths, and the Federal Government pays the rest.

Dr Scrafton: The Federal Department of Transport and Communications as it now is would pay one-third of the deficit, Australia Post would contribute one-third and the two States share the other one-third, hence the curious two-thirds/one-third sharing arrangement. I suppose that is simply on the basis of the fact that the greater mileage is in South Australia.

Mr INGERSON: Has the Minister received a recommendation to increase licence fees for taxis, funeral cars and hire cars by over 300 per cent and, if so, when does he intend considering it?

The Hon. G.F. Keneally: I have received no such recommendation.

Mr INGERSON: In relation to hire car plates, have five plates been issued to Hughes Hire Cars of Melbourne and is this a move away from the tradition that South Australian companies be issued with licences in preference to interstate companies? Further, can the Minister advise on what grounds these licences were issued, apparently free of charge?

The Hon. G.F. Keneally: I am happy to respond to the honourable member's question in the appropriate place. We do not have any line for taxis. The taxi board, which is appointed by the Government, is a self-funded organisation which is run by the board. I do not know whether it is appropriate for us to discuss this matter on the lines. I am quite happy to respond to the honourable member by way of letter, if he so wishes but I question whether or not this is an appropriate matter to be discussed in the lines.

Mr INGERSON: I thought that it was under the control of the Department of Transport and, because it reports to the Minister, I assumed that it would be the appropriate place. As monetary factors are not the only things that we consider, I thought that I would ask the question.

The Hon. G.F. Keneally: I am happy to advise the honourable member and the Committee as to the situation in relation to licences that have been issued to Hughes Hire Cars. As I understand it, five licences have been issued to that firm. This was as a response to the select committee's

recommendation and advice that in South Australia we were not catering for the top of the market requirement, particularly in relation to the special needs of international and interstate tourism in South Australia. It seems that the current hire service industry was not providing for that special need. In this case, it is a hire car that has a swivel front seat which allows a tourist guide to take selected groups around the city as tourists. The Metropolitan Taxi Cab Board, which as I pointed out earlier, although it reports to me, has a certain degree of autonomy, allocated five licences. These licences cannot be disposed of or sold. If Hughes Hire Cars stops using them, they will revert to the Taxi Cab Board. In the meantime, the board is looking to see whether more of this type of licence can be issued to local operators. It was considered by the Taxi Cab Board, and the Chairman (Hon. Michael Wilson) reported to me that there was an urgent need to issue these licences.

I was very heavily lobbied by the industry and by some concerned people. I did have this matter investigated and I did not feel that there was any reason for my intervention. In the light of the advice given to me by the Chairman of the Taxi Cab Board, I felt that in issuing those licences its justification that it was in the best interests of South Australian tourism and the best interests of the taxi and hire car industry was sustainable. That is not to say that it has been universally accepted, because it has not. Obviously, interests within the industry feel that they might have been given first option. The truth of the matter is that for some time there has been a significant need for such a quality service in South Australia and it was not provided by the existing operators. I think that was the motivating factor that encouraged the Taxi Cab Board to issue these licences to Hughes. All future licences will be open to all people within the industry.

Mr HAMILTON: I notice that on page 356 of the yellow book mention is made about the introduction of a trial relating to the shared use of footpaths by pedestrians and cyclists. I have some reservation about that concept, because in my area and in the western suburbs there is a large number of elderly citizens. Following the complaints that I receive from many of my elderly constituents in relation to cyclists on footpaths, I know that they would oppose such a move. How does the Minister plan to introduce this particular program and where does he anticipate it will be introduced?

The Hon. G.F. Keneally: The Road Safety Division has been asked to investigate whether anything can be done in relation to shared use of footpaths. The sharing of footpaths by pedestrians and cyclists is a very dangerous practice, and sometimes even motorcyclists use the footpath, quite illegally, of course. In some parts of the Adelaide Hills the conflict is between pedestrians, cyclists and equestrians. At the moment there is no program under way. I will invite the Director to provide further information, but I think he will have to find a cooperative local authority to work with. The Director can advise on the proposed program but at this stage I reinforce the point that this involves the investigation of a proposal.

Mr Lees: As the Minister says, at the moment we want to carry out an investigation. We are a long way from being able to say that shared use is a good or bad thing. We have prepared a brief for a study and we have had some very preliminary talks with the Local Government Association. We need to conduct a trial in a sizeable area, as one or two streets would not provide a sufficient area. But I hope that in the next two or three months we will be able to secure an area and, with the full assistance of the local government authority involved, conduct a trial.

Mr HAMILTON: In relation to the training of motorcyclists, will the Minister elaborate on the success of the trainee motorcyclist program recently introduced by the Road Safety Division?

The Hon. G.F. Keneally: The program for pre-licence training of motorcyclists is under way. We intend to make this program as widely available to motorcyclists throughout South Australia as possible. We have had to start within the metropolitan area. I shall ask the Director to comment on the effectiveness of the scheme to date. I think that I should point out that the scheme was introduced with the very strong support and cooperation of the Motor Cycle Riders Association of South Australia, to which we are thankful. The members of that association have a very genuine and quite obvious concern for road safety and they recognise that many motorcyclists lose their lives or are involved in accidents at that very early age where one must learn how to ride a motorcycle in traffic. The pre-licence training off road has certainly proved to be effective in at least two other States and it is proving to be so here. I ask the Director to comment in detail.

Mr Lees: The scheme that we have introduced is modelled on schemes that operate in Tasmania and Victoria, which have proved to be very successful there. We think that through consultation we have picked the best of the schemes in operation and it is hoped that we will have an even better one. The scheme commenced here in April or May of this year. Because of logistics and resources it will take two years to bring it in throughout the whole State. At this stage, because so few people have been involved in the scheme it is much too early to say whether or not it has been successful. However, certainly all the indications are that it will be successful. A very pleasing by-product of it is that a number of people who are not required to take the training course, because they live outside the postal code areas for which it has been prescribed, have come forward and have quite happily paid the \$40 or \$45 fee to participate in the course voluntarily. So, it seems to be getting a good response from the community.

Mr HAMILTON: I must declare a 'pecuniary interest' in this matter, as I have a son who is involved in this area and who over many years has posed many questions for me to ask in Parliament. The feedback that I get from him as one of those instructors is exactly along the lines that have been outlined to the Committee. I refer to the objectives given at page 356 of a change to the vehicle defect system and an improvement of vehicle inspection efficiency by decentralisation. I take it that those two matters are coupled. Will the Minister indicate what impact this will have, particularly in the western suburbs, in terms of where people who have been given a defect notice will have to journey to have inspections made?

The Hon. G.F. Keneally: In relation to the last part of the honourable member's question, I refer him to my response to a question asked earlier by the member for Bragg. I ask the Director to advise the Committee of the improvements in the defect system itself. We propose to introduce what I would regard as being reasonable changes to the existing system, to allow people more opportunity to have their defects lifted. Before asking the Director to respond on this matter, I point out that, in relation to the previous question about pre-licence training of motorcyclists, many people involved in that system will work part time; that will convert to very few full-time equivalent positions.

I raise this matter as the result of a question asked by the member for Bragg earlier concerning the number of FTEs involved. In relation to the individuals who work

part-time on the pre-licence training of motorcyclists' program, they will work a few hours a week, and the total number of hours will be converted into a certain number of FTE positions. So, whilst a number of people will be involved, at the end of the year when working out the number of FTEs an appropriate conversion will have to be made, so there will be a bit of—

Mr INGERSON: Adding down!

The Hon. G.F. Keneally: Yes, adding down. Thus, a false impression can be gained about the number of people who are actually onstream. I now ask Mr Lees to respond to the matter of changes that will occur in the defect system.

Mr Lees: We have been looking for improvements in the defect system for some time. Road safety standards will be maintained but these will assist the responsible motorist and will also help improve departmental efficiency. At present, a vehicle is usually defected by a police officer, who has no option other than to direct the driver to a place of repair and when the vehicle has been repaired it has to be taken to a place of inspection. We have developed a proposal, which has been accepted by Cabinet, whereby the defecting police officer has a discretion at the time of defecting a vehicle. He may stipulate a time, up to a maximum of three days, that the vehicle may remain on the road. For example, if the only fault is a cracked headlamp or a wind-screen wiper that is not in very good condition the police officer may stipulate that the driver can drive the vehicle for the rest of the day or that the driver can complete his journey. This is some help to the responsible motorist. The police officer still has the right, of course, if the vehicle has worn out brakes or something really serious to stipulate that the vehicle cannot be driven any further.

Moreover, after a vehicle has been repaired and has been approved to be in a satisfactory condition by a police officer, we have given police officers the power to allow the vehicle to be driven for a short period, which will allow time for an inspector, presently from Regency Park, to come out and inspect the vehicle. At present what happens is that if a vehicle is repaired at Coober Pedy it may well sit there for two or three days until an inspector can get up there. Under the new scheme, if a police officer is given reasonable evidence that the repair has been carried out he can stipulate that the vehicle may be driven for, say, three days, which thus allows time for an inspector to come out and, it is hoped, not make a special journey.

Mr INGERSON: My next question relates to bus charter licences. I understand that the Minister received the following letter on 7 September from the Bus and Coach Association:

Following much discussion, the Executive was requested to seek from you a moratorium on the issue of any further licences for at least a further 12 months. Whilst acknowledging we operate in the private enterprise area, and therefore are subject to normal competitive forces, the decision taken to relax charter licensing earlier this year has already resulted in over 40 more licences being issued, resulting in a serious and progressive deterioration in the level of business available to individual operators in the metropolitan area particularly. Furthermore, in general terms there has not been any compensating increase in bus hirings to either justify the issue of the 40 additional licences or, certainly now, no justification for any further increase in licences.

It further states:

This situation is not permitted to exist in the taxi industry and we wonder why your Government is so hell-bent on destabilising the economic base of the coach industry through this deregulation program. It is similarly not the position in Melbourne or Sydney. In Perth where deregulation has occurred, the proliferation of day tour operators has just about brought the industry to its knees as a result; no-one is benefiting. Operators are now seeking regulation of both the charter and the tour section of the industry in Western Australia.

Does the Government intend to put a cap on licensing and, if not, why not? Does it intend to open up the Barossa Valley to all coach operators and, if not, why not?

The Hon. G.F. Keneally: The Government deregulated charter licences as from 1 January this year in line with our policy, and we deregulated tour licences, except those applying to the Barossa Valley, as from 1 January this year. The new licences are due to be issued on 1 October, and from that date the Bus and Coach Association has lobbied me (and obviously other people) for the Government to change its policy.

Forty additional bus charter licences have been issued. Some major operators complain that as a result of allowing the free market to operate in South Australia they are suffering some reduction in their income. Other operators now say that they would wish to have more charter licences because they have more work than their current licences will allow them to undertake. We have this conflict. Some operators say that they are doing less well while others are saying that they are doing better.

The Government's position on this matter is that the customers' interests need to be protected and that they should get the best possible deal rather than ensuring that any vested interest within an industry gets protection. The whole idea of regulation is to protect the interests of the community and not to protect the interests of the people within the industry—the operators themselves. This is a philosophy that I have learnt over many years after having it expounded to me quite strongly by those who sit opposite me in the Parliament.

Cabinet has made a decision on charter services. I will be speaking to the proprietors of the two major bus and coach operations in South Australia tomorrow morning. I do not expect there will be any change to the charter licences. Four bus operations in South Australia have access to the Barossa Valley. Of all the number of coaches and bus operations in South Australia, only four have access to what is regarded as the most lucrative part of the market: the Barossa Valley. If one does not have a licence to operate the Barossa Valley and wants to take a tour from Adelaide to Murray Bridge, the Barossa Valley, Clare and back to Adelaide, one would not be able to stop in the Barossa Valley because the licence would not allow that. Four bus operators have that licence, namely, Ansett Pioneer, Riviera, Bus Australia, and Premier. They currently have the monopoly on the Barossa Valley tour operations.

It also needs to be understood that those four bus companies are interrelated—they have directors who are on each of the boards. I understand that there is joint ownership or investment amongst those four operators. I do not think that it is a good thing that other people in South Australia should not have access to the Barossa Valley market or that these people should have it to the exclusion of everyone else. They are well aware of my views and aware that I have spoken to Cabinet about it. I will be seeing them tomorrow and putting to them a proposal that will see the end of their monopoly on the Barossa Valley market. Terms of that arrangement ought to be given to people who have made representations prior to my making it public. My position as Minister will be that there will be no change at all to the charter service, and I will be putting an end to the monopoly on the Barossa services. One area in question will be when it will become effective.

The CHAIRPERSON: There being no further questions, I declare the two Department of Transport examinations completed.

Highways, \$49 493 000

Works and Services—Highways Department, \$78 000 000

Chairperson:

Ms D.L. Gayler

Members:

Mr K.C. Hamilton

Mr G.A. Ingerson

Mr I.P. Lewis

Mr J.K.G. Oswald

Mr M.D. Rann

Mr P.B. Tyler

Witness:

The Hon. G.F. Keneally, Minister of Transport.

Departmental Advisers:

Mr R. Payze, Acting Deputy Commissioner, Highways Department.

Mr G. Foreman, Assistant Commissioner, Administration and Finance.

Mr T. Argent, Manager, Advance Planning Branch.

Mr B. Atwell, Acting Manager, Finance Branch.

The CHAIRPERSON: I declare the proposed payments open for examination and invite the lead speaker of the Opposition and the Minister to make an opening statement.

The Hon. G.F. Keneally: The economic constraints that have been apparent in the other agencies within the Department of Transport are equally apparent within the Highways Department. It is fair to say that within the funds that are available to the Highways Department and the considerable needs within the community in terms of the maintenance of existing roads and the need to provide additional road construction, the work of the Highways Department remains of a high standard. I highlight the demands that fall on the department at Golden Grove and Olympic Dam as a result of indenture agreements. I imagine that the questions asked by members of the Committee will elucidate further information.

Mr OSWALD: On 20 October 1986 the Minister wrote to the Southern Region of Councils advising them that it was the Government's intention to commence construction of the third arterial corridor to the southern region by 1990 and that it was planned to be finished by 1995. In view of his public statements earlier this month that the project has been officially deferred until 1993, can the Minister give an unequivocal guarantee that the project will commence in 1993? If it does, when will it be completed and what is the new estimated cost of the project in 1993?

The Hon. G.F. Keneally: I cannot give an unequivocal guarantee that work will start in 1993. While I expect that the Labor Party will still be in Government, there is a remote chance that the honourable member's Party might be. Governments make their own decisions, so I am unable to give an unequivocal guarantee for another Administration. The Government's plan is that this project be reviewed annually. It is a matter of resource, not one that is determined purely on need. The Government and the Highways Department agree that in the middle to late 1990s there will be a requirement for the third arterial road. Some of my own colleagues and certainly the honourable member and his colleagues argue that there will be a need earlier. The resources that are available to the department will not allow that to happen. When the resources are available, pre-construction activities will continue on the third arterial road. So, it has not been shelved, but it has been delayed. I ask Mr Payze to respond to the question regarding costs.

Mr Payze: I am not in a position to give the estimated cost of the project in 1993 dollar prices because that will depend on the rate of inflation. In today's prices, the estimated cost of the third arterial from Darlington to Reynella is \$60 million to \$70 million, which is about the level of accuracy that the department is in a position to provide given the detailed design stage that has been reached. On top of that will be design costs of the order of \$5 million and outstanding acquisition costs of the order of \$3 million to \$5 million in today's prices.

Mr OSWALD: There will be extreme disappointment in the southern region at the Minister's statement. A lot of residents probably thought that the 1993 date as it was put out in the press was to be the new date. We have now learnt that it will be reviewed again and commencement could roll past that.

Will the Minister provide the Committee with a list of the Government's top 10 priority road construction projects within metropolitan Adelaide, listing them in order of priority as perceived by the Government, together with their estimated commencement and completion dates? I refer to the South Road project, the Tapleys Hill Road project, the future Goodwood Road, the Oaklands Park railway crossing and other major projects on the other side of town. The list can be incorporated into *Hansard* if the Minister does not have it now.

The Hon. G.F. Keneally: First, I correct a statement made by the honourable member because I do not want it to become accepted as fact in the southern areas. The honourable member sought an unequivocal undertaking that the road would start in 1993. I quite properly pointed out to him that I could not bind another Administration. I am sure that he would not accept that an Administration of a Labor persuasion should bind an Administration of a Liberal persuasion. At this stage the Government's plan is designed on a 1993 commencement date. The honourable member pointed out that it might be later than 1993. The project will be reviewed annually and, if funds are available, it could come forward. At this stage I cannot give any firm undertaking in relation to the date of commencement of the road, except that 1993 is the date that the Government is working on. It might be earlier or later. That will be a matter—

Mr LEWIS: It might be never.

The Hon. G.F. Keneally: It will be constructed. The honourable member for Murray-Mallee said it might be never. I dispute that very strongly.

Mr TYLER: It would be never if a Liberal Government were elected.

The Hon. G.F. Keneally: That is possible. I feel threatened by the allegation of the honourable member for Murray-Mallee, but I know that he is not the Opposition spokesman for highways and transport. I have no order of priority for the major capital improvement roadworks that are planned for 1989-90, 1990-91, 1991-92 and 1992-93, which would have impacted on the construction of the third arterial road.

The department can look at that, but it depends upon the funds that are available. Work of this nature is planned in the following areas: South Road, from the Castle to Daws Road; Cross Road, from South Road to West Terrace; Flagstaff Hill; Panalatinga; the Golden Grove development; the Salisbury Highway extension; Ovingham; Tapleys Hill Road, Henley Beach Road, stage 4 of the Gawler West bypass; McIntyre Road (that is, a bridge to Main North Road); roads in the Kent Town area; and further widening of South Road, north to Anzac Highway. Those works have been put together. The department is already committed to those

essential road construction works which amount to a very costly program.

The point which the honourable member is now going to make, and which I will make for him, is that if the department was to start construction of the third arterial in the year 1989-90 most, if not all, of those road construction works would have to be delayed because there were not enough funds available to do those works and the third arterial road.

Mr OSWALD: At the Estimates Committee a couple of years ago the Opposition obtained advice that the Highways Department projection and planning figures for growth in the southern region in the 1990s did not support the planning figures and advice being given to the Government by the Department of Environment and Planning. In fact, the advice from the Highways Department was that, based on its statistical projections, the north-south corridor from Sturt Road to Anzac Highway and beyond should not be sold off as it would be needed in the future. However, now that the Government has sold off the land within that corridor can the Minister say what advice he has now received from the Highways Department as to how South, Marion, Morphett and Brighton Roads will cope with the expected traffic volumes after the year 2000, which is only 12 years away, when those roads will have reached saturation point?

The Hon. G.F. Keneally: There are a whole lot of innovative transport mechanisms available to transport planners throughout the world to enable better use to be made of the streetscapes that are available to cities such as Adelaide. In fact, there has been recent debate in the press between the member for Fisher and the Director-General of Transport about one such innovative planning device.

The technology of transport changes dramatically. It was only a few years ago that the MATS plan envisaged covering the whole of the Adelaide metropolitan area with concrete structures. According to the MATS plan, by 1983, unless that system of freeways was operating within the metropolitan area, traffic would have ground to a halt and it would have been impossible to move around the city. Quite obviously that was not the case. Therefore, to make firm planning decisions in 1987 about the use of streets in the metropolitan area in the year 2000 does not, I believe, allow for changes in traffic planning and technology.

The department is acutely aware of the need to be able to fit the third arterial into the existing street system. That will certainly put pressure on South Road, which is being widened accordingly. It will also put pressure on the group of arterial roads—Marion and Morphett Roads and probably through to Goodwood Road and the streets that bisect. Planning will continue to ensure that the appropriate measures are taken at the appropriate times.

It would be a mistake for planners to tie Governments, the Highways Department or the Department of Transport into a system of street and traffic management 13 years before it was necessary to do so. I remain confident in the ability of the planners in the Department of Transport to ensure that the street system that exists in Adelaide will continue to cope. If that situation is threatened decisions will have to be made at the time it is appropriate to address those problems.

The 1968 MATS plan contained strong recommendations which were properly available to people at the time, but with hindsight it has proven not to be as critical within that timetable as it was thought to be. I would argue that the whole system of freeways was not required in Adelaide at all, and history has proven that to be correct.

Recently I had the opportunity to look at a number of cities on the West Coast of America, in particular, Portland,

which is a classic example of a city that contains a massive system of freeways. Given half the chance now the authorities in Portland would wish that they did not have them.

Mr HAMILTON: I refer to page 36 of the capital works program, and specifically to 'West Lakes Boulevard and the provision of new link, the completion date being March 1988 and the estimated cost being \$1.3 million.' Is it expected that the boulevard will be completed by the due date? Are the works on the boulevard being maintained at the planned rate? In relation to the extension of West Lakes Boulevard from Clark Terrace to the Port Road-Cheltenham Parade intersection, the Minister will be aware that, given the redirection of traffic onto the West Lakes Boulevard extension, which will then go on to the Clark Terrace-Port Road intersection, there will be a bottle neck of traffic, particularly in peak hours. Also, the increasing number of fixtures at Football Park will, I suggest increase the bottleneck problems at the Port Road-Clark Terrace-Cheltenham Parade intersection.

As the Minister has indicated the Government's priorities in terms of major expenditure in the future, will he indicate to the Committee whether plans exist for the upgrading of the Port Road-Clark Terrace intersection and, if so, where that project lies in the future plans of the Highways Department?

The Hon. G.F. Keneally: Work on the West Lakes Boulevard is under way. The work should have started in July, so the work should be proceeding and completed within the timetable allotted. I will ask the Deputy Commissioner of Highways to respond to the last part of the honourable member's question in relation to the work on Clark Terrace.

Mr Payze: That is a rather difficult question to answer because it presumes that the department knows precisely what is going to happen in terms of changes to traffic patterns once the new link is opened. To say that the department knows the answer to that question would be a lie. It is thought that a number of people who are now using alternative roads to arrive at the same intersection of the proposed link road and Clark Terrace will now use the West Lakes Boulevard extension. That therefore means that the increase in the volume of traffic using Clark Terrace and the new link road to Port Road will be marginal.

However, what we do not know is how much traffic will be generated to that new link as a direct result of its being a more convenient route from West Lakes principally to the City of Adelaide. It is on that basis that we have not programmed any works at this stage associated with the intersection of Clark Terrace and Port Road. From a capacity point of view, that intersection is coping reasonably well at the moment. There is a conceptual scheme available on which the department has been purchasing land to enable that intersection to be upgraded at some stage in the future, but at present there are no firm proposals by way of a project on the department's future works program. I can give the honourable member the guarantee that we will keep that intersection under close scrutiny in the next three to five years.

Mr HAMILTON: I thank the Minister and Mr Payze for that information, because it is a matter of concern, and I have noted over the years many unsavoury practices that occur with impatient motorists wishing to turn right at that intersection to head towards the city, banking up across Port Road, and it is a very dangerous practice and one that I fear may result in injury to some people. I will be certainly keeping a close eye on that intersection.

My second question is in relation to a number of projects in my area of which I have spoken previously in the Parliament, and the priority that will be given to them in the

future. They include the traffic lights at the corner of Turner Drive and West Lakes Boulevard, the installation of pedestrian activated lights opposite Acacia Court on Tapley Hill Road by the nursing home, the installation of traffic lights on the corner of Bower Road and Bartley Terrace, and the installation of pedestrian crossing lights on Military Road, opposite the West Lakes Primary School. I appreciate that the Government can only allocate so much money to these programs, but I would appreciate any information that the Minister can provide to me. Further, what constitutes a warrant for a pedestrian crossing? I have had many debates with my constituents about the necessity for a particular pedestrian crossing and have argued repeatedly about what is a warrant and how the Highways Department determines whether or not a pedestrian crossing can be installed at a particular location.

The Hon. G.F. Keneally: Answering the last question first, the warrant for a pedestrian crossing or for traffic lights is a matter that needs a detailed response, and I will make sure that that is provided. As to the questions about the traffic lights, I will ask the Deputy Commissioner to respond to each of those four proposals that the honourable member has put to the Committee.

Mr Payze: As to the proposed traffic signals at the intersection of West Lakes Boulevard and Turner Drive, civil works have commenced so it is quite possible that those lights will be operating within the next two to three months, or earlier. The set of pedestrian signals on Tapleys Hill Road at Acacia Court are programmed to be installed in conjunction with the installation of the raised median along Tapleys Hill Road, and those works will proceed in conjunction with the West Lakes Boulevard extension works and alterations to the traffic signals at the intersection of Tapley Hill Road and West Lakes Boulevard. They are all programmed to be implemented together in a time frame between now and March 1988. I cannot give a more firm date.

Concerning the proposed traffic signals at the intersection of Bower Road and Bartley Terrace, the latter half of this financial year would be my estimation of when those works will proceed. With regard to the pedestrian activated crossing on Military Road opposite West Lakes Primary School, so far there has been no warrant established. The department is still undertaking an investigation at that location, so until such time as that has been concluded, I am not in a position to give the honourable member any more definite information as to whether or not signals are warranted there.

Mr HAMILTON: I thank the Minister and Mr Payze for that information, because I know it will be appreciated by those many constituents in my electorate. Can the Minister advise what progress has been made towards a new Highways Act and when will a report be available for public consultation?

The Hon. G.F. Keneally: The committee that has been established to review the Highways Act has been working now for some time. We are getting fairly close to the time when a report will be put to me as the Minister so that I can take it to Cabinet. The report establishes the principles and powers to be adopted in the new Act and incorporates many of the recommendations of which the honourable member would be aware that are included in the 33rd Public Accounts Committee report. When it is released, all members and interested parties from local government etc. will be involved in an appropriate consultation stage before a final Bill is prepared. I was hoping that we would be able to introduce the Bill to Parliament before the end of this session, and that is still my expectation, but perhaps Dr

Scrafton, who chairs the review committee, might add to that.

Dr Scrafton: The Minister has probably said all there is to say about the substance. There are one or two residual problems that we are still dealing with, such as the future of the Highways Fund itself and the nature of that fund. The committee made a specific request to the Minister, and through the Minister to Cabinet, on the future of the fund, as a result of which Cabinet directed that we take a look at retaining the fund but simplifying it, and that is the process that we are involved in at present. One other thing that concerns us is that we do not end up simply rewriting the existing Act. The charge that was given to us was to produce a new Act and we would like to feel that that is what we come up with, a draft for ministerial and Cabinet and, ultimately, parliamentary consideration.

Mr LEWIS: My first question concerns a letter that the Minister received from the District Council of Murray Bridge concerning the return of the first district council premises to the district council, namely, the round house, which happens to sit on Australian National land at the present time, but Australian National does not have any real use for it. Indeed, the sooner Australian National get their business out of the centre of Murray Bridge where it cuts the town off from the river, the better. It is an eyesore and a nuisance to have those kinds of activities located there. The matter of the round house was raised in a letter to the Minister from the District Council of Murray Bridge on 27 August. Council was seeking the Minister's assistance to have the round house returned to the local community, into the ownership of the district council, because it is now listed on the heritage register and it is an important part of the heritage of Murray Bridge.

In the event that Australian National could return it, because it is surplus to its needs, as is the land around it, it would then be possible to develop an extension of the road bridge over the railway at Murray Bridge as a plaza, which would enable the people from Murray Bridge to gain direct access to the beautiful piece of sloping land on the western side of the river which slopes down to the water's edge. At the same time it would greatly enhance the appearance of the town. Can the Minister give any information as to whether he would be willing to help us obtain the return of that area of land in general and the roundhouse in particular?

The Hon. G.F. Keneally: Whilst I suspect that the matter raised by the honourable member is not a subject under these lines, nevertheless I am quite happy—

Mr LEWIS: I think it would come under the STA.

The Hon. G.F. Keneally: The STA lines will be debated later this afternoon, but this matter has been referred to Australian National in order that I may obtain a report before I am in a position to take any stand. I certainly appreciate the honourable member's explanation of the needs of the Murray Bridge district council and its plans. Until I am in a position to understand whether AN has any plans for the area or whether it would be difficult to excise that piece of land on which the roundhouse stands, I am not in a position to give any sort of definitive response to the honourable member. I rather suspect that I will not obtain that report during the period that has been provided by the Committee. I understand that this matter involves some technical difficulties but, if the honourable member wants to know whether I will do what I can to assist him and his constituents, yes, I will do that, but I need to know exactly what the legal positions and the plans are. My good offices will be used constructively.

Mr LEWIS: In relation to sealing country roads, those of us who live outside metropolitan Adelaide have noticed that less and less money is being provided for the sealing of arterial roads, particularly where they connect country towns, such as those on Eyre Peninsula. Money seems to be diminishing in real terms, or the distance of sealing that the dollars will buy on a year-by-year basis seems to be diminishing. Why has the Minister's department reduced its commitment to providing fair and reasonable access between towns in isolated parts of South Australia and I refer not only to Eyre Peninsula but also to towns in my electorate?

The Hon. G.F. Keneally: The Highways Department and the Government are not reducing their commitment to maintaining or upgrading country roads. The Highways Department is certainly doing everything within its financial capacity. Having regard to the fact that the Federal Government's contribution to our road program has been reduced by 25 per cent over the past three or four years, that has been an effective 25 per cent decrease in the funds that are available to us. On the other hand, the funds that have been provided by the South Australian Government have maintained their relative value. Overall, the honourable member has certainly pointed to a problem that we have: that is, the dollar does not build or maintain as much road now as it did in the past.

I often mention that in the mid-1970s the Highways Department was able to construct, outside national highways, about 400 to 450 kilometres of new roads. That road asset is now due for maintenance and it puts a heavy load on the Highways Department. Last year I think that the Highways Department constructed and sealed something like 40 or 50 kilometres of new road. That gives some idea of the relative ability of the Highways Department to construct road as against maintaining the asset which the Public Accounts Committee very strongly recommended we should maintain.

The honourable member pointed also to areas on the West Coast. I am very acutely aware of the Elliston to Lock road and the Kimba to Cleve road, but a number of major rural arterial roads are also involved. The Hawker to Ororoo road is probably the most heavily trafficked of the unsealed country roads. I refer also to the Morgan to Burra road which is unsealed. There are about five major roads and they are either in the member for Eyre's or the member for Flinders' electorates.

In relation to the roads that will have work done on them this year, \$150 000 will be spent on the Elliston to Lock road. This will not solve the problem. We will not seal these roads and I have said this to the local councils. The responsibility of the Highways Department is to maintain its rural arterials in a trafficable state and quite often that means that the money is more wisely spent in maintaining the surface and fixing up some of the gradients, making some of the turns safer and fixing up the culverts and floodways rather than sealing the roads. Those are the sorts of priorities that need to be established. Further, \$200 000 will be spent on Kimba to Cleve, \$100 000 on Burra to Renmark, \$100 000 on Angaston to Loxton, \$150 000 on Hawker to Ororoo, \$180 000 on Quorn to Wilmington, \$100 000 on Lucindale to Mount Burr, \$100 000 on Booleroo Centre to Jamestown and \$100 000 on Wakefield to Auburn. All that money will be funded to the local councils so that they can do the work on behalf of the Highways Department. In addition, considerable funds (and our local governments say that it is not enough) will be allocated to local roads for the local councils to spend.

Whilst I acknowledge that in today's climate the dollar that is available for road construction and maintenance does not go as far as it used to, that is not because there is an unwillingness on the part of the Highways Department or the Government to meet their responsibilities. The resources available to the Highways Department to do this have reduced quite considerably.

Mr LEWIS: In relation to maintenance of the ribbons of land that the Minister owns around the State, it extends to more than just the surface. There is also the necessity to allocate sufficient funds for the control of weeds and animals that are pests, together with the maintenance of the shoulder or run-off area from the main pavement. Whilst I have to control the weeds on my place, as do all the other landholders along the freeway and/or restricted access highway or any place, the Minister somehow or other gets away with having box thorns, salvation Jane, noogoora burr, Bathurst burr, horehound, skeleton weed and a number of other weeds of lesser significance, like variegated thistle, wing slender thistle, three-corner jack and caltrop in a strip of the highway 75 metres long in front of my place. I have to clean them up on my place and other landholders along that road have the same problem, because of the Minister's indifference to this matter.

I would like him to get back into his rabbits and clean up his weeds and allocate sufficient funds to ensure that boxthorns do not stay there for five years but that they are sprayed and killed, because starlings spread the seeds from the fruit and it makes it jolly hard for his neighbours—and I am one of them.

The Hon. G.F. Keneally: As to all the weeds that the honourable member has said exist on the Highways Department property adjacent to his property, I am not aware of them existing elsewhere.

Mr LEWIS: No, in the median.

The Hon. G.F. Keneally: I am not aware of them existing elsewhere, so I wonder where all these weeds come from. We will try to identify that. In any event, if the honourable member is saying that the proliferation of the many noxious weeds that he mentioned occurs on the median on the freeway, perhaps he could identify which area is involved.

Mr LEWIS: Swanport Bridge to Tailem Bend.

The Hon. G.F. Keneally: The honourable member did not say that: he just said 'in front of my place'.

Mr LEWIS: That is where I live.

The Hon. G.F. Keneally: Well, I was under the impression that they existed just in front of his place. I will check with the Commissioner of Highways as to whether he is aware of the proliferation of weeds in the area between Swanport Bridge and Tailem Bend.

Mr LEWIS: And the bunnies!

The Hon. G.F. Keneally: Yes—it really does sound as though we are talking about the front of the honourable member's place.

Mr LEWIS: I have to face them in Parliament and I have to face them when I go home!

The Hon. G.F. Keneally: The Deputy Commissioner can indicate whether he is aware of this problem and, if so, whether some action can be taken, or whether as to the degree of the magnitude of the problem highlighted by the honourable member some investigation might be necessary.

Mr Payze: No, I am not aware of the rabbits. However, quite clearly, responsibility for the road reserve is shared with local government, as everyone knows. In terms of the medians, unfortunately, I cannot get away from the fact that, quite clearly, they are the responsibility of the Highways Department. We will have something done about it.

The Hon. G.F. Keneally: The Highways Department, like all Government departments, seeks to be a good neighbour. So, I assure the honourable member of that and that we will look at the matter.

Mr OSWALD: I seek further clarification of a question that I asked prior to the afternoon tea break about long-term transport planning for Main South, Marion, Morphett and Brighton Roads, in view of the build-up of population in the southern region. What will happen in the year 2000 and beyond when those five urban arterials reach saturation point?

The Hon. G.F. Keneally: I apologise to the honourable member if he thought that I had not answered the previous question on this subject. The point I was trying to make earlier was that population forecasts are not always as accurate as they would seem. In fact, Government policies can quite dramatically change population trends. The most recent announcement by the Minister for Environment and Planning is indicative of that. Nevertheless, the Department of Transport and the Highways Department are aware that considerable stress will be placed on the urban arterial grid that services the Main South Road, the third arterial road—when it comes on stream—and the Lonsdale Road and that we will need to be able to provide appropriate space on the city streets for the traffic that will use them.

We are currently involved in a strategic planning exercise that is managed by the Department of Transport. Members of the planning team will include an officer from the Highways Department and an officer from the State Transport Authority. It will work with local government, community groups, people within the transport industry—in relation to both the transport of goods and passengers—and people who represent the motoring public, to devise for South Australia an appropriate transport strategy that will take us into the late 1990s and the next century. It will recommend to the Government appropriate policies in relation to major transport needs.

That is a general philosophy, and I believe that it is an appropriate one. Even though we are within 13 years of the turn of the century, as referred to by the honourable member, I point out that in transport planning terms 13 years is a considerable time and technologies and needs change, as do growth and road patterns. Perhaps the Director-General would like to add to that. There is no doubt that the Highways Department could comment on this, but in terms of the planning exercise that has been undertaken it is perhaps more appropriate for the Director-General to add to what I have just said.

Dr Scrafton: All that I would like to add to what the Minister has said is that the key time scale for the strategic planning exercise is exactly what concerns the honourable member, namely, the 10 to 15 year period following the completion of the work programs in this State that are clearly set out in the budgets and programs for the Highways Department, the STA, local government authorities and, for that matter, even the Commonwealth Government.

The study itself is State-wide but obviously, because a large part of the population and our transport problem is within the metropolitan area, there will be considerable accent on metropolitan issues. As the honourable member knows, the southern area has always been an active problem for agencies, such as Highways and STA, and for the transport portfolio in general.

This week we have just begun the first stage of that work, namely, a series of seminars or little workshops on particular aspects of that long-term transport problem. For example, the one being held today is on metropolitan non-peak transport, that is, the use of the infrastructure outside the

peaks. That is an important issue because up until now we have tried to cater for the peaks and a large component of the beneficiary has been the users in the offpeak times, whether daytime, evening, weekends or whenever.

There are two aspects to that: first, we need to find out whether or not the so-called peak we think of now, such as the journey to work and journey to school peak, will not be the real key component in the future. It may well be that trips to recreation areas become more important, as they are in parts of North America where the so-called peak is now the outbound recreation trip on a Friday evening and the inbound trip back on Sunday. We need to identify those sorts of things in South Australia.

In the seminars being held this week and next week we have included representatives from local government, and community groups, individual users, academics, schoolchildren, and so on. I will make it my business to check the extent of that coverage from the southern area, although it is a subject matter well understood by the Highways Department. Subsequent to the seminars, the next step is to produce strategies for the consideration of Government. All this work has to be completed by mid-1988, so we will be able to expose this strategic planning work fairly early. It could be the subject of critical review this time next year. We have some lead time and some slack. Urgent work has to be done by Highways on problem areas and we will try to use that time to get some answers for the strategic study.

The Hon. G.F. Keneally: It would be useful if Mr Payne was to add to the planning concept for the Highways Department between now and the 1990s that would fit into the overall structure already presented to the Committee.

Mr Payne: I will put some dimensions to the situation currently existing. If we look at the growth in traffic on the Main South Road from the late 1970s, which was prior to the opening of Lonsdale Road, we find that South Road carried about 50 000 vehicles a day. Immediately Lonsdale Road was opened we saw a transposition of people using Lonsdale Road in lieu of Main South Road. In 1981, after the opening of Lonsdale Road, traffic on South Road dropped to about 42 000 vehicles a day. Since 1980 there has been a steady growth and currently South Road south of Darlington is carrying about 49 000 vehicles a day. That is less than it was carrying prior to the opening of Lonsdale Road.

One of the reasons for that is that Flagstaff Road is starting to take a fair share of the traffic coming out of Aberfoyle Park. Flagstaff Road carries about 12 000 vehicles a day, whereas five years ago it was around 5 000 vehicles a day. It is starting to take its fair share of growth. The issue as we see it between now and the mid-1990s up to the year 2000 is not the mid-block capacity of Main South Road, Lonsdale and Flagstaff Roads. It is basically the intersection problems where we have the capacity restraint.

Within the next six months the department will make further improvements to the intersections of South and Marion Roads, and South and Seacombe Roads which will provide four lanes moving in each direction through the intersection thus giving a far better transition from South Road into Marion Road. That certainly will provide an additional capacity in the system. After that we suspect that there will be pressure on intersections such as South and Sturt Roads, Marion and Sturt Roads and South Road with Shepherds Hill and Ayliffes Roads. We are currently looking at those three major intersections to see whether greater improvements can be effected in the shorter term to increase the intersection capacities.

Given our assessment, taking the Department of Transport figures into account, as well as the Department of

Environment and Planning figures in terms of population projection, we believe that we will provide a reasonable level of service up to the middle to late 1990s. Beyond that we are talking about a different argument. We are talking about the effects of information technology, communication technology and how they will affect transport demand. We do not currently have the answer.

Mr RANN: When I was in the United States earlier this year I looked at various aspects of the highways construction role in terms of road safety. I was particularly impressed with the process of hazard elimination, removing furniture from roads, and the construction of roads designed to enhance road safety features, by eliminating hazards, such as signs on the side of the road, replacing them with overhead signs. What is the Highways Department strategy and targets in regard to road safety in this State?

The Hon. G.F. Keneally: Highways has a key role in road safety in a whole range of areas and works closely with other road safety agencies, whether the Road Safety Division, police, education, health, and so on. The department is involved with the road safety committees. I will ask the Deputy Commissioner to mention some of the work it is doing that I may not have covered. Some of the measures in which it is involved include increasing the installation of medians on highly trafficked urban arterial roads for traffic control and safety. As Minister I issued an edict of Government policy to all local governments in metropolitan Adelaide saying that we would place medians on urban arterials under the care and control of the Highways Commissioner because of the safety benefits of that measure.

I did that because, if we were to leave the decision to the councils themselves and to local members, they would be under such great pressure from commercial and private interests which abut those roads that it is almost impossible to implement such a safety system. As Minister I took the matter to Cabinet and got a policy before advising the councils. It has been well received because it is now the Government or Minister who is responsible and it is away from local authorities. That sort of local pressure cannot now build up on local members or on councils.

Although that pressure does build up on local members and councils, ultimately it is the Minister who must respond to it. The department also improves minor intersections to minimise conflicts. The Heaslip Road intersection is an example. The department is also responsible for the installation of guard railing at dangerous locations, and there are quite significant installations in the Hills. Improvement in signage is another aspect in which the Highways Department is involved. The Deputy Commissioner may wish to add something.

Mr Payze: I will explain two things. First, the expenditure in the PPB papers supplied to all members under the road safety program bears no resemblance to the department's expenditure of an annual basis in the general area of road safety. That expenditure line relates specifically to our enforcement role in terms of weights and measures, and other costs associated with road safety are part of the major program in terms of development of the road system. In that area we have a program on which we propose to spend something of the order of \$1.5 million this year on specific projects related to road safety and in the general areas that the Minister has identified, such as installation of medians, intersection treatments, improved signage, etc. On top of that we have our program of installation of traffic signals, the modification of traffic signals in the interests of road safety and the streetlighting program. In addition to the construction and maintenance programs, these programs form an integral part of our road safety responsibility.

Mr RANN: Late last year and early this year the member for Fisher and I went with the Public Works Committee to inspect the existing condition of the Pimba/Olympic Dam road. The committee subsequently recommended approval for the new road. Can the Minister say what the current position is of the construction of the new road to serve the Roxby Downs project?

The Hon. G.F. Keneally: As the honourable member pointed out, the Pimba/Olympic Dam road is being constructed under the terms of the indenture that was passed by Parliament. With regard to the cost of road construction, 50 per cent will be met by the Government and 50 per cent by the joint venturers. I will check through the transcript, but I may have inadvertently suggested earlier that the Pimba/Olympic Dam road construction would be a drain on Highways Department funds. That is not the case. The money is funded on the lines of the Minister of Mines and Energy as part of the total infrastructure cost for the Olympic Dam development. The Highways Department will be the constructing agents for that road but the work itself will be done by contract.

Tenders will be called in October for the sealed two-lane highway. The length of the road between Pimba and Roxby Downs is 97 kilometres. Work is expected to commence in January 1988 and is expected to be completed by January 1990. The estimated cost is \$22.4 million. The honourable member will see from the documents that the proposed expenditure for 1987-88 of \$22 million for Roxby Downs infrastructure is funded under the Minister of Mines and Energy.

Mr INGERSON interjecting:

The Hon. G.F. Keneally: The Highways Department does not have the capacity within the region to do the work, so it is not expected that the department will tender for that specific project.

Mr RANN: Of concern to the member for Ramsay and me is the Salisbury overpass or underpass. Is it still projected to start on schedule?

The Hon. G.F. Keneally: Yes. I am aware of the honourable member's interest and that of the honourable member for Ramsay and of the correspondence that has passed between us. The planning work has been progressing and, as soon as the department is able to go public on what options are recommended, it will do so. In the meantime, I acknowledge the contribution that the honourable member and his colleague have made to assist the department in reaching those decisions.

Mr INGERSON: On page 363 the same situation arises as it did with the Department of Transport in that the receipt figures are not explained in any way. I ask the Minister to explain now or later how the \$124 million in actual receipts for last year is made up and how the \$117 million in proposed receipts is arrived at. Can the Minister supply a breakdown of the source of funds shown on page 367 for both the 1986-87 actual figures and the proposed figures? I ask that because the documents only show the lines, not where the money comes from. No explanation is provided.

The Hon. G.F. Keneally: I understand the quandary that the honourable member is in. I have sat where he is and sometimes the PPB papers do not identify sufficient information in detail. I ask the Assistant Commissioner (Mr Foreman) to report to the Committee how the \$124 059 000 in actual receipts for 1986-87 is made up. All the detail can be presented to the honourable member in letter form but, for the benefit of the Committee, Mr Foreman can give that information.

Mr Foreman: A number of items make up the \$124 million, which is the figure shown on page 363 for 1986-87 actual receipts. There are two lots of grant moneys from the Commonwealth: the ALTA grant of \$66.6 million and the ABRD grant of \$27.8 million. There were land sales of \$14.9 million, rental payments on properties held by the department of \$3.1 million, *Troubridge* receipts of \$1.9 million, sundry debtor receipts of \$5.8 million, plant sales of \$2.4 million, and a number of other smaller receipts, including receipts against the Federal Interstate Road Transport Act and Jubilee 150 interest and sundries. That makes up the actual figures for 1986-87. The proposed 1987-88 figures making up the total of \$117.4 million, which is shown on page 363, comprised Federal grants of \$67 million and \$27.9 million from the ALTA and ABRD grants respectively, an estimate of \$11 million for land sales, \$3 million for rents, and *Troubridge* income of \$400 000; that is, in effect, the receipts for the remaining few months operation of the *Troubridge*.

Further estimated receipts include a sundry debtors figure of \$4.5 million; plant sales of \$2.7 million; other sundry amounts such as the Federal Road Transport Act of \$200 000; Jubilee 150 interest of \$400 000; and sundries of \$300 000. That totals \$117.4 million.

In relation to page 367, while that table is headed 'Sources of Funds', the subheadings are shown as payments of a recurrent nature. The figures that I have listed set out the sources of funds. That table attempts to show which proportions of those funds stem from the appropriation figures. In this respect, I refer to the recurrent appropriation of \$49.4 million and the capital allocation of \$78 million, which comprises the capital allocation for the department and an allocation of \$2.6 million for drainage. Shown then are the payments which are made from the Highways Fund.

The main portion of the \$76 million shown on the left-hand side of the page is, in effect, the appropriation from special Acts which is shown at page 12 in the Estimates of Payments. That is the main portion of the payments from Deposit Account. The source of that is the special Acts transfer. The main portion of the payments from Deposit Account on the capital side is revenue from land sales and rentals and, of the \$16.7 million, that would amount to \$14 million.

Mr INGERSON: Can the Minister provide a list of the assets of land and buildings sold by the Highways Department?

Mr Payze: The total land sale figure for 1986-87 is \$14.96 million, and the major components of that figure are \$5.41 million received for sale of land on the north-south corridor between the tramline and Sturt Road; \$1.8 million for the sale of land to the STA for provision of the north-east busway; and \$1.3 million from the sale of a parcel of land to the South Australian Housing Trust in the Kent Town area, which was surplus to the department's requirements. In general terms, the other components comprised land on the central north-south transport corridor through Thebarton and Hindmarsh which was disposed of through the inner western project at a figure of about \$900 000; some land at Emerson Crossing surplus to requirements \$600 000; and other sundry parcels totalling in the order of about \$4.9 million.

In relation to the number of properties sold on that north-south corridor, as at 30 June 1987, 58 houses and 38 vacant allotments had been sold, with 106 titles remaining. It is anticipated that approximately 50 houses will be sold in the current financial year, leaving 56 in that corridor.

Mr INGERSON: My next question relates to executive support as shown on page 366. I note an increase of \$2.2

million, from the proposed figure of \$25.8 million to an actual figure of \$28.091 million. There has been a staff reduction from 313 to 258. Can the Minister explain how that has been done?

The Hon. G.F. Keneally: This is an accounting exercise, and I will ask Mr Foreman to explain what has transpired.

Mr Foreman: This line includes balances in working accounts where the department uses such accounts to accumulate the costs of various functions within the department that must be spread to projects such as major plant and other overheads of that kind. Those costs are distributed by establishing a recharge rate at the start of the year, and that is applied throughout the year to spread those costs. In the last year the recharge rate that was set by way of an estimate was insufficient to spread all the costs that occurred in those areas and, as a result, the balance that was not met by recharge will be recharged next year by setting the rate at a higher level.

For that reason there is a balance in the working accounts of \$3.6 million. This is shown in the notes to our financial statements which are on page 107 of the Auditor-General's Report. On that page the various working account balances are shown. The reason for this is that the estimated recharge rate at the start of the year was estimated at a level which was too low to spread all the costs that were incurred. As a result, those costs will be spread next year by setting a higher recharge rate. The department does not adjust its recharge rate throughout the year because that would make estimating for project costing very difficult. You will notice there is a compensating decrease in the year to come, one column further across—the \$22.5 million—and that decrease reflects that recharging next year.

Mr INGERSON: My next question relates to page 363 again and to the actual figure in 1986-87 of \$89.8 million, which is some \$17.7 million less than the proposed figure. I understand that the *Troubridge* is probably one of the components, but is there an explanation of what the balance of that \$6 million would be?

The Hon. G.F. Keneally: The major component of that \$18 million is \$11.4 million which is the *Island Seaway* capital expenditure which is no longer included in the PPB papers. It is certainly one of those calculations that is there, but rather than take up the time of the Committee, I will provide a detailed reply for the honourable member. The Deputy Commissioner says that he can provide a broad outline of it, and if that is not satisfactory, we will get the further information.

Mr Payze: The capital line has a differential of something like \$18 million, \$11.4 million of which is the appropriation set aside for *Troubridge* capital in 1986-87. The \$6 million can be explained by some part of which is a change over the year where projects were deferred in the capital and that money was transferred into the maintenance and recurrent line. If you go up to the top, you will see a corresponding increase in expenditure under recurrent. That follows the department's corporate strategy where if for some reason we are deferred or delayed in terms of our capital projects, that money will be immediately transferred to the maintenance of asset line and undertaking quite significant maintenance works. That is the basic explanation.

The Hon. G.F. Keneally: If the honourable member is content with that, we do not need to bring down a detailed report.

Mr INGERSON: No, I am happy with that. My next question relates to page 111 in the Auditor-General's Report in relation to the Australian Bicentenary Road Development Trust Fund where the Auditor-General makes it fairly clear that there has been an aggregate shortfall of some \$11.5

million by the State, and he also notes that the Commonwealth has not attempted to exercise its powers under the Act of a one for one basis subsidy. What does the Government intend to do about that \$11.5 million shortfall? My understanding is that there is a legal requirement.

The Hon. G.F. Keneally: In response to the last comment of the honourable member, I can point out that the Federal Government is well aware of the State's funding commitment. I do not believe that there is any risk that the current arrangements that exist between the State and Federal Governments are likely to change to the disadvantage of South Australia. I think the point that the honourable member is making is that if the Federal Government insists that there should be a matching effort, what would be the South Australian Government's reaction? If the South Australian Government was faced with that eventuality, I expect that it would maintain its funding to ensure that we do acquire the funds from the Federal Government to which we are entitled. I would just like to read into the transcript some details.

At the time of the compilation of the 1986-87 schedule of proposed works, it was estimated that an accumulated shortfall on State effort at that time would be reduced significantly during 1986-87. However, with the increase in Federal land sales and an offsetting decrease in the need to use State capital account allocation, the State effort shortfall increased. The difficulty we have here is that when we sell land which is federally funded, it impacts on the matching requirement. The more land we sell, the more successful we are at selling land and having those funds available for road construction, distorts the relativity, if you wish, in our matching effort.

Mr INGERSON: You use Federal money to buy the land anyway.

The Hon. G.F. Keneally: It is unlikely that the Federal Government will exercise its right to withdraw ABRD funds as a result of this shortfall because it has also not maintained its road grants to the State in real terms since the ABRD commenced. I will ask the Deputy Commissioner to respond to that last point raised by the honourable member, that because we have purchased the properties with Commonwealth funds, in selling the Commonwealth funds it does not change the nature of the matching requirements between the State and Federal Governments.

Mr Payze: The point is conceded that it was Federal funds that were used to purchase land. Therefore, it is Federal funds that are returned to the Highways Fund. However, the intention at the beginning of the last financial year was to draw a loan from Consolidated Account which would have provided matching requirements. The need to draw on that loan throughout the year did not eventuate, partly because of the increased land sales, and hence our mismatch existed, hence the comment of the Auditor-General.

The Hon. G.F. Keneally: The \$14 million that we had proposed to borrow from Consolidated Account, upon which we would have had to pay interest, appears in the accounts at page 192 in the Estimates of Payments. That \$14 million that was available to be taken up by the Highways Department was not.

Mr TYLER: The Minister will not be surprised to find that I will continue the questioning of the member for Morphett relating to southern transport and, more particularly, my electorate. I feel suitably qualified, having lived in the southern area for 10 years and currently residing in the middle of my electorate, so I have seen the rapid population growth and the frustrations and pressures that have built up in the area of transport over the past 10 years. I

am not a Johnny Come Lately in this matter. It is important to look at the historical problems associated with the area. If we look back to within the past five years, the Happy Valley area, as part of a district council, was considered semi-rural. It had some local industries, mainly in the almond and winery areas, and hence did not carry large volumes of traffic. What we have seen, particularly in the past five years, is an enormous urban expansion which has obviously caused some frustrations in the area; hence it is purely dormitory and there have been hardly any employment opportunities for residents in the southern community.

The recent census figures relating to the electorate of Fisher show that almost 12 000 people travel by car and I suppose that more than 80 per cent of those people would travel north to work each morning, which causes considerable congestion around the Darlington intersection. The Deputy Commissioner referred to the fact that 12 000 cars a day travel on Flagstaff Road, which is the cause of a lot of anxiety and frustrations in the Happy Valley area. I know and appreciate that it is a local road. Can the Minister give some timetable as to Flagstaff Road? I am aware that there have been considerable discussions with the Happy Valley council and there is a feeling that it is no longer a local road but, rather, a fairly major arterial road.

The third arterial road has been deferred, and I understand that the Coromandel Valley road study has not been completed. The present funding indicates that it is unlikely that there will be any upgrading of roads in the Coromandel Valley area, so can the Minister outline the future of Flagstaff Road and give some timetable as to when the residents of my electorate can expect a vastly improved road, because in the morning it is an absolute nightmare? For instance, this morning at 8.45, as I was travelling down that road there was a 2 kilometre build-up. I would have thought that that was well and truly past the crucial peak period. Further, it is quite dangerous to travel on that road at night unless one knows the road particularly well.

The Hon. G.F. Keneally: I certainly take note of the honourable member's concerns and I will ask the Highways Department to look at the current build-up of traffic at the intersection. The Deputy Commissioner has pointed out that within six months there will be improvements to the intersection that will assist the honourable member's constituents and those people who use Flagstaff Road. The Government is aware of the growing importance of Flagstaff Road as a major road within the grid of roads in the south. I am aware also that the honourable member probably is becoming, if not perplexed, I suppose a little impatient with local government and the Government as to who has the real responsibility for upgrading Flagstaff Road.

Mr TYLER: My constituents are becoming impatient as well.

The Hon. G.F. Keneally: Yes, as the honourable member points out, his concern merely reflects the concern of his constituents and that is a point that I understand. Flagstaff Road is still classified as a local road and, as such, the Happy Valley council is the authority responsible for the care, control and management of the road. Further, the council has the legal responsibility and power to implement any works required on the road in the interests of the motoring public. In the context of a likely future situation, this road has been shown on the Metropolitan Adelaide Supplementary Development Plan as a proposed arterial road. I imagine that the Happy Valley council points to this plan when people take their concerns to it. The decision to effect a change in status is a matter of judgment which takes into account the function or purposes of the road and any eminent changes in this regard. It is unlikely that a

review of status is warranted before the completion of the new road link, that is, Happy Valley Drive to Chandlers Hill Road.

Notwithstanding the issue of classification status, the Highways Department has commenced an investigation into the need and scope of improvements required on Flagstaff Road to satisfy the projected demands for transport movements generated in the Flagstaff Hill and Aberfoyle Park area. The planning study is aimed at developing a strategy for future development. At this stage no commitment can be given to implement improvements until a planning study has been completed. The study will involve liaison with council, together with public consultation. It is possible that the council is deferring any major works expenditure in the belief that this transfer of status might occur in the short term. I hope that that is not the case, but I think that inevitably, because of the importance of the road, it will become an arterial road under the care and control of the Highways Department. That will have to wait until the result of the planning study.

In the meantime, I urge the Happy Valley council in the short term to make what necessary improvements it can within its responsibility. In the long term, obviously it will become a road for the Highways Department, but I do not think that, quite frankly, that expectation is sufficient to enable the Happy Valley council to absolve itself of financial responsibility for appropriate maintenance. However, Flagstaff Road is, in the perceived planning of the Highways Department and the Government, an important link and will be more important as other roadworks flow on from the completion of Flagstaff Road.

I acknowledge the honourable member's representations on behalf of his constituents. It remains a matter of resources and priorities. As the Director-General mentioned, overall the south remains an area of critical concern to the Government and to the Planning Division of the Highways Department.

Mr TYLER: I thank the Minister for his answer. I believe that the study probably will show that the road needs to be upgraded sooner rather than later. I feel confident that that will be the case, particularly when Reservoir Drive (to be known as Happy Valley Drive) goes through to Chandlers Hill Road. Can the Minister provide details of when the first stage, which is almost completed to Manning Road, will be open and hence we will see the roundabout being a four-way intersection rather than the present three-way intersection? Further, I notice in the budget that an allocation is made under Reservoir Drive. I assume that this is for the extension from Manning Road through to Chandlers Hill Road. Can the Minister confirm that that is so, and can he provide the Committee with an idea as to when that whole road will be open?

The Hon. G.F. Keneally: An allocation of \$1.56 million comprising both State and Federal funds has been allocated this financial year to complete the construction of Happy Valley Drive (formerly Reservoir Drive) from Black Road to Chandlers Hill Road. The section from Black Road to Manning Avenue will be open for traffic in October 1987, at which time work will commence on the remaining section from Manning Avenue to Chandlers Hill Road. It is planned to complete this final section by May 1988. The estimated cost of the total project is \$5.5 million.

Mr TYLER: My third question relates to the intersection of Happy Valley Drive and Chandlers Hill Road. About three weeks ago, I was sent a concept plan by the Happy Valley Primary School, indicating that there will be a realignment of Chandlers Hill Road, which ultimately will close off Education Road. The school is concerned about

the impact of this on the construction of a car park right next to the school on land held by the Minister of Water Resources. Can the Minister give me some information that I can pass on to the Happy Valley School Council which outlines details of the status of that concept plan, and will he say whether it is likely to become a concept that will be developed in the area?

The Hon. G.F. Keneally: I cannot give the honourable member that detail, but I am confident the Deputy Commissioner of Highways will be able to.

Mr Payze: The issue is being handled by formal correspondence, but if the Committee wishes I can pass on the information verbally to the honourable member now. The concept plan was prepared for a specific purpose. As part of an overall aim of increasing the buffer for the Happy Valley reservoir, the Minister of Water Resources purchased a lot of land in and adjacent to Chandlers Hill Road. It was his intention to revegetate that area and, in order to set aside what was deemed to be perhaps a future requirement of the Highways Department in relation to Chandlers Hill Road, the concept plan was prepared showing an ultimate alignment. Part of that concept plan was in fact a proposal to close portions of Education Road and to divert the road and align it with Happy Valley Drive. So, the purpose of producing the concept plan at that time was to establish future requirements for the purposes of enabling the Minister of Water Resources to revegetate the area and leave that corridor aside. There is no firm proposal to proceed with those works in the foreseeable future—I suggest, within the next five to 10 years. A formal response to that effect will be forwarded. The Education Department can proceed with its car park.

Mr INGERSON: My next question relates to private contracting. It has been brought to my attention by members of the construction industry and members of the Earthmovers Association that there has been a significant drop in private contract work. I note the following statement made at page 111 of the Auditor-General's Report:

Overall, the value of work placed with outside bodies in 1986-87 decreased by \$19 million, to \$59 million, representing 28 per cent of the total value of work (36 per cent last year). Payments to private contractors for construction work decreased by \$18 million (40 per cent) to \$27 million.

Reference is then made to the decrease being primarily on account of two major projects nearing completion. I note that in the 1986-87 financial year those two projects did not account for a significant amount in the budget. The matter that concerns members in the industry is that the Highways Department has now entered the tendering process, the two principal projects concerned being the Bordertown bypass and the O-Bahn construction. At page 109 of his report the Auditor-General noted:

The cost of work undertaken on these projects for which reimbursement had not been sought at 30 June 1987 totalled \$791 000.

What guarantees for future tenderers are there that all costs are included? If the department tenders, what impartiality is there in the final decision made, and are the standards, the rules, the same?

The Hon. G.F. Keneally: I can assure the honourable member that all these standards will be maintained. I think it is a requirement of the Federal Government that, where State agencies take part in the tendering process for road construction contracts, there be fair competition between the Government and the private sector. It is also a requirement of the Audit Act. Such was the case when the Highways Department was able to tender, successfully, for the Bordertown bypass road, which was a contract for \$1 million in this financial year. That matter has been discussed

with the Australian Federation of Construction Contractors (AFCC).

I point out that South Australia is one of the very few States which has not tendered through its public agency for this type of construction work. It is also relevant to point out that the two States where most of the work undertaken is by the public sector are Tasmania and Queensland. It is noteworthy that those States that put the work out to private sector agencies are Western Australia, Victoria and New South Wales, and South Australia which gives it all to the private sector, except for this year. I do not want to draw any conclusions from that.

However, the constructing companies can be reassured on this matter. I am quite adamant that the door will remain open to the Highways Department to tender for work that it believes it can economically tender for. That option will remain open for the department. There are two things that I do not want to see happen. I do not want the Highways Department to have to purchase large quantities of road building equipment, that is, capital equipment, in the light of the possibility that it might win a contract, because that would mean that if it did not win the contract we might suddenly have a lot underutilised plant. Secondly, I do not want to have large numbers of employees taken on in the work force in the expectation that the department might win a contract but not in fact do so. So, that is why in Bordertown there was a large number of term employees and why there were leasing arrangements for the plant and equipment. I trust that the honourable member accepts those assurances.

I want to place clearly on record that if an opportunity presents itself where, in the view of the Government, it is appropriate for the Highways Department to tender publicly for contract work, the Highways Department should be able to do so, in which case its tender will be assessed fairly, in accordance with the conditions of the Federal Government and the Audit Act. So, the private sector can be assured that competition from Government will be fair. The amount of \$791 000 highlighted on page 109 of the Auditor-General's Report (paragraph 13) refers to work that is still under way. The point has just been made to me that, in relation to work for which the Highways Department is the contractor, a large percentage of the work is, in turn, sub-leased to private subcontractors—and this is in relation to plant hire and many other areas.

Mr INGERSON: In accepting the comments that the Minister has made, one area of concern involves the final contract price. So that there appears to be no question of any problems, is it possible for the department to actually publish the contract price? In time those contract prices, if they fall within Government expenditure, appear in the books at some stage, in any case.

The Hon. G.F. Keneally: The tender price for a project is published and, if the honourable member goes to the foyer of the Highways Department building at Walkerville, he will see a lot of familiar faces looking at the listed tender prices. Private contractors are not listed and neither do we list the final cost of the public contract, in this case the Highways Department. I would be delighted if we could be assured that, when private contractors tendered to the Government for a project, the final cost bore some relationship to the tender price. It is a difficult thing and it is a problem faced by not only the South Australian Highways Department but highways authorities throughout Australia which currently experience escalation in prices for road projects and claims from contracts. That matter would bear on making public the final cost. The Deputy Commissioner might want to add to those comments.

Mr Payze: In terms of the Bordertown contract, it is a national highway project. The department tendered in open tender a price for that specific job. That tender price was disclosed, as were all other private tenders received for that purpose. It is a schedule of roads contract and therefore there will be certain parts of those works for which the price will change during the currency of the contract, so the final cost for the contract could bear little resemblance to the original figure as tendered. Even though this job is being costed as a separate entity; all variations to that contract are being given the same consideration as if a private contractor were doing that work and all variations are approved or not approved accordingly. It is not normal practice for the final price or any variations to the schedule to be published either if the Highways Department were doing it as a public company or if a private contractor were doing it. I assure the honourable member that we are including in our tender price and cost for that job to be reimbursed from the Federal Government all those costs we are due to receive under the terms of the contract.

Mr INGERSON: I refer to the *Island Seaway*. I understand that it has been financed by SAFA and constructed by the Marine and Harbors Department. I understand it is then being sold to the National Bank and leased back to the operators, R.W. Miller. The State Government is to provide a subsidy to contain these freight rates to allow the operator to make some sort of profit. Will the Minister explain how this subsidy was calculated, and what criteria were used in making the calculation from the company's viewpoint and from the islanders' viewpoint? I understand that Cabinet has decided on this level of subsidy and the rates have already been announced, I assume in an attempt to recover full costs over a number of years. One of the rates in particular was for a semi-trailer to go from Adelaide to Port Lincoln on the new *Island Seaway* at a cost of \$1 200 return. I would be surprised if anybody wanted to take a semi-trailer on that sort of trip. Many figures must have been resolved, yet we appear still not to know the final price of the *Island Seaway*.

The Hon. G.F. Keneally: I will ask the Assistant Commissioner to give more details, but a distinct difference exists between the reliance of Kangaroo Island and Port Lincoln on the *Island Seaway*. Port Lincoln has alternative access available to it. Semi-trailers can travel by road if they so choose, so an economic option is available to them, but is not available to transporters of goods to Kangaroo Island. A greater subsidy is allowed for the island than for people at Port Lincoln.

The whole idea of the subsidy is that the Government will pick up the capital cost of the *Island Seaway*. In terms of the Abraham report, which was accepted by Government some three years ago, the Government will be recovering operational costs spread over a 10-year period. There will be a percentage increase over and above the CPI twice annually for 10 years, which then brings the operational cost of the *Island Seaway* in line with the revenue generated. I will ask the Assistant Commissioner to address the formula for determining the subsidy.

Mr Foreman: The subsidy is paid to the operator of the service by the Government because, as a private operation, it would need to charge very much higher rates in order to cut its costs, let alone make a profit. The subsidy has been determined by the Government with a view to holding down rates, as the Minister has explained, to levels which involve an increase from present levels in line with the CPI, plus 5 per cent every six months so that over a 10-year period the operating costs will be fully recovered. The capital costs of the service would not be covered by the users.

The Government would be providing that as a subsidy after the 10-year period. The majority of the income to the service is for cargo between Kingscote and Port Adelaide. The amount of cargo between Port Lincoln and Kingscote is relatively small, as it is between Port Adelaide and Port Lincoln. The rates between Adelaide and Port Lincoln have been set to be competitive with transport rates: that is the basis used.

Obviously different forms of freight between Port Lincoln and Adelaide by road have different freight rates applying. Once freight has been set in this way, some forms of freight may be marginally cheaper to take by road, whilst with others it would be marginally cheaper to take it by sea. The philosophy behind the rates from Port Adelaide to Port Lincoln is to set rates competitive to the alternative service by road. The rates between Port Adelaide and Kingscote and the rates between Kingscote and Port Lincoln have been set with a view to the cost recovery concept. Passenger rates have remained unchanged on the basis that there is a competitive service with lower passenger fees operated from Cape Jervis to Penneshaw. The passenger rates are being maintained at the same levels and the motor vehicle rates have been set to be comparable with the amount of space occupied, as with cargo rates.

Mr RANN: I ask this question on behalf of the member for Newland, who has a very keen interest in road safety in her area. Can the Minister ensure that traffic lights are installed as a matter of urgency at the staggered intersections of Golden Grove Road and Milne Road, east and west, to reduce fatalities and improve pedestrian and motorist safety? I am told that long delays for motorists entering Golden Grove Road from new developments are resulting in impatient and frustrated drivers. Accidents are frequent, three people have been killed and many narrow escapes have occurred. The Tea Tree Gully council believes that the department should install traffic lights at those intersections with Golden Grove Road.

The Hon. G.F. Keneally: If the member for Newland will promise not to monster me like she did the Attorney-General, I will be prepared to ask the Deputy Commissioner of Highways to respond to the very good question asked by the member for Briggs on behalf of his colleague.

Mr Payze: I preface my remarks by stating what has been said previously this afternoon: the department is required to ensure that guidelines are followed in respect of the installation of traffic control devices and that they are not installed indiscriminately throughout the metropolitan area unless a demand warrant exists. With respect to these locations, if my memory serves me correctly, in recent months the department undertook a review of the traffic operations at those two specific locations.

The result of those observations concluded that there was a marginal warrant for the installation of traffic signals at one specific location, namely, Golden Grove Road/Milne Road West. I point out that those locations, being on Golden Grove Road and with the housing and road infrastructure development that is occurring, are likely to see some fairly radical changes to traffic patterns.

As a direct result of that, the department elected not to install traffic signals immediately but to keep the matter under review, the thought being that traffic volumes on Milne Road might well decrease in future. The department may be shown to be incorrect; however, that is the position. The accident, which resulted in a multiple fatality, has been examined in detail. Unfortunately, it is somewhat doubtful that it would have been prevented with the installation of traffic signals.

Mr HAMILTON: Page 369 of the yellow book refers to the 1987-88 specific target or objective to produce an overall strategy for road train and B-train combinations on South Australian roads. A B-train is a common vehicle with a payload capacity between that of a semitrailer and a road train. Can the Minister say what progress is being made in this area and what is the Government's intention in terms of satisfying the needs of many of those people who have written to the Minister in the past? Last year I recall attending a function for the Minister at which this question was raised with me. I am most interested in the outcome of this matter.

The Hon. G.F. Keneally: This question has a degree of controversy about it because conflicting interests are involved, as always, with a major improvement in transport technology. Two years ago I was fortunate to be able to see the B-trains, particularly fuel B-trains, in operation at Edmonton in Canada. A local company had approximately 500 B-train combinations available as well as, in heavy freight, B-train combinations that serviced the major oil and mineral developments in Alberta. I was told how the B-trains operated in the Rockies and in the very difficult terrain that was encountered.

B-trains operate in South Australia between Adelaide and Port Lincoln via Port Augusta many times a week. I am not sure whether two go through there nightly. It is certainly a very busy operation. Fuel B-trains operate between Adelaide and Port Pirie. As Minister, I have approved the operation of a general goods B-train on the Mount Barker Road so that transporting interests in the South-East can bring B-trains into Adelaide. The agreement is that they traverse the Mount Barker Road in non-peak periods only.

I have received an application from fuel companies to allow fuel B-trains to travel on the Mount Barker Road. I have refused that application temporarily until we see how the general cargo B-trains operate. The initial three-month permit has been extended to 12 months. I am not certain about the exact month, but in April or May next year the Highways Commissioner will report to me on the operation of B-trains on the Mount Barker Road. At this stage I have not received any complaints. Recently Queensland approved the use of B-trains. However, Victoria and New South Wales have been reluctant to approve their operation largely because of difficulties with a number of road bridges. It may be an item for consideration at ATAC meetings. I understand that the Federal Government has an interest in B-trains.

The A-train or road train situation is somewhat different. Road trains are permitted in South Australia on roads that carry less traffic. That judgment has not been made on the quality of the roads because some of the roads farther south are quite able to take A-trains. The members for Bragg and Morphett have alluded to the decision that A-trains not be allowed to come south of Port Augusta and that fuel B-trains not be allowed to go north of Port Augusta. There are two factors in that. I refer, first, to the very strong representations made by the Port Augusta city council. There is only one access from Port Augusta East to Port Augusta West and, because the town is almost evenly cut in two by the gulf, alternative access to Port Augusta residents is a 20 mile trip around the top of the gulf should there be a major accident on the bridge. The Port Augusta city council has strongly opposed the operation of road trains arguing that the couplings are not as secure as they are on B-trains.

In any event, the B fuel trains for obvious reasons have not been allowed to go over the bridge, nor have the A trains. This whole question of road train and B train combinations is being actively monitored by the Government and the Highways Department. I think that the trend is

towards B trains. They seem to be more efficient; they carry higher tonnages, the spread of the load over the axles is more sympathetic to road stress; and they manoeuvre better and are shorter in length than the alternative. The configuration is technically better.

There are a number of arguments in favour of an extension of the B train and the road train. However, I think we should go slowly. The department needs to be certain that what it does in this area is sustainable. It is concerned for its bridges and road surfaces and for safety on the roads, so all those factors should be taken into account when developing an overall strategy. I will be in a better position to respond more accurately to the long-term Government decisions when all the information is available.

Mr TYLER: The Minister will recall that about six weeks ago a story was doing the rounds in the southern suburbs, mainly in council sponsored papers, suggesting that money should be transferred from the Mount Barker Road project to improvements on South Road or even the third arterial road. The members of the Southern Region of Councils suggested that this could be done. They cited not only the volume of traffic on the two roads, but also accidents statistics and a whole range of data. However, they forgot to mention that the Mount Barker Road is a national highway and that South Road and the third arterial road are urban arterial roads. Has the Minister explained the difference to Mr Bruce Lindsay from the Southern Region of Councils? I understand it is not possible to do this and that, even if we wanted to the Federal Government would not allow it also. Can the Minister outline the short-term and long term proposals for the Mount Barker Road?

The Hon. G.F. Keneally: In answer to the first part of the honourable member's question, I have written to the Executive Officer of the Southern Region of Councils and explained to him that there is no way that funds which have been allocated to national highways can be transferred to urban arterial roads. He has replied stating that they were aware of that situation and that there had been some misreporting of comments by the Southern Region of Councils. He understood clearly the difference between the national highway and the urban arterial roads.

In relation to the second part of the honourable member's question I have had a document prepared which I will read. A program of short-term improvement has been initiated for the Mount Barker Road pending reconstruction of the road on a completely new alignment. The work (expected to cost \$7m and funded by the Federal Government) is scheduled to be completed within two years and aims to reduce accident frequency and trauma by:

- improving vehicle roadholding and stability (thus resurfacing with open-graded friction course, regrading and reshaping Devil's Elbow, upgrading of drainage);
- alerting drivers to the degree of care required because of the steep grades and light curvatures (thus installing street-lighting, black-on-yellow chevrons and additional warning signs);
- improving alignment delineation (thus installing street lighting and black-on-yellow chevrons, and removal of roadside vegetation);
- improving sight distance (thus regrading of accesses and removal of roadside vegetation);
- reducing severity of consequences of loss of control or inappropriate driving manners (thus installation of overheight New Jersey concrete median barriers and crash cushions, upgrading of shoulder barriers (guardrail), and closure of some median openings);

- improving access to emergency services (thus installation of emergency phones); and
- providing safe 'pause areas' for turning vehicles (thus sheltered turn-lanes and pavement widening for U-turns).

Development of the program involved examination of police accident records, videotaping of vehicle manoeuvres, radar speed surveys, ball bank indicator runs, and consultation with the Police Department, RAA, councils, service authorities, and the Department of Environment and Planning.

Work carried out to date consists of the following items, all of which can proceed without detailed construction drawings:

1. Vegetation clearing 50 per cent complete.
2. Upgrading of side drains and shoulders 70 per cent complete.
3. Upgrading guardfence 40 per cent complete.
4. Sealing of shoulders 15 per cent complete.

In relation to work programmed for this financial year, items 1 to 4 above will be completed, as well as extra culverts and gullies to improve road drainage, placement of signs with high intensity sheeting, and median opening modification at Wylies Corner, Eagle Road and adjacent to Shell service station at Eagle on the Hill.

Items which will be commenced this financial year are: regrading and reshaping at Devils Elbow; open-graded friction course AC to areas not to be later affected by roadworks; street lighting installation, beginning with the Crafers Interchange to Measdays Section; and installation of emergency telephones. Installation of the median barriers, which involves widening of the road, will be undertaken the following financial year, as will the modifications to the Eagle on the Hill accesses and the remainder of the open graded friction course.

Cabinet approval was given on 1 April 1986 for the Commissioner of Highways to engage Maunsell and Partners Pty Ltd to undertake planning work associated with the long-term upgrading of Mount Barker Road between Glen Osmond and Crafers. Following examination of many alternative alignments and an extensive program of public consultation, a draft environmental impact statement (EIS) was published identifying option C1 as the proposed route. This route incorporated a tunnel under Eagle on the Hill. The draft EIS was available for public comment between 9 March 1987 and 4 May 1987. Comments and submissions were received from the Commonwealth Department of Arts, Heritage and Environment, from eight State Government agencies and from 37 groups and individuals. A supplement to the draft EIS, providing the response of the Commissioner of Highways to the comments and submissions, was released on 27 July 1987.

The alignment now proposed, designated C3, avoids any intrusion into the Cleland Conservation Park. The proposed scheme is a six lane facility with a ruling grade of 6.5 per cent. The estimated cost is \$100 million. The Department of Environment and Planning is currently preparing its assessment report on the project. When that report has been released, the Highways Department will prepare a planning report which with the EIS, will be used to seek State and Federal Government approvals for the project. Mount Barker Road is part of the national highway system, and consequently any roadworks will be subject to Federal Government approvals and funding. If all approvals can be obtained and if resources are available, final design of the scheme could commence in 1988 and construction could start in the 1989-90 financial year. This will not affect the department's road program because it will be federally funded.

Mr INGERSON: Mention is made in the Program Estimates of contractual problems where there has been an increase in cost in the first instance of \$3.6 million on page 371 and then on page 372, in reference to contractual arrangements, an increase of \$4.8 million. Can the Minister say what is causing the problems in these contracts and whether some of the explosions are basically legal costs?

The Hon. G.F. Keneally: The major differences are normal inflationary costs which apply to the day labour work force, so those costs are understandable. The question that the honourable member asked is whether or not any of those costs identified relate to legal costs—that is, any dispute between the Highways Department and the contractor as to their claims for increased costs for roadworks performed. Whether there is any allowance for legal costs within those lines, I will ask the Deputy Commissioner for his response.

Mr Payze: As the honourable member would be aware, in terms of one specific contract, there is a dispute between the contractor and the principal. That dispute is subject to legal arbitration at the moment. The costs that are incurred in terms of that legal arbitration are being costed directly against the project. These specific lines relate principally to variations due to cost increases in our own works rather than in contract works. There are also other contracts where there is currently a dispute in terms of cost of works. Those contracts are still at the stage of superintendent decision rather than arbitration.

Mr INGERSON: My next question relates to the Chairman's foreword to the 48th report of the Public Accounts Committee wherein he states in relation to the assets recommendations:

However, planning documents supplied to the Committee by the Highways Department show that the necessary changes have not been built into plans for the period to the mid-1990s. Changes will have to occur and the planning for them should commence immediately.

That is really just part of the Chairman's report. What is being done in terms of accepting this report and what is the general direction taken by the department, if any?

The Hon. G.F. Keneally: I think it should be stated fairly clearly that the Government and the Highways Department is in agreement with the thrust and conclusions of the PAC report. I think that is quite clear. Not only does it apply to the Highways Department but it applies right across Government assets. The cost of not maintaining our assets in the future could be horrendous and sooner or later the costs would need to be faced. The sooner we face up to maintaining the asset, the cheaper it will be for the taxpayer in South Australia in the long run. The department supports the view that the funding of replacement construction should have priority over improvement construction. This has in fact been the department's key funding strategy for some years now, and it has resulted in a switch in the emphasis of funding from improvement construction to replacement as evidenced most recently by the deferral of the commencement date for the construction of the Third Arterial.

I want to get back to that. The amount of funds that are available under urban arterial has to be divided between maintaining the asset, necessary maintenance work and improvement or construction work, so in terms of the Public Accounts Committee recommendations and in terms of the policy and in terms of the need, a large component of urban arterial is dedicated to maintenance projects. That is very much in line with all of the critical advice available to us. Currently the department is spending approximately \$35m per year on road asset replacement.

The department is also concentrating its efforts on activities which would reduce replacement construction costs

and extend the economic lives of existing road assets, and it is reviewing road standards. May I say again what I said earlier, that in the mid-1970s when money was a lot more readily available than it is now, the Highways Department was constructing in the vicinity of 400 to 450 kilometres of new road outside of national highways. That road is now up for maintenance, so we have a major asset that needs to be maintained which impacts upon our capacity to build new roads or upgrade existing roads in a construction sense.

The department has therefore embarked on the development and implementation of a maintenance management system. This is concerned with the determination of the effective use of resources for maintaining existing pavements. The initial development of the maintenance management system has focused on the introduction of the maintenance activity recording system (MARS) and the road condition survey (RCS). The department's objective is to develop the maintenance management system to a stage where maintenance costs (from MARS), road conditions (from RCS) and road condition standards can be related for the purpose of achieving effective deployment of the maintenance effort matched to a nominated road condition standard. This will give the department a financial budgeting capability in this area.

Both MARS and RCS aspects of the system have been implemented on all sealed roads maintained by the department. The department is currently planning to extend MARS to the unsealed road network. The development of road maintenance performance standards is also continuing. Sufficient information is now becoming available to enable the department to better allocate scarce maintenance resources and also improve the efficiency of those resources. I believe that the Public Accounts Committee will be pleased with the department's existing policy and response to the Public Accounts Committee's report, but it certainly does have some serious impact upon the department's capacity to build new roads and in major improvement construction work.

Mr OSWALD: I refer specifically to the railway crossing at Oaklands Railway Station and the Hove railway crossing at Brighton Road. What are the Government's plans to handle the bottlenecks at both railway crossings? Does the Government plan an overpass at one or both of the inter-sections? When does the Government intend carrying out the work? What is its priorities, and will we see any work performed on either railway crossing in the next, say, five to eight years?

The Hon. G.F. Keneally: The Government does not have any proposal for overpasses at Hove or Oaklands within the next five to 10 years and I think that that is the basic answer to the honourable member. It is certainly not in our forward program that has been presented to me. I ask the Deputy Commissioner to address this matter, particularly the bottlenecks to which the honourable member has referred.

Mr Payze: By way of explanation, the department has examined the possible options for an overpass over the railway line at Brighton Road, Hove, and all of those options have revealed very significant environmental impact and, indeed, any cost analysis would indicate that the economic viability of such an overpass is somewhat questionable at that location. It is fair to say that, on the basis of that review, the department has proceeded no further with any proposal to overpass the railway line on Brighton Road. However, as to the question of Diagonal Road and Morphett Road and the railway crossing at Oaklands, there has been a conceptual proposal for a number of years. On the basis of that conceptual proposal the department has purchased land on a hardship basis. It is fair to say that a

proposal exists for an overpass at Oaklands. However, there is no commitment on the part of the department or the Government to fund specific construction works at that location in the foreseeable future.

Mr INGERSON: In relation to statements that have been made in the capital works program regarding rehabilitation, strengthening and reconstruction of highways and, also structural deficiencies, it seemed (and this is totally a lay comment) that a very large sum of money of about \$9 million has been allocated in the capital works program. What is the Government's concern about this, particularly in light of the comments made earlier in the year between the earthmovers, AFC and the Minister about the controls of highway development by the Highways Department and the use of private contractors?

The Hon. G. F. Keneally: The Deputy Commissioner will give the details.

Mr Payze: It is not an easy question to answer. Really, it relates to the life of an engineering structure. Roads are no different from any other engineering structure; they have a functional life. They can fail either on the basis of capacity or on the basis of structural integrity. As the Minister said, if one looks at the life profile of South Australian roads under the care and control of the Commissioner of Highways, one will find that we have a significant number of roads that fall into the category of plus 20 years since they were constructed. This does not necessarily relate to the South Eastern Freeway, which is a separate problem altogether. If we are talking about structural sufficiency and failure, we are talking principally about the damaging effect of a rather large wheel load, that is, a wheel load of a commercial vehicle as distinct from a car. The damaging effect is much more significant by a commercial vehicle than it is by a car.

It is a fact that our roads are getting older and that they are showing visible signs of structural failure as distinct from functional failure. Therefore, they need either to be restrengthened, rehabilitated or reconstructed. In terms of the South Eastern Freeway, the problem was simply an underestimate of the type and weight of traffic loading that that facility would have in the initial part of its life. It is fair to say that that was an underestimate: it was something that we could not foresee and it is something that has shown some fairly dramatic effects in terms of the road pavement. I do not believe that those failures relate in any way to a different standard of construction undertaken by the Highways Department by day labour forces or by private contractor.

Mr TYLER: A proposal is floating around to develop a shopping complex at Old Reynella called the Old Reynella Village. I have been inundated with inquiries from residents of Old Reynella and surrounding areas concerning the impact on the roads such as the Old South Road, Grant Road and Reynell Road, should this centre proceed. Has there been consultation between the Highways Department and the developers and would the Highways Department share the concerns of my constituents?

The Hon. G.F. Keneally: I am happy to take that question on notice and give a considered reply to the Committee.

The CHAIRPERSON: There being no further questions, I declare the two examinations completed.

Minister of Transport, Miscellaneous, \$117 380 000
Works and Services—State Transport Authority,
\$13 730 000

Chairperson:
Ms D.L. Gayler

Members:
Mr K.C. Hamilton
Mr G.A. Ingerson
Mr I.P. Lewis
Mr J.K.G. Oswald
Mr M.D. Rann
Mr P.B. Tyler

Witness:
The Hon. G.F. Keneally, Minister of Transport.

Departmental Advisers:
Dr D. Scrafton, Director-General, Department of Transport.
Mr J.V. Brown, General Manager.
Mr I. Fitzgerald, Finance Manager.
Mr K. Crettenden, Acting Financial Planning Accountant.
Mr G. McLaughlin, Acting Financial Planning Manager.

The CHAIRPERSON: I declare the proposed expenditures open for examination. Does the lead speaker for the Opposition wish to make an opening statement?

Mr INGERSON: No.

The Hon. G.F. Keneally: Before proceeding with my brief opening statement on the State Transport Authority, I make an apology for Mr J. Rump, Chairman of the State Transport Authority, who unfortunately is ill, is under doctor's orders and is unable to be present. Those who know the Chairman well would understand that he finds his absence from tonight's sitting rather disappointing. The projected net cost of operations of the State Transport Authority for 1987-88 is \$116.3 million, compared to an actual result for the 1986-87 year of \$107.4 million, an increase of 8.3 per cent, which is less than the CPI of 9.3 per cent.

However, the STA has operated in a very difficult climate, as I have mentioned on other occasions today in relation to other agencies. Despite that, the STA has been able to contain its operational cost within very strict boundaries. A number of issues I think bear some comment. Fares were increased in 1986-87 to bring in an additional \$5.6 million, and will be further increased on Monday next to bring in a further \$2.6 million. I said earlier that the operational costs have been kept under control, and I would say the same in relation to those costs over which we do not have any control in a direct sense. Nevertheless, they have been kept within budget constraints, and this relates to capital works and ownership costs.

The capital works program achieved by the authority in 1986-87 was \$58.4 million, and reflected the high priority that the Government has given to: continuing work on the O-Bahn, providing new rolling stock, modernising the rail signalling system, and introducing the Crouzet ticketing system. After allowing for capital receipts for the sale of property, ABRD grants, etc., net borrowings increased by \$46.5 million in 1986-87. In 1987-88, a capital works program of \$39.7 million will be implemented, involving additional borrowings of \$13.7 million. The major projects involved for this financial year are: new railcars, to cost \$6.958 million, Adelaide signalling, to cost \$9.578 million, and ABRD buses, to cost \$2.4 million. The Committee would be interested to note that the major financial constraint for 1987-88 of the STA is the change in funding

arrangements for the net cost of operations. As indicated in the Premier and Treasurer's statement, the authority will now be funded for all costs incurred, including depreciation and other non-cash costs. A significant advantage of this approach for the Parliament is that the appropriation now reflects the full costs of operating the State Transport Authority. Appropriation of \$116.3 million made to the authority this year includes \$18.138 million for these purposes. Comparatively, therefore, the appropriation for 1987-88 has increased by only \$5.062 million, which is less than the increased interest that the authority has to pay on its loans during 1987-88.

During the year the Government sought a review of the performance of the authority. That was undertaken by PA Management Consultants. The ensuing report is known as the Collins report. Overall, the report was favourable to the authority but it did indicate that a business plan approach should be developed with the following goals: traffic operating costs to be reduced by 5 per cent over two years; maintenance costs to be reduced by 10 per cent over two years; and a reduction in the management work force by 100 people, by 30 June 1989. The authority is progressing satisfactorily towards achieving these goals, and in the short time available to it it has been performing satisfactorily in this aim.

Mr OSWALD: I open questioning on these votes with a question that my colleague the member for Heysen has asked me to put to the Committee, as follows: does the State Transport Authority intend to terminate the Bridgewater rail service on Friday 25 September or is it prepared to retain the service until the report and associated recommendations are received from the Bureau of Transport Economics in Canberra, which has been given the responsibility for undertaking a study into the viability of retaining the service?

The Hon. G.F. Keneally: It is intended that the one service each way between Belair and Bridgewater will cease operation on Friday. I expect that the report from the Bureau of Transport Economics should be available on Friday, and unless there is some very persuasive economic argument involved in that report I see no reason why the service would not end on Friday. I should point out to the Committee that it was never a condition of the agreement reached to have the BTE report on the viability of the service, that the service should continue past Friday.

I point out that the school holidays start on Monday and that that was the reason that the 25 September date was selected, to enable the schoolchildren involved to at least have access to a service until the end of their school term. In the event, the schoolchildren have not used it, for a number of reasons. I think the first is that it is totally inconvenient for them and, secondly, a bus service has been provided which accommodates not only the previously existing schoolchildren demand but the increased patronage on the public transport system as a result of that bus service. So, unless there is some overwhelmingly persuasive argument incorporated in that report it is the Government's intention that the service will cease on Friday.

One other point that I think has to be made is that, in the correspondence that I directed to the Minister for Transport and Communications (Senator Evans) with a copy of that being sent to his colleague the Minister for Land Transport, I pointed out quite clearly that nothing in the request that I provided to them should indicate that the Government and the STA's management decisions would be dependent upon the result of the BTE's findings, with the Government and the STA remaining, as always, in control of their own decision-making processes. That was made

clear in my correspondence to my Federal colleagues. Unless there is some overwhelming benefit to the STA and to the State by retaining that service—not as compared in a general commercial sense but as compared to other services we provide in Adelaide—then it is intended that the service will stop on Friday.

Mr OSWALD: What was the cost of the BTE study on the Belair-Bridgewater line and who is paying for it?

The Hon. G.F. Keneally: The study is being paid for by the BTE—the Commonwealth. The Belair-Bridgewater line is a Commonwealth line and is owned by the Commonwealth. Belair-Bridgewater does not belong to the STA and has not done so since the transfer. The staff at Bridgewater, whilst they are made available to the STA, are AN staff. I expect that on that basis the Federal Government is paying for the study. The question should be directed to the appropriate Minister.

Mr OSWALD: Is it true that the trains previously scheduled for Bridgewater are now left standing at the Bridgewater railway station with the crews in them and the engines running for an hour? Will the Minister explain the logic and economics of this practice?

The Hon. G.F. Keneally: They are left standing at Belair?

Mr OSWALD: They go to Belair and remain there with their engines running and the crews sitting in them for the hour during which they would normally have gone on up to Bridgewater.

The Hon. G.F. Keneally: It is the intention of the STA, once the final closure of that service is effected, for those services to be taken out of the system altogether, that is, those services will not end at Belair and not be run at all from Adelaide to Belair or Bridgewater. It would be appropriate for the General Manager to give the Committee specific details on what is occurring between now and when the full changes are effected.

Mr Brown: The trains going to Belair at the moment are operating to the former timetable, which included the previous trips on an all day basis that were operating to Bridgewater. That will continue until 25 September. In November, when new train timetables are introduced, the long waits being referred to will be eliminated, when the train service to Belair will be integrated with the other services in Adelaide. The feeder buses are operating to the railway stations so we must maintain the connections between the trains and the feeder buses.

Mr OSWALD: What is the economic logic of leaving the engines running for the hour whilst they are at Belair? Why do they not turn off the engines? It is a technical question and I would like somebody to give me a technical answer.

Mr Brown: I will take that question on notice.

Mr OSWALD: There could be a simple explanation, such as that it costs a lot to crank up the engine again.

The Hon. G.F. Keneally: We will provide an answer to that question almost immediately.

Mr HAMILTON: One of the issues I note on page 380 of the yellow pages is for negotiations to continue with unions to have AN 'made available' employees become direct employees. Similarly, I see under 1987-88 specific targets/objectives the same sort of goal. Will the Minister advise what negotiations have taken place thus far, how many employees will be involved and when it is anticipated that these AN employees will become direct appointments to the STA? As the Minister would appreciate, many employees would be somewhat at a loss to understand how far the negotiations have gone or what has occurred.

The Hon. G.F. Keneally: Considerable progress has been made in the whole area of 'made available' and a number

have now become STA employees, compared with this time last year when a similar matter was discussed. There is still a long way to go and I ask the General Manager to give the Committee an update on the negotiations on 'made available'.

Mr Brown: Agreement in principle has been reached between the STA and the ARU for direct employment of its members currently 'made available'. There are approximately 460 such people. The most important outstanding issues are the ratification of an award by the Australian Conciliation and Arbitration Commission and then a date of effect for the commencement of appointment. At this stage it is not expected that direct employment will commence until the early months of 1988.

Mr HAMILTON: The 1987-88 specific targets/objectives refer to 'Commencement of the following initiatives: Reduce maintenance costs by 10 per cent over the next two years; planning and implementation of transponder-related systems'. Will the Minister advise in which areas the 10 per cent will be reduced? Is it across the board with bus, rail and tram services or in what areas will the biggest reductions occur?

The Hon. G.F. Keneally: I will ask the General Manager to respond to the planning and information on transponder-related systems. To reduce maintenance costs by 10 per cent over the next two years is part of the recommendation of the PA Management report. The STA on its own initiative now for a number of years has been reducing the cost of operations within the authority quite effectively. It ought to be on the record that the effectiveness of the STA's cost-cutting program has made its task of meeting 3 per cent savings that much more difficult because, over the past couple of years, the STA of its own volition has made considerable savings and has had a requirement to find an additional 3 per cent. Had it not on its own initiative found those savings, the 3 per cent would have been much easier to achieve. However, it is a responsible and responsive authority to the economic situation in which we find ourselves. The 10 per cent will be right across the board.

There will not be any targeting of individual maintenance areas. It will be achieved through consultation and discussion with the work force, but the STA must have the right to make management decisions. When it is required by the Government to find considerable savings, that flexibility is essential. The STA has a difficult task, but I am confident that it will be able to achieve it without any reduction in the efficiency and standard of the service that it provides. The General Manager could answer the question with regard to the transponder system.

Mr Brown: The STA has been developing improved management information systems over the past few years as the basis of the improved effectiveness and efficiency to which the Minister has just referred. In addition to maintenance, fuel, berthing and despatch systems, each bus is being equipped with a locally developed dynamic transponder for vehicle identity. As each bus enters the depot, that transponder will identify from each bus the mileage, fuel usage and all the things that are happening to it. Each bus will pass over a loop similar to loops at traffic signals. The loop will interrogate the vehicle and, in return, the data will be transmitted by computer into our vehicle maintenance system. In this way the authority's planning will be better and it will be able to identify rogue vehicles; this means that we will be able to have better maintenance procedures all round. That is one of the advantages of the system.

Mr HAMILTON: How does the loop identify the bus?

Mr Brown: Each bus has a transponder, like a small black box, underneath it. It has its own peculiar transmission, which can be identified.

Mr HAMILTON: I note that considerable development is currently under way on the ramp and concourse area of the Adelaide Railway Station. Can the Minister advise when this development will be completed and at what cost? What areas will be relocated? Statements have been made to me that the ticket office and part of the cafeteria or tavern bar may be relocated. What further relocation and organisation of those areas will occur before the completion date arrives?

The Hon. G.F. Keneally: Any relocation of existing facilities would be based on purely commercial criteria. If there is an opportunity to capitalise on the space available, the STA in its efforts to maximise the commercial return for its operations will take advantage of that. My advice is that the concourse redevelopment proposal is about 79 per cent complete. It comprises 26 separate packages. The estimated total cost is \$6.642 million. About 21 of those packages have been completed. Two are under construction and a total of three packages remain as future work, comprising the following: ramp and concession—due to commence October 1987 and be completed by February 1988; concourse pavement—due to commence in April 1988 and be completed by August 1988; and general works—consolidation of requirements for the station, including a number of minor miscellaneous type works. If the honourable member requires further information, I will be happy to obtain it for him.

Mr INGERSON: Can the Minister supply now or at a future date in very broad terms a list of the sale of assets that the STA has made in terms of property and/or buildings in a similar vein to the one requested earlier today?

The Hon. G.F. Keneally: I am able to provide that information concerning the areas in which land sales have been made and the value of the land sales, without necessarily giving particular details of every parcel of land and the other assets that are involved. That information can be provided in a form that is appropriate for the Committee within the time permitted. The Director-General would like to comment briefly on that question.

Dr Scrafton: It should be made clear to the Committee that much of the land that is disposed of by the STA reverts to the State from Australian National. Land that Australian National no longer needs for rail purposes reverts to the State and passes through the books and is sold by the STA. The list is fairly lengthy, but I am sure that the authority can put it together in a form that will be satisfactory to the Committee.

Mr INGERSON: My next question relates to what is often called the cash deficit. I note that it has increased from \$84.8 million last year to \$93.1 million. Recently in Parliament the Minister said that the budget was exceeded because of factors not foreseen when the initial estimates were drawn up. In a speech after that I said that this trend was obvious from early in the year. Perhaps the Minister can explain what caused this unforeseen consistent move in the deficit.

The Hon. G.F. Keneally: This relates to the difference between cash and non-cash items. The increase in the non-cash items is an increase in expenditures such as salaries and wages that usually come out of a round sum and are already included in the authority's forward budget estimates. That differential which has existed every year for the last number of years will not be apparent next year. If it is, the STA will not have the support of Treasury in the way that it has now.

The increase in salaries and wages amounted to \$2.6 million. There was \$5.9 million in interest on loans and leases and an increase of \$1.8 million in materials and services. That is the normal inflationary increase on materials and services for that 12 months. There was an increase in income of \$10.3 million and a reduction from that figure of \$4.8 million which was credited to an increase in income. Added to that was the \$2 million adjustment for the capital portion of the lease included in the 1985-86 figures. That comes out at \$8 million. To complete the funding equation, I point out that in 1985-86 there was a shortfall in funding of \$3.6 million and in 1986-87 a shortfall of \$600 000, amounting to \$4.2 million. The honourable member will have some difficulty putting that together in a graph, as I have given it to the Committee in a rather complicated form. However, I undertake to provide that information to the honourable member.

Mr INGERSON: I understand that there is a possibility that today or tomorrow a decision will be made which will significantly affect the purchase of railcars from the Comeng company. If that decision is made not to continue to purchase the railcars under the original contract conditions or near to them, there could be a loss of some 300 jobs in South Australia—150 from Comeng and 150 from supporting industries. I understand that, this being a high tech industry, there is considerable concern about the gap in the original contract. Can the Minister advise whether that is in fact true and what the Government is going to do about the possible loss of a high tech industry in this State?

The Hon. G.F. Keneally: I have received correspondence from Comeng in Sydney claiming that the Government was to make a decision on the 23rd of this month in relation to future purchases of railcars. That date is not known to me, the Premier or the STA and I do not know where Comeng received this info. I have drafted a reply to Comeng stating that the Government has not made its final decision on future railcar purchases, except to say that the original contract was for 20 railcars. Those railcars are in the process of being completed and delivered. The original contract provided that, if the STA or the South Australian Government were satisfied with the performance of the vehicles it provided an option for the State Government to purchase up to an additional 80 railcars. As I understand the situation, that option was clearly understood by Comeng to mean that there was no guarantee that additional railcars would be purchased. The contract was for the original 20 cars but that option remained.

Comeng has said that it would not be able to continue the operation in South Australia if further railcar purchases were not made. The Government is aware of that situation and is looking at the matter. However, the request for an extension of the contract comes at a time when the STA is severely constrained by its capital works expenditures and the requirement to service those expenditures. Nevertheless, the Government is looking at the Comeng position. If the honourable member has any idea where the date of the 23rd came from and the nature of the Government's decision that made Comeng imagine or feel convinced that the Government was going to purchase additional railcars, I would appreciate that information, because quite genuinely I am not aware of the relevance of that date in relation to the department's future program of purchases of railcars.

Mr INGERSON: I am not aware of where that date came from. I was only advised this morning that it was likely to occur and consequently I asked the Minister the question. The Minister has said that because of the economic situation the Government has not really made up its mind. Does

it have any intention in the very near future to make a decision on this issue and, if so, when?

The Hon. G.F. Keneally: I am sorry that I left some doubt with the honourable member; I understand why that happened. The Government has made a decision to purchase 20 railcars. It has made no decision to purchase more than 20, and we would need to make that decision to change the status of the contract. So, at this stage the Government is purchasing 20 railcars and no more. The Government is looking at the STA's requirements and its capital program, and is cognisant of the facts that Comeng has put to it. Those facts are similar to the submissions that were made to the STA and the Government by coachbuilders in South Australia who also find themselves somewhat constrained by the STA's requirements to change its forward coach purchases or to restructure those purchases. I am not suggesting that there will be an extension of the contract; I am merely saying that the department is aware of Comeng's letter and its concerns, and I am currently discussing this matter with the Premier.

Membership:

The Hon. T.M. McRae substituted for Mr Hamilton.

Mr RANN: Why do STA staff numbers appear to be greater than those budgeted for?

The Hon. G.F. Keneally: To compare this year's figures with last year's figures is not quoting like with like. The Treasury has required the STA to provide not only the numbers of people within the STA who are on the active payroll, but also the numbers of people who are on long-term absence through sickness, maternity leave, long service leave, special or study leave, etc. Those people were not included in the FTE numbers provided to Parliament through the Auditor-General's Report or on the PPB information. Because we now have a different reporting system, those figures are shown there. There are 137 average FTEs in excess of last year's figures, and they are people on workers compensation for long-term periods, including people who are on CEP. The other area relates to those people who are employed under the Community Employment Program.

Mr RANN: What replacement cycle has the STA for its bus fleet and are there any contracts in operation or about to commence for the purchase of new buses?

The Hon. G.F. Keneally: The STA has changed its replacement cycle. Previously, the buses were replaced after 12 years, but that has now been extended to 15 years. That has brought benefits to the STA in terms of its capital works program. It is also reasonable to believe that the quality of the buses provided to the STA ought to be able to last 15 productive years. We are confident that they are likely to last longer than that, but we have done our sums on a 15 year turnover and now is the most advantageous to the authority. This has meant that there has been a change in the forward purchasing program for the next two years. There will be a limited number of buses purchased. We have 20 additional Busway articulated buses that will be purchased, but other than the completion of the MAN contracts, there will be no new contracts let. In 1989-90, the STA will once again be involved in a major bus purchasing program. The lapse in the forward ordering for the next two years is the difference between the 12 and 15 year life cycle of the buses that we already have.

Mr RANN: For some years I have been getting my STA information from the booth that has been in Grenfell Street. I notice that it has been shifted down to the corner of King William and Currie Streets. What was the motive or reason behind this move?

The Hon. G.F. Keneally: The authority opened the new information centre at the corner of Currie and King William Streets on 8 February 1987. I point out that this issue was raised in the 1986-87 estimates hearing and members pointed out to the Committee during that hearing the difficulties being experienced by elderly and disabled persons using the Grenfell Street premises. The new premises have successfully overcome those problems, plus it gives a more efficient layout for the busiest STA public contact location. Some information that indicates the benefits of this location ought to be made available to the Committee.

Approximately 65 per cent of all STA city public transport routes pass within 150 metres of the new city information centre, enabling passengers to obtain tickets, timetables and information much more conveniently. Approximately 500 000 public timetables are issued from the city information centre annually. The numbers of timetables distributed have increased since moving to the new location. Approximately 420 000 weekly and concession tickets are issued from the centre, realising approximately \$5 million in revenue, and this new STA centre is critical to the new Crouzet ticketing system in selling our new tickets. We believe that the move has been very effective. It has certainly been well accepted by the community, the commuter, and after all, that was the purpose of re-establishing it with all of the facilities that enables all people to access the services provided effectively.

Mr INGERSON: My next question is a follow-up question concerning the long term absences, if that is what I can call them, in the group of people that the Minister mentioned were there to make up the 100-odd extra people. Could we have a chart showing where they fit in terms of workers compensation and what is the cost in that? Secondly, relating to page 455 of the Auditor-General's Report, I again note that we have this situation of the Auditor-General stating that we have 3 711 people employed in STA and, according to the yellow book, we have 3 694 employed. Could we get this little mathematical problem solved, because we do have this difference in the two books?

The Hon. G.F. Keneally: As I understand it, the Auditor-General's Report shows 3 711 as being the employment numbers but the PPB papers show 3 670, a variation of 41. The PPB papers have excluded 12 employees on contract and those who are employed by the authority but are on unpaid leave—maternity leave and special leave. I will try to get this information for the honourable member. I note that somebody on the Government benches jokingly said earlier that the Opposition was having some difficulty coming to terms with FTEs. I think the truth of the matter is that this whole area of FTEs is a difficult one to identify quite clearly in the budget papers because of the nature of FTEs. They are different from actual people—they are the compilation of the hours worked into full—

The CHAIRPERSON: Could the Minister provide a reconciliation that could be incorporated in *Hansard*?

The Hon. G.F. Keneally: Yes, we will do that.

Mr INGERSON: My next question relates to page 378 and line 4 of the yellow book under 'Executive, Professional, Technical, Administrative and Clerical Support'. I notice a \$2.05 million over-budget line as it relates to 1986-87 actuals, whereas in fact in the staff column, we find again (as we did in some other area) we have a reduction of 39 staff. Could the Minister explain how we have had an increase in expenditure and a massive reduction in staff?

The Hon. G.F. Keneally: I will obtain a report on that specific query.

Mr INGERSON: If we follow that line across, we notice the actual budget is \$10.37 million up on last year and we

have again increased the staff by another 24. We have come down one year and we have gone up the next, and the funds seem to be going up and down like a yo-yo.

The Hon. G.F. Keneally: That \$2 052 000 is made up of variations in the support services including depreciation amortisation of \$262 000; relocation expenses of \$330 000; and a shortfall of \$265 000 in the savings that we expected to achieve of \$490 000—and some of those savings that we have not achieved are obvious, and they have already been addressed tonight; national wage case of \$276 000; property rental and rates of \$500 000; transfer of staff to publicity and marketing resulted in a \$46 000 gain; loan interest of \$400 000; and miscellaneous, mainly electricity, \$65,000; those items combined totalled \$2 052 000 which is the difference between the two figures that the honourable member has pointed to. What did the later part of the question refer to?

Mr INGERSON: This year's budget shows that there is a \$10 million proposed increase over last year's actual and there is an increase of 24 in number. Could that be explained?

The Hon. G.F. Keneally: In this year's budget the proposed was \$161 266 000 and the actual was \$171 620 000. That is on the second-bottom line.

Mr INGERSON: In the executive line, last year it was \$52 million and this year it is \$62 million. The staff is increasing from 265 to 289. Could we have an explanation of that?

The Hon. G.F. Keneally: The information is here, but it is in a form that might be better provided to the Committee in a way that is acceptable to you and to *Hansard* rather than by my reading out that information, because inevitably I will have to provide it anyway.

Mr INGERSON: In relation to page 379 and the source of funds, again it was noted earlier today that we have trust and deposit accounts with no explanation as to where they come from. Could the Minister provide an explanation for 1986-87 as well as the proposed on both sides, capital and recurrent and, in particular, could a detailed explanation be provided as to how the \$116.32 million is broken up? The reason for asking that question is that, as the Minister would be aware, the Premier said that he put depreciation and amortisation in the budget this year and I note that that figure last year was about \$11 million. That does not leave too much money for inflationary increases. Really, it is a matter of having that broken down.

The Hon. G.F. Keneally: The honourable member is absolutely correct: this year's budget for the STA is very tight. I think that the increase that is available to us outside of \$18.138 million for depreciation and amortisation is something like about \$4.5 million, but I will have that checked out. That means that the STA has to run a very effective operation and make considerable savings to meet its budgeted target. I appreciate the honourable member's highlighting that point, because it indicates what the Government expects of the STA in this financial year. It has been given a very tough task, but the STA assures me that it is working effectively to meet that budget target. I will ask the STA to provide the breakdown of the \$116 320 000.

Mr TYLER: Can the Minister explain how the STA goes about assessing the transport needs of various communities, particularly communities in my electorate that change rapidly? I could use many examples in my electorate, but Sheidow Park and Trott Park are fairly new areas that are growing rapidly. I would classify it as an isolated pocket within my electorate. It does not have a lot of community services or recreational facilities, hence most people need to travel out of the area for those types of services. It is a rapidly growing area.

Some time ago the Marion council approved a plan by Hickinbotham to develop a new estate called Wood End where that company will build 750 new homes. That building program has commenced and at the moment Hickinbotham is undertaking a large advertising program which is designed to attract potential buyers for its spec homes. Last week an article in the paper indicated that Hickinbotham planned to build large numbers of its spec homes early in the new year. How does the STA acquire the information as to the changing needs of a community? Does it have a formal mechanism with local government, or does it rely on members such as me to act as the advocate for the area?

The Hon. G.F. Keneally: Before I ask the General Manager to respond to that question, I point out that in future the STA will be required to pay for its extension in services from within its budget figure. Generally, this will be achieved by savings in other areas. For instance, if there is a demonstrated need in one part of Adelaide where there is no public transport system and other parts of Adelaide have a choice of a number of modes, then it seems reasonable that the part of Adelaide that is more than adequately supplied should have its transport looked at so that funds can be redirected into providing services where no services exist. That does not mean that the STA will be inevitably saddled with a budgeted figure of \$116 million.

I think that the Government is trying to restrain the growth of the deficit. We still have a charter to provide services to where they are needed and where they will be used. We certainly do not have a charter to provide services to where they are not needed or, if they are there, no-one uses them. That point needs to be made very strongly. We have a requirement to provide an available, effective and economic public transport system to the residents of Adelaide. The STA investigates particular areas within that general policy to judge whether or not new services ought to be commenced. I ask the General Manager to provide some of the criteria that are used in those studies.

Mr Brown: The authority tries to match its services to the origins and destinations of the people in the various corridors within the metropolitan area of Adelaide. It does that by using the census data that becomes available every few years. That is one source of information that we have. Admittedly, that is historic data, but it gives us an idea of the way that the population is moving around. A second method is through our direct contacts with the local councils who supply us with details of their future developments and then we are asked to comment on those particular developmental proposals. That gives us an opportunity to look at the services that we provide and what we may have to provide in the future. We even have the opportunity to advise the councils on road access within those developments.

Mr TYLER: Is that a requirement?

Mr Brown: It is not a requirement, but it is something that has grown up by agreement between the parties because, if we do not have that type of consensus development of public transport, we cannot take people where they want to go. What I have just said refers to major developments. On the other hand, we have smaller changes that occur all the time e.g., when we get requests from individual community groups, from members of Parliament and from individuals in the community. We assess all those requests. We have a special traffic planning team that does nothing else other than look at the future requirements of the movement of people in the public transport field.

Mr TYLER: Supplementary to that: can the State Transport Authority closely monitor the needs of Sheidow Park and Trott Park area which, according to the most recent census figures, has had a 42 per cent growth rate. Indications are that this new area will grow significantly and that means that enormous pressure will be put on the road network and the community of that area. It has a bus service at the moment, of course, but that is limited.

Mr Brown: The authority monitors the loadings in the various areas. As the bus loadings change we look at the system operating in the area involved and we put on additional capacity if it is proved necessary. A matter that I did not mention earlier is that in areas where there is a substantial need for new public transport we go out and talk to community groups and hold public meetings if necessary. That is a very useful way of getting information from the locals.

The Hon. G.F. Keneally: Perhaps the Director-General can add to that reply by outlining some of the work that is done within the Planning Division of the Department of Transport. There were two factors involved. First, the public transport system ought to be an essential part of the very early planning process, so that when new developments are on the drawing board the Department of Transport ought to be involved to enable adequate public transport modes to be developed. Whether they are introduced immediately or otherwise depends upon demand. Secondly, there are the origin and destination studies, which the General Manager has already mentioned. The department does work and that is then provided to the STA, which helps it in its decision making in relation to public transport. I now ask the Director-General to add to the General Manager's comments.

Dr Scrafton: In a way the Minister has said all that needs to be said. The STA services just one part of the total urban transport system, or the total area system, and that should not be looked at in isolation. The planning to which the General Manager referred fits within those broader studies. An example relevant to the southern area was the study that was done some five years ago in that area. Everything that is done by the team to which the General Manager referred fits within that broader framework. It does raise, though, a major issue for the future, namely, whether or not it is appropriate to have conventional transit services serving all the suburban areas. One of the public transport issues for 1990 is whether the system that we now think of, with its radial bus routes and articulated as well as large rigid buses, is really appropriate for some of these suburbs. I think we could well see a situation in the 1990s where some of these areas are served quite differently from the way they are serviced now.

The Hon. G.F. Keneally: One last point that I shall add is that the Crouzet ticketing system and the technology involved in that system will enable the STA to have a constant information bank as to where the largest demand for STA services are. It will not help existing services a great deal or areas where there are no services at all; nevertheless it will be a planning tool that will indicate trends, etc. so that these sorts of decisions can be made.

Mr TYLER: I thank the Minister for his answer. I would have to acknowledge, in all fairness, that there has been a considerable improvement in STA services in my electorate, particularly at Happy Valley, Flagstaff Hill and Aberfoyle Park. However, I repeat that the Sheidow Park and Trott Park area needs an improved public transport system, and I will certainly continue to insist that that matter be considered. However, can the Minister tell me whether the STA has any involvement with other Government departments—for example, the area of State Development? It

appears to me that more employment opportunities for residents of the southern suburbs would be in the interests of the STA. At the moment people are involved in long hauls from the south to areas north of where they live, principally for employment purposes. The southern areas are purely domiciliary areas, where people live and pursue recreation. Very few people who live in that area actually work in the south. If the Department of State Development and other Government departments could be more active in the area in promoting employment opportunities for people who live in the south it seems to me that that would certainly assist the Government and the STA with its deficit.

The Hon. G.F. Keneally: I thank the honourable member for his question. Of course, he is absolutely correct; there ought to be close cooperation between State Development and the transport providers when any new development takes place. It is certainly no help to the transport providers to be on the bottom of the totem pole, as it were, and to be asked to provide transport services after all the other decisions pertinent to an area have been made, when it is then found that the provision of the necessary transport is very difficult because of nature of the routes available. One of the unfortunate things, I suppose, about the Adelaide public transport system concerns its radial nature. It is very good at bringing white collar workers into the central business district, particularly during the times of peak hour traffic, but it is not so good at taking blue collar workers from, say, Elizabeth to Port Adelaide, or like trips, unless people are prepared to travel into Adelaide and then travel out again—which generally they are not prepared to do. So, those potential public transport commuters by and large find their own transport.

Our public transport system is almost entirely dedicated to bringing people into the city, whether they be workers or shoppers or schoolchildren. The Director-General has already pointed out that it may well be that the study that we are in the process of commissioning, to look at the nature of the public transport system in Adelaide, might identify and recommend other priorities for the public transport system. I would prefer a system that is more flexible than the one we have at the moment. It does what it has to do very well, but there are certain limitations on its capacity to provide a good service for all the potential commuters. If the Government is able to develop an industrial or commercial centre in the south (close to the member for Fisher's electorate, for example) that could be of tremendous assistance, not only in terms of transport requirements in metropolitan Adelaide but it would certainly shorten the work and shopping journeys of people living in the south.

Mr TYLER: Has the authority included in the budget estimates any provision for the 4 per cent second tier national wage increase, and what negotiations are taking place at the moment?

The Hon. G.F. Keneally: Negotiations are taking place, of course, and one hopes that they will be brought to conclusion fairly quickly. However, there has been no budget provision to enable the STA—

Mr INGERSON: What are you going to do—walk on water?

The Hon. G.F. Keneally: Yes, it is tough. No budget provision has been made for the STA to fund any 4 per cent increase. The STA has been required to meet that 4 per cent out of productivity tradeoffs. The requirement is that departments have to find a 4 per cent productivity tradeoff, for the Government to meet its undertakings under the national wage agreement. We are a signatory to that agreement, and we do not propose to breach our own under-

takings. We have to find those 4 per cent trade-offs through productivity gains.

Mr LEWIS: Moving along to page 382, I refer to a matter close to the interest that I have in the way in which the STA conducts its business is the disposal of land, in particular in country towns, that was previously leased. What are the guidelines for the disposal of that land? On behalf of the Tailem Bend community I am grateful for the assistance the Minister gave in providing the cottage for the neighbourhood house, and its effectiveness and usefulness will only be established in the fullness of time. Notwithstanding that aspect, in the normal course of events what are the commercial guidelines for the disposal of such land?

The Hon. G.F. Keneally: The STA owns a great quantity of land throughout South Australia as a result of property being handed back through the railways transfer agreement from the Federal Government to the South Australian Government. The STA is required to realise the full benefit of that property, either through rentals, lease or sale. The value placed on the land is the value determined by the Valuer-General.

The STA has now been involved for some time in a process of selling land for which it no longer has any use. It has been required to sell it at the best commercial price available. The criterion is whether or not the land has any future value to the STA: the STA would not be seeking to dispose of it if it did. The decision having been made to dispose of the land, the STA follows the normal Government procedure of offering it to other Government departments and local government. If none of those authorities wishes to purchase, it is then put up for public auction and the best commercial price achievable is sought. Another alternative is to offer it to the existing tenant at market consideration.

With your indulgence, Madam Chair, I ask the General Manager to report to the Committee on the question asked earlier this evening by the member for Morphett about rail cars being stabled at Belair with the motor running.

Mr Brown: There are two groups of trains: the red hens and the 2 000 class. With the red hens, the most important point is that the engines are kept running to keep air in the system. If the engines were turned off, there would be the danger of insufficient air to operate the braking system. The engines must be run for a certain period before starting to ensure that full braking is available.

On the red hens the engines are also required to be kept operating to keep the lights going. A practical problem also arises. In order to turn the engines off, the driver must get out of the car. The starting mechanism on the red hens is underneath the trains and below platform level, so that on some occasions the driver would be unable to turn the engines off because it would not be possible to get down the side of the train if it were stationed at a platform. A diesel engine is much more efficient if it is kept operating and more fuel is conserved if the engine is kept hot. For those reasons, the engines on the red hens are kept operating. The same thing applies to the 2 000 class railcars, but there is the additional requirement for keeping the engines going, namely, that they are airconditioned. So, the diesel engines need to be kept operating for that purpose.

The Hon. G.F. Keneally: The fuel cost is negligible and there would be very few examples of any train being stabled at Belair for an hour. I will have that checked out and report back to the Committee, but my advice is that the trains wait at Belair for the next operational movement for a period significantly less than an hour, as suggested previously.

Mr LEWIS: Page 382 of the yellow book refers to the disposal of a surplus of \$5 740 million worth of property. That includes a surplus of 149 houses. There is also a five year contract for bus advertising. Can the Minister explain the way in which advertising space is let to a single agent who then sublets to a client? Is it let to more than one agent or to the actual advertising client, and is the payment made up front or is a down payment made followed by further instalments?

Reference is made to the significantly increased revenue from the static advertising site. I suppose this will help meet the 4 per cent productivity rise which was referred to by the member for Fisher and which must be met. However, I do not know that the workers in the STA would have contributed anything to that. Nevertheless, there has been an increase in productive output from STA assets and the manner in which they are deployed.

The attitude of the general public to advertising by the STA can probably be divided into four categories. There are those who think it is a good idea and those who think it is a bad idea because they consider it to be bad civic manners to have gaudy advertising signs all over the place, be they on buses or on static displays, as those signs assault the senses. Certain elected representatives in local government bodies actually resent the fact that the STA can do things that other people cannot do. There are those people who want to advertise on their own private land but are prevented from doing so by planning and/or other local government regulations.

The third category is those people who do not really mind: they just accept the world the way it is and give some thought to it, and the final category is those people who do not think at all. Excluding the last two categories, can the Minister address the concerns expressed by those who are averse to the notion of buses being dressed up in different paraphernalia, messages and static advertising hoardings that display information with which they disagree? Then there are those who go to work as outstanding artists in their own right and touch up these advertisements to suit themselves—the graffiti boys.

The Hon. G.F. Keneally: The honourable member mentioned the disposal of 149 houses. That related to the financial year 1986-87 and does not relate to the present financial year. I will ask Mr Fitzgerald to describe the way in which the STA organises contracts for bus advertising. However, before he does so I will comment on some of the points that the honourable member has made. There is considerable concern in some sections of the community about the nature of advertising on STA buses. I happen to like the advertising and I am sure that the STA does, because the advertising in all generates something like \$1 million income.

Mr LEWIS: The authority gets that from general revenue?

The Hon. G.F. Keneally: Yes, that comes back to the authority. It is offset when we are looking for additional deficit funding or subsidy. The authority has to conform to the normal planning procedures in static displays, whether they be on their own property, bridges or elsewhere, and they are subject to objections from relevant concerned authorities. They do not have a freedom that does not apply to other groups in the community. They do so in respect to the buses which, as I understand it, are not covered by the Planning Act in the same way. I will ask Mr Fitzgerald to outline the nature of the advertising contracts.

Mr Fitzgerald: The Minister has already said that the annual revenue the authority receives from bus advertising is in the order of \$1 million per annum, and that money is received over a five-year period, thus a total of about \$5

million. It is guaranteed to the authority and it is also indexed each year by CPI, thus it is a major source of our revenue. It is let by public tender and it is awarded to one agent who does all the necessary liaison with the various advertising agents, and the authority has final say over any questionable advertising that appears on buses, and individually vets in particular the all-over buses.

Mr LEWIS: So you do not allow the advertising of grog?

Mr Fitzgerald: We allow advertising according to Government guidelines.

Mr LEWIS: So it is Government policy that determines content?

Mr Fitzgerald: The general content, yes.

The Hon. G.F. Keneally: All Government advertising quite naturally comes within Government guidelines.

Mr LEWIS: I wanted to know whether the Minister feels comfortable that the STA is outside the normal control to which the average business corporation or citizen is subject in that the STA does not have to answer to local government for where it puts what?

The Hon. G.F. Keneally: I thought I had covered that in my previous answer. Certainly, in the advertising on the buses, because of the mobility of the buses, the STA does not have the same requirement that other interested parties might have in terms of static advertising, but in providing static signs, the STA has to get the approval of the local council and is subject to the whole planning process. It is subject to appeal and it cannot put up a sign unless it has the necessary approvals. So, it is not treated in any different way from any ordinary citizen, authority or commercial undertaking. It needs to be emphasised that all the STA does is make the site available. It is the advertising contractor who is required to get the necessary approvals from the planning bodies, so it is not the STA in the sense that it is trying to get the approval—it is a private advertising contractor who is treated like every other advertising contractor or interested party.

Mr LEWIS: As a further supplementary question, are there any goods that in Government policy are specifically excluded from being advertised on buses? I refer to such things as, say, cigarettes, alcohol, condoms or whatever?

The Hon. G.F. Keneally: The STA does not advertise cigarettes on its buses. Further, it is conscious of the contentious nature of some advertising and would prefer not to be involved in public debate about advertising but, within reasonable bounds and within the policy that the Government has in terms of advertising, it does not inhibit the advertising contractor as to the nature of the advertising that goes on the buses. If it is a matter that is likely to cause considerable controversy, the STA can do without that sort of pain and it can make a decision as to the nature of the advertising.

Mr LEWIS: Is alcohol okay?

The Hon. G.F. Keneally: Alcohol is advertised widely in all the media and, accordingly, it is allowed on STA buses. If the Government made a decision to prohibit the advertising of alcohol, it would then be prohibited on STA buses.

Mr LEWIS: May I respectfully request that you, Madam Chair, consider the clarification that I obtained to my second question? It was in the form of two supplementary questions. I ask that you do that in the same way that you gave grace to the member for Fisher who put six questions to the Minister.

The CHAIRPERSON: I thought on the last occasion that the member for Fisher asked two questions and one supplementary. You have just had three questions and one supplementary but, if you would like another supplementary, that is fine.

Mr LEWIS: As to page 380, how does the Government notify changes of timetables and routes to the STA services?

The Hon. G.F. Keneally: I will ask the General Manager, the practitioner of the art, to respond to that question.

Mr Brown: Depending upon the scale of the bus changes, different methods are used for notifying the public. If it is a major change such as those that have recently been planned for Salisbury West, then we meet with the community groups, involve them and advise them of those changes and we distribute information through those types of organisations. When it involves major changes, we also advise councils. In relation to minor timetable changes, we prepare the timetable change and distribute it amongst the user passengers on those particular routes. We make these pamphlets available to them and our inspectors distribute that information. We also publicly notify all timetable changes in the media and, of course, we encourage people to use our telephone information service, which is excellent.

Mr RANN: In relation to the STA transit squad that was announced last year, I know that, strictly speaking, it is a police operation, but obviously there is a great deal of STA involvement. Are the STA and the Minister pleased with the performance so far of that squad? Perhaps the Minister could detail some of its operations.

The Hon. G.F. Keneally: The transit squad is a combination of active members of the Police Force and what used to be called STA constables who have now had the benefit of additional training from the police. I believe that the combination of operating police officers with the STA constables has provided a much more effective STA policing capacity which has had quite a dramatic impact on vandalism, unruly behaviours and attacks on the STA, whether the O-Bahn or elsewhere.

The system is a large one which at times travels through largely unpopulated areas, so we need an effective transit squad. The General Manager might be able to report on some of the specific work that that squad has done. In general terms, it is fair to say that the squad has been an outstanding success. The squad consists of six State police officers, including a supervising sergeant and 15 State Transport Authority special constables.

The object of the squad is to restore and maintain law and order on the public transport system. In the first five months of operation, the transit squad was successful in several areas. A big impact has been made on unruly behaviour on all modes of transport in and around the Adelaide railway station. It has gained the confidence of the travelling public as well as that of operational employees, and the incidence of assaults on employees has decreased. More than 600 offenders have been either reported or arrested. Offences include assault, disorderly and offensive behaviour, vandalism, theft, breaking and entering, possession of drugs and implements, and a range of offences under the STA Act and regulations. The transit squad is administered by the STA Detective Inspector, Bill Newman, who has been seconded from the State Police Department. He is responsible for the security services which carry out prosecutions, compile appropriate offender records and gather information to assist the squad in carrying out its duties.

Mr RANN: That is an outstanding success: having travelled late at night a year or so ago to Salisbury and seeing people harassed by drunks, it is great news. The other question referred to me by my friend and colleague the member for Newland, concerns the incidence of the legionella organism. With the onset of warmer weather and having regard to problems encountered last year around Australia with the legionella organism, does the STA intend

checking air-conditioning systems? What measures are taken as a precaution?

The Hon. G.F. Keneally: I refer that question to the General Manager for his response.

Mr Brown: The State Transport Authority has been attempting to find a solution to the legionnaire's disease problem for the last two summers. Just when it was thought that it had cracked the problem it became apparent, after testing undertaken over the last three or four months—and we are constantly testing—that there is still a trace of legionnaire's disease in the air-conditioning units on the buses. The Authority, with the Health Commission, has been actively involved in further research in an endeavour to find a lasting solution to the problem. If the Authority cannot find that solution prior to the onset of summer, the air-conditioning units will have to remain out of action. However, we are confident that with the new chemicals that are now available and with further trials, we will be able to beat the problem. It is one that has not been resolved elsewhere around the world, and in this regard we are pioneering work on public transport air-conditioners.

Mr TYLER: I believe all Committee members believe the STA needs to give consideration to strategic and business planning aimed at reducing the deficit. Page 384 of the yellow book refers to the development of the business plan. The Collins report also referred to the development of a business plan. Will the Minister give details on the progress of the business plan?

The Hon. G.F. Keneally: The business plan referred to in the yellow book and that recommended by Mr Collins in the PA Consultants report is the same business plan. I agree that it is essential that we have such a plan not only for the Parliament, the public and the STA but also for the people who work for the STA so that everybody has a good idea of the priorities and planning for the future of the authority. The STA has put together a project team to work full time on the business plan during the next three months. The team is charged with the responsibility of finding ways of streamlining the services and functions without affecting the effectiveness of the public transport system as a whole. The team will be looking at all aspects of the way the STA runs its business and the emphasis will be on developing a feasible plan of action that can be implemented. It was hoped that such a plan would be available, first, to the STA management and the board as well as to me as Minister before the end of the year. I suspect that that will not be achieved, but the General Manager has re-emphasised that a business plan in draft form at least will be available for consideration within the time scale.

Mr INGERSON: I refer to page 446 of the Auditor-General's Report at which he notes that the accumulated shortage has increased from \$55.4 million to \$70 million. In the budget papers the Premier stated that one of the desires of the Government was to put the STA back on to a business basis. How does the Minister see the STA coping with this already accumulated shortage of \$70 million, as I suspect it is costing the STA about \$8 million a year?

The Hon. G.F. Keneally: I can inform the Committee on the components of the increase in the accumulated shortage. It relates to long service leave, annual leave, retirement and death payments, superannuation payments, workers compensation, third party accident, other self insured risks, frozen sick leave and so on, plus some extraordinary items. We subtract from that the cross border lease benefits and sale of assets. In total the accumulated shortage is \$69 952 000. The statement that the honourable member has made that it is costing the STA \$8 million a year—

Mr INGERSON: How will that shortage be overcome?

The Hon. G.F. Keneally: I will ask Mr Fitzgerald to respond.

Mr Fitzgerald: Over the two previous financial years, the authority has been introducing a change in its financing arrangements with the Treasury. The ultimate goal will be achieved in 1987-88 in that the authority will be fully funded for all aspects of its costs in the appropriation that reflects its net cost of operations. Part of that task was to identify all of those costs that had accumulated in previous financial years. Most of those costs have been associated with various labour entitlements, and the Minister has already named them: long service leave, annual leave, superannuation and the like. They amounted to approximately \$44 million at the end of June 1987.

Members will note from the balance sheet that the authority has been undertaking a program of identifying properties for revaluation so that they reflect in the books at current worth. These discussions have been undertaken with the Treasury for the last couple of years. One item is still held over from previous financial years and that reflects what was previously known as a debt remission or an allocation of cancelled securities for the non-cash component of the authority's deficit that was not previously funded. The amount of that debt remission is still under discussion with Treasury.

Mr INGERSON: I note that the interest bill now represents 12 per cent of the total cost of providing services. How does the Minister consider that this item will be handled, in this budget and in the future?

The Hon. G.F. Keneally: This is a problem for the authority but it is one that it must face up to and meet. The Government is determined that the rate of increase of the subsidy to the STA will slow down. It is also determined that the capital program for the STA needs to be reduced so that the interest burden can be more manageable. I do not say that the Government is providing the STA with an easy task but it is only by requiring an authority such as the STA to live within its budgeted income that the Government may be able to turn around the growth of the subsidy and the cost to the taxpayer. The STA welcomes the challenge and is prepared to play its part.

This year is a difficult year indeed. There has been a negative growth in the funds available to the STA in real terms. It has less money available to run its operations than it had last year, so some very difficult decisions need to be made. It is important that items such as those addressed by the honourable member—the accumulated shortage, the non-cash items and the real interest costs—be incorporated into the accounts so that the operations of the STA are fully accountable and that the Parliament and the people of South Australia know the full level of the subsidy that is provided to public transport beneficiaries in Adelaide.

It is fair to say that the overwhelming majority of people in South Australia do not use the public transport system. Very few of the constituents of the member for Flinders, who is present in the Chamber, benefit from the public transport subsidy. We owe it to all taxpayers in South Australia to run a relevant and economic public transport system. Although the task given to the STA is difficult, it is sustainable in accountability terms.

Mr INGERSON: The Minister will note that there was an increase in borrowings of \$46.5 million last year. The Auditor-General's Report contains no reference to what those borrowings were for. Can the Minister say, either now or at a later date, what the increase was and, if possible, what the \$177 million represents? Leasing stock is set out

clearly under lease payments, but under borrowings it is not.

The Hon. G.F. Keneally: I do not have that information available, but it will be provided within the Committee's requirements.

Mr INGERSON: Page 450 of the Auditor-General's Report refers to a loss of \$248 000 arising from the disposal of properties not required for the authority's operations. Also, on page 453 it is stated that in June 1986 the authority sold and leased back assets under a cross border lease financing arrangement and that, as a result of the sale transaction a loss of \$230 000 occurred. Those two losses total nearly \$480 000. Can the Minister explain those losses?

The Hon. G.F. Keneally: I will undertake to provide a full report on the first part of the question, and Mr Fitzgerald will respond to the second part of the question.

Mr Fitzgerald: in June 1986 the authority entered into a cross border lease financing arrangement which involved the sale and lease back of 76 O-Bahn buses and one special recovery vehicle. Part proceeds of the sale were remitted to SAFA and the authority to extinguish its future lease liabilities on these assets. Two financial aspects arose from this transaction. First, the authority received an extraordinary financing gain of \$835 000 in the 1985-86 financial year and that was recognised in that year as income.

The second part is that to which the honourable member refers. As a result of that transaction, a book loss of \$230 000 occurred. This loss comes under the category of a finance lease arrangement, and the loss was recorded as a deferred expenditure and has to be amortised over the remaining life of the assets. The financial year 1986-87 is the first year of the amortisation of one-twelfth of that deferred expenditure.

Mr INGERSON: Also on page 453 of the Auditor-General's Report there is mention of a provision for workers compensation of \$809 000 and a payment of \$2.207 million. Can the Minister explain the significant difference.

Mr Fitzgerald: As part of the full cost determination of the authority's operations each year the authority as a self insurer has to determine the provision that it should put in its annual accounts for workers compensation, as it does for many of the other items listed on page 453 of the Auditor-General's Report. The department uses a consulting actuary who analyses over claims for that particular year and then adds an actuarial factor. The first part of the question relates to a provision for workers compensation claims of \$809 000. That was an extra assessment for the liability. The payments of workers compensation claims that occurred during the year also relate to claims that occurred in prior financial years. So, the costs that were incurred could be quite different from the cash flow that was involved in the payment of the various insurance claims.

Mr INGERSON: As a supplementary question, were any extraordinary claims made in that specific year that gave a very significant difference? Actuaries are not usually that far out.

Mr Fitzgerald: There was a payment in 1986-87 that was fairly unique in terms of its quantum, and that of course has influenced the very large payout in the 1986-87 financial year.

Mr INGERSON: I now refer to the Crouzet system, which was initially estimated to cost \$4.5 million, but which is now estimated to cost \$10.5 million. How has this occurred? Could the Minister run through all of the cost escalations, including foreign exchange costs?

The Hon. G.F. Keneally: The cost of the Crouzet ticketing system has increased considerably and has been the subject of a number of questions and statements in the House to

that effect. To put this in context, I am quite happy to go through the cost variations. On 3 December 1984 Cabinet approved the acquisition and installation of the new ticketing system at a total estimated cost of \$5.707 million in June 1984 dollars. The figure was made up of the Crouzet contract itself at \$4 861 720; the STA supplied equipment including installation of \$695 000; and the contingencies attached to that contract were \$150 000, making a total of \$5 706 720, which equates to \$6.416 million in June 1987 dollars. The current best estimate is \$10.69 million in June 1987, an increase of \$4.275 million or 66 per cent made up of foreign exchange variations of \$3.669 million or 52 per cent, additional equipment purchases to fully equip the fleet and points of sale at \$721 000, and software modifications of \$185 000, or 14 per cent, making up the current estimate of \$10.69 million.

Mr INGERSON: What is the cost of publicity? As the Minister would be aware, there have been many advertisements in the press. We currently have this brochure circulating in all Messenger Press papers, and I received 30 of them in my office today. I understand that there is a very large poster in my locker. Whilst I am not criticising in any way the presentation, it seems a very expensive and lavish way to introduce a new ticketing system. I wonder what the all-up publicity cost for that exercise will be?

The Hon. G.F. Keneally: We have programmed \$150 000 on the publicity campaign for the introduction of the Crouzet system. The honourable member himself in the Parliament has highlighted the confusion that could exist if no such publicity and education program were undertaken by the authority. In fact, he highlighted what happened in Marseille when the Crouzet system was introduced there, and I think he used the words 'utter chaos'. It is certainly the intention of the STA to ensure that no such things happen in Adelaide.

On the other hand, I think it is fair to say that in the introduction of new technology, with a completely new system, it would be unreasonable to expect that this would all go off with no hiccup at all. We hope it will, although we suspect that it will not. However, we will be well placed to assist if there are any problems with its introduction. We will have personnel placed throughout the system to assist commuters in coming to better understand the new system.

We believe that the expenditure is an investment in providing new technology to the people in Adelaide in the best possible way so that they are able to adjust with the least possible dislocation. I am not saying that it is a cheap program, because it is not, but I believe that it is a worthwhile program. All members who periodically have a need to advertise their own wares, whether it be in the newspaper, pamphlets or on television, are aware the cost of advertising is expensive indeed and one does not get a whole lot of advertising for \$150 000. I believe that each year one gets less for \$150 000 than the year before and the cost of the electronic media is escalating at a rate far in excess of inflation. We believe that we will spend the full \$150 000 that has been budgeted. I believe that in its publicity the STA has done a good job in getting its message into the households in Adelaide.

Mr TYLER: We are getting good value for our dollar.

The Hon. G.F. Keneally: As the member for Fisher points out—and I agree—we will get good value for the dollar spent in this advertising educational program.

Mr INGERSON: My question relates to the possible extension of the multi trip tickets. One of the criticisms that has been fairly rife in the community is that the 10 trip ticket is too small in that quite a considerable number of people are saying that they would like to have the equip-

ment of a fortnightly or monthly ticket. Has consideration been given to, say, a 25 trip or 20 trip ticket?

The Hon. G.F. Keneally: I really do not know. I will ask the General Manager whether the Crouzet software can be programmed to provide that range of tickets. It seems that the easiest way to do that would be to buy two or three tickets and, if they do that, they will get a little plastic carrying satchel as a bonus. There is no bar on the number of tickets that a commuter can purchase.

Mr Brown: You can have only 10 trips per ticket because that is all the machine can handle.

The Hon. G.F. Keneally: That explains the first part of my answer: the software will not accommodate it.

Mr INGERSON: The principal group affected by the change is the children who were able to buy the monthly ticket. As a consequence of the change, if the Minister knows anything about young children, they tend to lose their tickets. They now have four opportunities a month instead of one to lose their ticket.

The Hon. G.F. Keneally: I do know a little about children, because I have five of my own and I am the proud grandfather of four young tearaways. I am well aware of their potential to lose or damage anything. I believe that parents will encourage their children not to lose their tickets. Because the system now provides for payment for every trip taken, I believe that greater care will be taken with STA tickets, particularly the multi trip ticket. That is not to say that the previous weekly and monthly tickets were not carefully looked after. It has been pointed out to me that it is probably cheaper to lose the 10 trip ticket than it is to lose the monthly ticket, but that was not considered in determining the unit ticket.

Mr OSWALD: I want to ask a supplementary question based on the question asked by the member for Bragg. I will give a brief scenario based on the experiences of a constituent of mine who also has five children and he put this to me only two weeks ago. Under the old system he bought five monthly tickets for his children and off they went to school. But they do not always use those tickets for going to school; some might go off to sport while others might go elsewhere after school, but at least this parent has known that the tickets of all five children will expire at the end of the month, at which time they can be replaced. However, with the new tickets, from which the five children can now get 10 uses, some of them will use their ticket to go to sport on their way home from school, which would mean two trips, while others will use it for only one trip.

This means that each of these children's tickets will expire on different days. There will be chaos on some mornings when there is an announcement made at the kitchen table, 'Dad, my ticket has expired.' I think the situation that my constituent has put is quite relevant. He has also been advised that if this is STA policy the software could be adapted to alleviate this problem, that is, if it is decided to issue a monthly ticket to cater for schoolchildren the computer could be programmed accordingly and thus the needs of the parent to whom I have referred could be accommodated. Will the Minister please comment?

The Hon. G.F. Keneally: The Crouzet system is designed to require commuters to pay for trips that they take, whereas many monthly tickets are used in a very different fashion. For instance, if I was to buy a monthly ticket, it is assumed by STA that I am the only person who is going to use it when, in fact, many monthly tickets are used by many people in the family. The multi-trip ticket is designed so that whenever a person takes a trip it is taken out of that ticket. I suggest to the honourable member that he advise his constituent that instead of buying five tickets he should

buy six tickets so that there is always a spare ticket in the household to meet the eventuality that has been mentioned.

Mr OSWALD: I don't think he would be impressed by that.

The Hon. G.F. Keneally: Eventually he would buy that additional ticket, anyway. I acknowledge that it is much less convenient to have to buy tickets when they become due than just to buy monthly tickets on a specified date, and as a parent I can understand that that could mean some inconvenience. However, this system is designed to ensure the greatest flexibility and the greatest accountability for ridership.

It has just been pointed out to me that once this system is in place and has settled down, the STA can look at what refinements can be made to it; the query raised by the honourable member may well be something that the STA can consider. However, in the initial stages we have a ticketing system that we need to implement and to have in operation. Once it is operating and people understand the system, it may be possible to consider refinements.

Mr INGERSON: I refer to a very excellent STA in-house magazine called *Among ourselves*, which I understand is produced quarterly. It has 30-odd pages and is beautifully done—what is the cost?

The Hon. G.F. Keneally: That is a good question.

Mr INGERSON: It is magnificently done.

The Hon. G.F. Keneally: Yes, I am sure that it is in line with all the things that the STA does: merely to say that it is an STA magazine, in itself, is conclusive evidence to me that it is very well done. I do not know the cost of that publication, but I will certainly find out for the honourable member. I should point out that the publication used to come out every two months but that it is now quarterly, which has a bearing on the cost consideration.

Mr INGERSON: My last question really highlights the problems that we have with the Estimates in this area. I refer to the O-Bahn system and parking facilities to be provided at the Tee Tree Gully end. What is the position in relation to negotiation with Myers, or whoever is the developer at the other end? What will be the cost of the car park which, obviously, will be needed at that end, and when will the project finally be finished?

The Hon. G.F. Keneally: The project is programmed to be completed at the end of the financial year 1988-89. We certainly expect that when the system is completed we will have an excellent interchange available for commuters at the Tea Tree Gully end of the O-Bahn. We are negotiating with Westfield and are optimistic that those negotiations will be successful. As to the funding of the interchange within the extended commercial development that has taken place at Tea Tree Gully, this is an opportunity, which has been taken by commercial interests in other States and other countries, for joint funding: the STA owns the land but the commercial enterprise will provide the interchange and build in the airspace that is available to it as part of the transaction.

That sort of negotiation is currently taking place between the Government and Westfield. We are optimistic that a successful conclusion to the negotiations can be reached. Commercial considerations are involved, and I do not think I should take that matter any further, except to say that it is an exciting development that will bring considerable benefits not only to the State and STA commuters but also to Westfield as a commercial enterprise.

Mr INGERSON: When is the STA to move out of the Hackney barn?

The Hon. G.F. Keneally: As soon as capital funds are available to the STA to enable work to be started on its Mile End South property. If the funds had been available, as we would have expected them to be initially, we would have progressed considerably on the conversion of the Mile End property into a depot. Unfortunately, those funds have not been available to us, so we have not been able to do any work. I am not able at this stage to advise the Committee when those capital funds will be available to the STA. It is certainly a matter that has to be considered and determined in relation to annual budgets, but no funds are available in this year's budget to enable us to make that move.

The CHAIRPERSON: There being no further questions, I declare the two examinations completed.

ADJOURNMENT

At 10 p.m. the Committee adjourned until Thursday 24 September at 11 a.m.