

HOUSE OF ASSEMBLY

Tuesday 13 September 1988

ESTIMATES COMMITTEE B

Chairman:

The Hon. T.M. McRae

Members:

The Hon. P.B. Arnold
 Mr H. Becker
 Mr M.R. De Laine
 Ms D.L. Gayler
 Mr E.J. Meier
 The Hon. R.G. Payne

The Committee met at 11 a.m.

Fisheries, \$6 024 000

Witness:

The Hon. M.K. Mayes, Minister of Fisheries.

Departmental Advisers:

Mr R.K. Lewis, Director, Department of Fisheries.
 Mr R. Fairclough, Accountant.
 Dr P. Sluczanski, Acting Research Manager.
 Mrs J. Rhodes, Administration Manager.
 Mr G. Rohan, Fisheries Manager.

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

The Hon. P.B. ARNOLD: It is not my intention to take up the time of the committee with an opening statement; we prefer to lead straight into questions.

The CHAIRMAN: I think it would be fair to ask whether the Minister wishes to make an opening statement.

The Hon. M.K. Mayes: I do, and I will keep it brief. I welcome this opportunity for the Estimates Committee to examine the financial arrangements associated with the fisheries portfolio. Before examining the details of the program performance budgeting documentation, I would like to draw the Committee's attention to the latest developments and initiatives associated with South Australian fisheries.

The 1987-88 value of production figures for the commercial fishery landed in South Australia increased on the previous year by 25 per cent to \$113 099 000. The most significant increases came from southern rock lobster (\$32 million to \$38 million); abalone (\$11 million to \$13 million); and prawn (\$16 million to \$21 million), and for the first time the landing of significant quantities of orange roughy from the developing Great Australian Bight trawl fishery (\$3.5 million). Without a doubt, one of the most important issues has been and will continue to be the sharing of the State's finite fish resources between competing sectors.

The community in general must recognise that all sectors must exhibit constraint in effort increases as a result of new technology and, in the recreational sector, increased participation. The Department of Fisheries has firmly advocated this through both the well established liaison and consultative network with all fisheries and sectors as well as through a series of fisheries review documents provided to the general public.

This has resulted in the implementation of rationalisation programs in the commercial rock lobster and Gulf St Vincent prawn fisheries as well as the developing of similar proposals for the marine scalefish and Spencer Gulf prawn fisheries. In addition, the majority of the commercial abalone fishery is now operating under a quota system. My recent visit in which I examined fisheries management arrangements in Canada and the United States illustrated the advancement of these arrangements on world standards.

In particular, I am pleased to report on the very positive input of industry representatives into these arrangements; 1988-89 will be a year of major review for the South Australian marine (inshore) scalefish fishery. The research branch of the department is currently preparing an extensive green paper on the fishery which will incorporate the known biological data on the species being exploited, an assessment of the catch history of the fishery and consideration of the many and often conflicting demands of the sectors competing for these resources; the recreational, commercial, local government and tourism. All sectors are eagerly awaiting the release, in mid-1989, of this green paper, as it will formally provide a comprehensive and coordinated consideration of the many issues in this fishery that have tended to be treated individually. It is anticipated that, following consideration of public comments received on the green paper, the Government will implement major changes to the management arrangements for this fishery.

Major initiatives aimed at increasing and improving the research capacity of the Department of Fisheries and, thereby, better providing information on which to manage our fish stocks, have involved the significant upgrading of research facilities through the extension of the marine research vessel, *Ngerin*, by 5.4 metres, to an overall length of 25.3 metres, with a full ocean going capacity up to 100 nautical miles offshore, and the commissioning of stage one of the department's marine research laboratory. The activities of this laboratory are centred on a very sophisticated computer controlled running seawater system, with a turnover of up to 1.3 million litres of water per day, through individually temperature controlled tanks and ponds.

One area I would like to highlight is the consultative and managerial input into the management of our fisheries now being exhibited by the industry itself. For a number of years, the industry and the department have established a network of liaison and consultative committees. These have resulted in industry becoming much more involved in the determination of policy and management recommendations. In particular, I would like to commend the Gulf St Vincent Prawn Boat Owners Association for their approach to the management of their fishery over the last year. Members of the committee are no doubt aware that this fishery experienced overfishing during the early 1980s, and, as a consequence, five vessels were removed through a rationalisation program. This rationalisation program, the financial details of which are contained in the Estimates documentation, is continuing. The association and the department are working closely together to rehabilitate this stock through the implementation of very rigid and time limited harvesting strategies. This has resulted in limited fishing opportunities in the short term to ensure that long term benefits of rehabilitation can be achieved. The association is to be congratulated for its most responsible approach in this area.

The Hon. P.B. ARNOLD: If I remember correctly, in his opening remarks the Minister said that a lot of effort will be put into upgrading the department's approach to the management of the fishery resource—I think that was the thrust of the statement. This matter has been of great concern to us, particularly in relation to the process of the

making of regulations, and we are seeing a great number of regulations coming before Parliament in relation to management of the fishery resource.

Unfortunately, time and again we are finding it necessary to move for disallowance because we believe that insufficient input from a practical point of view has been taken into account. In fact, we believe that some of the regulations are virtually impossible to put into effect. I refer particularly to the regulations that were recently put before the House in relation to the Coorong mullet fishery, which regulations we believe are virtually impossible to put into effect. We have yet to see how the regulations can be effected and achieve the end result that the department wants—and certainly, above all else, that is to protect the juvenile mullet.

Does the Minister have in mind a process that, in the preparation of the regulations of the department, greater consultation can be undertaken to work out the practical implications of some of these regulations? We are not critical of trying to protect the resource or a certain species, as that is paramount, but we must be able to put into effect regulations that are brought before the House. If the end objective is really to stop a certain fishing practice then, for example, it would be more honest of the department and the Government to ban netting in a certain area and be done with it, rather than having regulations that cannot be effectively implemented.

The Hon. M.K. Mayes: I thank the honourable member for his question. I accept the sincerity of it. I would think that all members of Parliament who are interested (and I would not think there are any who are not) in the management of our fishery resource in this State certainly would be vitally interested in the way in which the Government institutes programs to protect the resource.

It is obvious one could move in many ways. The department, in its advice to the Government, weighs up the most effective way in which it can manage that resource. The honourable member referred, in particular, to the mullet fishery. There has been a good deal of community debate on this matter; it takes place at any level. I recall in September of last year travelling to a function in the South-East to open a new shearing shed. I called into a service station to replenish the travellers as well as the vehicle and the proprietor of that service station, in a country town on the main Victorian highway, engaged me for some 25 minutes in a very animated discussion about the fishery and how it should be managed. He had much more radical programs available in his mind in order to preserve the stock. He was talking about total bans, both recreational and commercial, in some parts of the fishery.

We can look at the extremes of management techniques that are available to us. The Director has a very difficult task in a sense because he always has to try to balance these competing forces from that resource. I am not trying to be general in my reply; this is a major issue and a major management responsibility, which any Director and any Minister has in the management of that fishery. The amount of effort being devoted to balancing fishery resources is quite staggering.

The last census indicated that about 295 000 people were interested in recreational fishing. One can envisage inland waters, lakes and seas being invaded on a long weekend by 295 000 people. If they are all like me the fishery is quite safe; but they are probably better skilled than I am in catching fish, and certainly that is an enormous effort in itself.

If one looks at the commercial fishery and the changes in technology that have occurred in methods of fishing and

in technology available to detect fish—and we are constantly bombarded by those improvements—one must come to realise that the efficiency of the fishing industry, its versatility, dexterity and sensitivity in terms of acknowledging market forces and changes, is quite extraordinary. Obviously a commercial fishery worth about \$113 million represents a very significant contribution to this State's economy. Many of the people involved in fishery management are at the forefront in terms of technology and skill in this country. Some of the most efficient and innovative fishery operators in Australia are based in South Australia. If one looks at those forces which are working to exploit this resource, the responsibilities of the Director of Fisheries and his staff are quite huge.

I am not avoiding the specific question raised by the honourable member—that is, liaison—but I would say that we consult ourselves inside out. The Director is always available at anytime of the day. I have often rung the Director at home, and it does not matter when. I recall that not long ago at 6.48 a.m. on a Saturday I contacted his home and his wife advised me that he was already at the office. That sort of dedication that this Director puts into consultation with the fishing industry is quite outstanding. The processes are there as well: it is not just individual consultation from the Director. The mechanisms through the various consultative committees, industry councils (both recreational and commercial) and tourism are there to allow people to represent their interest in the industry to the department and the Government. I cannot recall a situation in which a very extensive consultative process has not been entertained.

I will ask the director to comment on the mullet fishery because he has at his fingertips the details of the processes that were entertained. The mullet fishery would be a good example, although we can draw on many examples. Obviously some people have individual and sectorial interests with regard to fisheries, whether it be in relation to exotic fish, the processing area or the actual collection and catching of fish. Obviously—and rightly so in a democracy—those people have the opportunity to express their views other than through the mechanisms that are put in place. Many of them exercise that right energetically—I think that is probably the appropriate word—and express to members of Parliament, their local members and through the various media outlets their views in regard to the fisheries management policies which are adopted by the Government on the advice and support of the department.

I believe that our Department of Fisheries is probably the most consultative Fisheries Department in this nation, and our officers have been exemplary in their commitment. In my experience I cannot recall there ever having been before me a Cabinet document dealing with the regulations—and I acknowledge that in my period we have instituted extensive regulatory controls in the fisheries—that has not involved a process of consultation with the industry, be it the recreation, commercial, tourism or local government industry. As I indicated in my opening remarks, at the moment several exercises are being undertaken which involve that very consultative process. Perhaps the Director could speak in particular about the mullet fishery and what was undertaken in terms of consultation.

Mr Lewis: The department has considerable concern about the criticism that we do not consult. We have established a very wide network of liaison committees with all major commercial industry and recreational groups, through the Tourism Fishing Liaison Committee and the Recreational Liaison Committee to the exotic fish group, a total of about 13 committees.

These involve the representatives of the umbrella groups meeting with us to discuss and hopefully, after consensus, to make recommendations on the management of the fishery. In addition, as the Minister indicated in his opening remarks, we have a whole series of review papers. The mullock paper was published in November 1985, and when it was under review we negotiated for over 18 months and received 29 public submissions ranging from the commercial industry to the recreational industry, including some of the conservation groups that were not interested in fishing at all.

One of the problems in this criticism of us is that people frequently do not make their views known or have not made them known until after the decision has been made, after a very extensive period of consultation. This matter concerning the mullock is one such instance. In fact, the association's view about the maintenance of netting for recreational purposes inside the Coorong was publicly different from that of SARFAC, the umbrella group for the recreational industry. It may have had a policy. I have spoken to the ex-President of SARFAC in the past couple of weeks because it was brought up before the Joint Committee on Subordinate Legislation, and he said, 'Yes, we did have a policy dating back to 1981'. However, because the executive of SARFAC had a personal policy that might be slightly contrary to the association's policy, he admits publicly in this forum of review and liaison arrangements that they had a different policy.

Aside from that, we are always reviewing our fisheries legislation. We are always reviewing our management arrangements and, associated with the Coorong, once on advice from the recreational sector and once on advice from the commercial sector, we have further amended those regulations, once in relation to mesh sizes in the lakes and once in relation to mesh drop in the commercial fishery. Even though the regulations are there now, we are willing to negotiate with the association. One must recognise that the whole intent of those regulations was to bring back fishing effort of all sectors—the recreational and commercial, netting and non-netting.

We have a particular biological problem where fish stocks in the Coorong are being depleted because of man's perturbation of the fresh water inflows. I remember that we discussed this very matter here last year. With added fishing pressure on top, it puts stress on the fish populations, particularly mullock. In accordance with the recognition by the Government of the day that there is a recreational and commercial sector who have equal rights, we made recommendations to the Government after 18 months consultation to bring back effort in all sectors, so that every sector bore some of the brunt.

The question is whether or not it is practical. The recommendation with respect to the recreational sector is practical, although we admit that it is not practical in some areas. However, that was part of the intent. It was not to stop, as some recreational fishermen have said, recreational netting altogether. It was to restrict netting access to specific locations in specific areas so that it is not possible to use a net at every point along the coastline. However, there are places where you can net along the coastline. It must be seen as a package which includes floating nets to allow smaller fish to swim under the netting, and so on. Most juvenile mullock are found not in the shallow water but in deep water. Of course, you do find some juvenile mullock in shallow water, but certainly the greatest concentration is found in deep water—in the channels, and so on. The recommendations also include an attendance requirement which reflects the spirit of recreational fishing, that

is, that it is an active means of fishing and, if you catch juvenile mullock in your net, you can release them before they die.

It is a comprehensive package for both the recreational and commercial sectors. I draw attention to the package for the commercial sector. The proposal in the green paper is that commercial netting cease in the Coorong by 1990 through an industry rationalisation program. There is no mention whatsoever that recreational netting should be completely removed; the recommendation is that it be restricted.

The Hon. P.B. ARNOLD: Unfortunately, even with all the best will in the world, it is not working in practice. Is it possible for the Minister to correct the current situation whereby fishing regulations brought before Parliament are subject to disallowance time and time again? We certainly want regulations that are fair and equitable to all concerned and that protect the fish species. I am sure the Minister remembers the letter contained in the submission from the South Australian Amateur Fishermen's Association to the Subordinate Legislation Committee. The letter states that a fisherman tried to set his net in accordance with the regulations but found it extremely difficult to find a spot where he could anchor it to the shore and at the same time have it floating. Unfortunately, instead of catching mullock he caught a large quantity of juvenile mullock, which is exactly what he did not want to do. However, the regulations are drafted in such a way that they are doing exactly the opposite to what the department is trying to achieve.

Somewhere along the line there must be a process of developing regulations which are effective and workable and which, by the time they reach Parliament, have consensus. After all, regulations are there, as is the case with all legislation, to protect the resource and to give all competing interests a fair go. If a situation develops where that is not being achieved, we must find a new method. So we must replace the current situation where regulations are regularly being disallowed and are being sent back to the department for further work. That is my concern. I have used the mullock fishery in the Coorong as an example of my concern with respect to regulations under the Fisheries Act. We seem to be having more problems with these regulations, but perhaps they are more difficult to draft compared with regulations under other legislation. The community is certainly having problems in this area. As the Minister said, 300 000 South Australians have a vested interest in fisheries in this State. I hope that the department can come up with an effective method of consultation. If the present method is not working, it is a matter of finding a method that will work. Otherwise, the regulations will be knocked out time and again and it is not helping the resource.

The Hon. M.K. Mayes: The mechanisms are part of the economic problem. There is far greater demand than supply, and that will always put pressure on any system where people feel that they have a greater right of access over others. No-one could approve a mechanism consultation, with due respect. That process was well and truly explored. No-one possesses all wisdom, but I certainly have asked the department and the Director to look at what methods of consultation we can explore to reduce the effort that must be put in by the community and the department, in terms of costs, as the costs are enormous in running any consultative process.

I have found in fisheries that there are 300 000 experts and that they will not work through this central organisation. I have always encouraged farmers, trade unions or whoever to work through a central organisation, which is more administratively feasible. People still have good

opportunity to have their experiences and skills exhibited in the way in which the policy documents can be put forward on behalf of their interests through their organisation, but it seems that in some areas of fisheries that process is taking a long time to be learnt by some individuals because in this industry there are serious disputes within the organisations after policy decisions have been taken. We try to deal with that as best we can. If the regulations are not working or are not practicable, I and the Director would be first to recommend changes. We have a finite resource. It can be devastated quite rapidly and, if the Government does not move on it when it has the information available to institute programs of management or management schemes, we can see catches in certain fisheries drop dramatically. Although that may not mean extinction for that species or fishery, it can have devastating effects for individuals involved in fisheries.

I am happy to advise the committee and the public at large that we are happy to entertain any consultative process. We have to balance it against costs. It costs enormous amounts of money to have managers of fisheries and other expert officers such as the Director, the head of research and the manager of fisheries involved in hours of consultation. Nobody has pulled the purse in tightly. I have allowed the process to run as freely as possible, but the time comes when Governments of whatever ilk have to consider a careful curtailment of this ongoing consultation which costs so much money and time. I have accepted that certainly in these areas and particularly in these times where the pressure in the last five years or so has begun to mount quite dramatically we must maintain extensive consultations and will continue to do so. In fisheries someone always feels that they have a greater claim than someone else. We see those individuals or groups expressing such in a public way and causing concern for members of Parliament who face making decisions about regulations in that they feel there is not a consensus.

I am not sure that we will see in fisheries areas in my time a situation where a total consensus will be reached by various sectoral interests in the industry. We will entertain any consultation. If things are not practically applied, impractical to put into application or are impossible to enforce, we will look at alternatives.

Mr Lewis: The department has taken on board the comments and will actively pursue any means of improving or increasing consultation. We have been leaders in setting these frameworks into place. Once we can identify ways of improving it we will actively pursue it. It is not possible to guarantee that no mullock will be caught, as long there is a net in the water. That can occur and the only way we can remove the risk is to remove nets. That option was identified in the green paper. Because of the devastating effect of overnight removal by commercial industry and the recreation industry we decided to set a package with long term aims of removing the commercial industry. The example by Mr Natt of the South Australian Fishermen's Association is a one-off example. One cannot base scientific evidence on a one-off fishing operation. He may have caught mullock there. The President of SARFAC, in taking down the Channel 7 news team to show that he could not catch any fish at all, in fact did not catch mullock but caught mullet—the very fish he did not want to catch. One has to look at a whole range of fishing practices.

In response to the concerns raised by the Subordinate Legislation Committee, we have already identified to that committee the fact that we are willing to consider making recommendations to the Minister to remove the requirement to set from shore. In identifying that and making that

recommendation we put all industry on notice that where nets are in deep water most juvenile mullock are taken. We will continue to monitor it as we normally would and, if the effect of the regulations is not as effective as we want, we will have to make further more stringent recommendations to the Minister to obtain that result. The more we weaken the intent of the regulations the more we will have to monitor it and come back earlier with some adjustment mechanism. We have already identified that that is an option which we are willing to consider.

The Hon. P.B. ARNOLD: I now move on to the Program Estimates on page 389 where it refers to the protection of aquatic habitat. Will the Minister give a quick assessment of what the department is doing in an endeavour to protect the habitat, as that is the key to the whole thing? If we destroy the ecology or habitat in which the fish stocks live and breed, we have effectively destroyed the species without their being caught in any nets at all. Will he also make a comment in relation to marine pollution management in so far as it affects Gulf St Vincent? I notice a significant reduction in the allocation for marine pollution management. What effect will that have on Gulf St Vincent, which is affected by run-off from metropolitan Adelaide sewage treatment works and chemical run-off from surrounding farm lands?

The Hon. M.K. Mayes: To clarify the position, the reduction as represented in that line involves the Upper Spencer Gulf study program. I will make clear what that line relates to. We had a significant continuation of the vote last year from Cabinet in regard to the Upper Spencer Gulf study, which Cabinet obviously felt committed to undertake in order to have that data for its information and particularly for proper fisheries management.

I will come later to the more specific issue of Gulf St Vincent. The department and I have the responsibility for the overall care of that environment. Once it is below the waterline, or up to high tide, it is ours. What goes in obviously affects that environment. We have had numerous debates within the community, as the honourable member knows (because he has been involved in a number of those debates), with regard to the specific input areas of floodwaters, particularly in Gulf St Vincent. That was before my time as Minister, but those issues continue.

There are some very important points, if one compares South Australia with other parts of Australia and overseas. Again, because of the nature of our part of this continent, being the State with the lowest rainfall on the continent, we do not have the same contribution in the way of nutrients going into our aquatic environment as do other States, particularly our East Coast neighbours and those with the northern shoreline. We have a very large concentration of the city on a particular gulf, and we enjoy a unique aquatic environment in our State, having the two gulfs.

The Hon. P.B. ARNOLD: It is not a high energy coastline.

The Hon. M.K. Mayes: No. A number of factors go to making that issue important to us. Sydney has a unique management situation for the aquatic environment. Obviously, the Director, who is the expert in this area, will be more able to give the technical details. From the point of view of overall management, I am greatly concerned that we have 1.25 million people located in a very small area along our gulf. With increasing development we have greater run-off of our floodwaters into the gulf. We have increasing industrial activity with the consequent pollution, although we have fairly rigid laws now governing the control of pollutants in our environment.

Increased water temperature and such issues related to outflow into the gulf make a major impact on that fishery's

resource. That concerns us and, as a consequence, we have been undertaking a four to five year study of our seagrass and related environment. That was completed last year and provides us with a good deal of background data for our management of that resource for the future. It is important to note that many things are happening which concern us with regard to the management of that resource. I am not saying we believe that there is a crisis or anything of that sort in the aquatic environment, but we are concerned about continued development.

It happens anywhere. I had the opportunity to look at what is happening in New York and the West Coast of the United States, and our fisheries are in a very healthy state compared with many of those in the United States. A number of our officers have looked at those in very close detail. In some areas, some of their fisheries have been wiped out because of pollution and the way in which they have been fished. I think that we can avoid those things, and we are instituting our management schemes in order to do so. We have a monitoring process, and I have a responsibility to negotiate with the Minister for Environment and Planning and the Minister of Water Resources, who is also Minister of Lands, on those issues on which departments make recommendations that impact on our aquatic fisheries resource. I can assure the honourable member that Gulf St Vincent takes up a good deal of my time and that of the Director in debating what we should be doing in regard to that area.

The Hon. P.B. ARNOLD: Are seagrasses declining?

The Hon. M.K. Mayes: The pictures obviously indicate that in particular spots. Remedial action has been taken with regard to some of the outflows, and that has affected our seagrass. The honourable member would be aware of the various photographs which date back to 1948. I recall seeing the first photograph that was presented of the decline in the seagrass. Of course, that is an important aquatic environment for our fish. The mangrove areas involved in the West Lakes development were important breeding grounds for our fish stocks in this State, and it is important for us to continue to protect our mangroves, as we are, in fact, doing.

Some of the things being proposed in Cairns for their mangrove areas, with the multi-million dollar marina developments on the foreshore in front of the mangroves, are quite horrifying. I think that we are much better placed to protect our breeding grounds, and it is important to note that those areas have received our very careful attention. In particular, it is important to recognise the competing forces—and I use that same phraseology—of the growth of our city, the needs of our city and the pressure that that places on our aquatic reserve, which must be balanced. I will continue to advocate constantly to my parliamentary colleagues and the public the need for careful management and a very careful watch program on what is happening in our aquatic reserve.

The Director may wish to make some specific comments about the areas in which we have been working, namely, the Upper Spencer Gulf study and the four to five year study on Gulf St Vincent.

Mr Lewis: Overall, Gulf St Vincent is in a relatively healthy state. There is localised depletion of seagrass along the metropolitan coastline, as a result of urbanisation and industrialisation, both from stormwater run-off and effluent. That has been going on basically since Adelaide was established. The more stormwater that goes in, the greater the impact. However, the reason why we have no major budget line for Gulf St Vincent pollution studies or environmental studies this year is that last year we completed a very

extensive four to five year project, of which the department was the coordinator. It also involved three other Government departments, three university departments and the Australian Atomic Energy Commission. This looked at the oceanography, the sedimentology, the epiphytes, the epibionta, the plants growing on the seagrasses, the seagrasses themselves and the fish population associated with it.

That work has been written up in various forms and is being published in various journals, from lay to scientific. That work, along with a number of other works by the E&WS Department and by people from Environment and Planning, has been able to quantify the extent of the impact of urbanisation and industrialisation. On 5 April that work and all the work from the other organisations resulted in a joint presentation by the E&WS Department, the Department of Fisheries and the Department of Environment and Planning to the Cabinet Committee on Resources and Physical Development. This brought to Cabinet the latest information available, and that committee has taken it on board and is keeping a watch on the situation. The problem has been identified and quantified, and now the various organisations—and it involves a whole host of organisations, local government, drainage, sewage and effluent—are addressing the problems.

One of the initiatives being discussed is the possible relocation of the sludge outfall at Semaphore. This is outside the Minister's portfolio. The work of the Department of Fisheries and other departments, particularly in the past four or five years, has been instrumental in detailing the impact of our industrialised and urbanised society on those seagrass communities.

Ms GAYLER: I note from pages 128 and 129 of the Estimates of Payments that the overall Government allocation to fisheries this year is up from a little over \$5 million to \$6 million and, more particularly, that funds for research and development effort are to be increased this financial year. What, if any, R and D effort and related effort is going into exploring export opportunities for South Australian fisheries?

The Hon. M.K. Mayes: Research and development is specifically addressed in the budget. I am pleased with this, given the period of constraint that has applied, as no doubt the honourable member would appreciate. With whatever funds available the department endeavours to look at our export areas in particular, but our research and development effort in many ways specifically looks at that area both directly and indirectly. Through our enhancement and encouragement program, particularly with aquaculture, some effort is being undertaken. It is fair to say that we are looking at a significant contribution of funds for research and development. We have opened new research laboratories at West Beach, where phase one has been commissioned, and we are now looking at the establishment of phase two.

The importance of the fisheries industry cannot be understated; it must be heralded. The research and development area is very important in our development program. In terms of our aquaculture industry, we have 90 registered fishing farms at the moment, and some 20 to 30 applications before the department. It is certainly an exploding area of interest in our community. I know that many business people are undertaking work in this area—and of course many of them are conducting their own research and development work, and our work will tie in with that. In fact, they rely on the expertise of our officers and of the department to do that. Certainly, from our point of view 1987-88 was a very pleasing year, from the point of view of having the *Ngerin* slipped and extended and with the opening of

phase one of our marine laboratories. I am certain that the confidence that the industry is expressing in our various schemes at the moment indicates a very buoyant atmosphere and a very keen investment level on the part of industry in this State and from the point of view of private investors in these undertakings. This augurs well for research and development. We will continue to devote what effort we can to ensuring that this continues.

Ms GAYLER: What sort of facilities will be involved in stage 2 of the marine research laboratory and how will the work there assist the various fisheries?

The Hon. M.K. Mayes: The money devoted this year is to finalise the planning exercise of phase two. We will be working in tandem with private industry in the development. We have also had discussions with Mr Rob Thomas, and a laboratory will be established on our property, to the north of the tanks on the West Beach property, and it will be working in a private capacity under the guidance and direction of Mr Rob Thomas, the Director of Marine Research for Kin hills. It is important to note that these sorts of things are to be actively engaged in by the Government. I am very keen to see this sort of program encouraged.

Stage 2 of the laboratory will provide housing for the department's research branch and will provide a secure seawater intake pipe, extending about one kilometre offshore. We have some concerns about our current intake pipe, and we have had some problems with regularity of supply following the recent storms. The honourable member would appreciate that it is very important for the laboratory to continue. Stage 2 will also incorporate additional general laboratories, specialist laboratories for chemical analysis, histology, oceanography and facility support services, such as domestic computing, fisheries library and administration. As to the documentation stage for stage 2, in terms of our brief, in August this year the department provided a functional brief to the South Australian Department of Housing and Construction and it is expected that by October data sheets will be provided. That is the commencement of the certification exercise to get the documentation up.

We believe that by November 1988 I can take to Cabinet a submission for the stage 2 program and that by February 1989 the Public Works Standing Committee can consider the matter. In May, it will go to tender, and we hope that in July 1989 we can actually embark on the construction phase for stage 2 of our marine laboratory. All going well, by the end of next year stage 2 of that facility will be completed.

Ms GAYLER: Can the Minister give the Committee some idea of the export earning contribution to the South Australian economy from this sector of activity? Further, does he consider that this will continue to grow?

The Hon. M.K. Mayes: Our figure is that about 85 per cent of our gross product—represented by the \$113 million which I indicated in my opening remarks—would go in export. As to the multiplier effect from that, I suppose that depends on the lag, the leakage, and so on, but one could probably estimate that it would be two or three times that. So, the impact is quite definite in terms of the local economy. In addition, I would say that the value-added aspect is quite significant in terms of the fishery resource. Thus, it is a very significant contributor to our State's export. We are talking, conservatively, of a figure of about \$90 million to \$95 million. This is very significant, particularly as it relates to country regions. From the South-East, one is talking about towns right up the coast, such as Port MacDonnell and Robe, and then across the gulfs, through to Port Lincoln, of course, where a significant tuna fishery is based. South Australian tuna fishermen are the significant

operators of the tuna fisheries of this country. Then we have the orange roughly experimental fishery on the Great Australian Bight, and there are the abalone fisheries along the coast to the far west of the State. So, it is a significant income earner in terms of overseas dollars and it is also very significant as a local employer.

Mr MEIER: I was interested to hear some of the comments of the Minister and the Director in relation to the St Vincent and Spencer Gulf fisheries. The Minister is well aware that there is considerable discussion between the two fishing sectors (commercial and recreational) as to whether resources are being overfished. As the Minister has been overseas in recent months, what are his thoughts on implementing the closure of bays on a year by year basis? He may be aware that in Hawaii a system is used whereby bays in some areas are closed for one year and opened for the next year. I believe that they have also experimented with a two year/one year option. This system seems to be working very well for both recreational and professional fishermen.

In this connection, does the Minister see the need for greater restrictions on netting? Would the creation of artificial reefs in some bays give recreational fishermen more of a go in those areas where netters are not allowed to come into the sector? Additionally—and I think this relates to the same point—I have been requested by deep sea fishermen to seek assurances that, if a marine park is declared under the world heritage listing in the Great Australian Bight, the Minister will guarantee that recreational and commercial fishermen will not be interfered with or prohibited?

The Hon. M.K. Mayes: The last question is a complex one. I acknowledge the honourable member's interest in the area. We have had numerous discussions about the issues of resource management, particularly in relation to the borders of his electorate and also within his electorate. Many of his constituents have a vital interest in this issue from commercial, recreational, tourist and local government aspects. So, I appreciate that the honourable member is right in the middle of it and probably feels a bit like I do—the meat in the sandwich. This is a very critical issue which has involved extensive discussion and consultation. As the honourable member is aware, the department is working on an extensive green paper due for release in the middle of next year. Hopefully it will be released earlier but, given the nature of the issue, it will probably be released in the middle of next year. It will then be open to the public to debate the whole issue of resource management problems, in particular, those areas of keen public attention, such as the bays and the major townships on the gulfs.

The green paper will be an extensive document. Let me give the honourable member some indication of the size of the problems that we—and I say that collectively—will have to digest in order to come to a solution. We will need a good deal of consensus to arrive at a workable and practical solution, something which the member for Chaffey suggested we should endeavour to achieve with all these issues.

The green paper will entail 90 sections with some six chapters including the description of the fishery; the biological stock assessment; the economic assessment of the fishery; and the future management of the fishery involving, under separate subheadings, management issues, management options, and commercial and recreational fisheries. It will refer to King George whiting, garfish, schnapper and all other species, as well as the angler, gear restrictions, the future developmental potential of fisheries, onshore problems, squid, pilchards, leatherjackets, offshore management, charter boat fisheries, the octopus fishery, jack mackerel and other species, and aquaculture. All those issues will

have to be dealt with by this paper and we will have to consider the options.

I congratulate the honourable member on his trip to America and his inspection of the Hawaiian fishery. I am sure that it was an eye-opener—it certainly was to me—to see the size of the problems in America and some of the devastation that has been encountered in its fisheries. They are some very good examples of what we should avoid.

I had the opportunity to meet with some leading fishery management consultants who are well-recognised in America. I have statements from these people regarding the management of our fisheries; they admire the way in which we have gone about it. These are statements from private consultants who consulted on behalf of fishermen. They wish that they had instituted some of the management schemes initiated by us in order to protect our fisheries because many of their fisheries have been devastated by over-fishing. They have tried to recover in many ways: for example, by restocking and instituting quite dramatic management schemes in many of their fisheries. There is major competition with many problems at the Canadian/American border as to who owns the fish when they go into the sea because their origin might be in the Canadian inland waterways. We do not have those sorts of problems; that is a major management issue confronting American fisheries.

The honourable member mentioned the idea of off-limits areas and the total banning of fishing in certain bays. I say to the honourable member that if I am still Minister of Fisheries I will consider that option. There is a strong suggestion from certain sectors that net fishing should be prohibited in close proximity to those areas where tourists and recreational line fishermen pursue scale fish. There is strong support for that theory and I know that members of Parliament have suggested to me that we ought to consider that option. I can assure members that my mind is wide open, and I will look with great interest to the debate that will take place in these Chambers on the green paper with regard to future management. The honourable member can assure his constituents—many of whom I have met in relation to this issue—that the matter will be wide open for discussion. I am sure that the sectorial interests—and I do not mean that in a derogatory way—will advocate various schemes that will be close to what the honourable member has suggested based on his experiences and his visit to Hawaii.

Mr MEIER: I thank the Minister for his answer, but I do not recall him answering my last question about the Great Australian Bight.

The Hon. M.K. Mayes: The whole package is being considered. The indications are that, if a marine park is declared in that area, the Department of Environment and Planning will consider fishing entry rights.

Mr MEIER: My next question relates to page 389 of the Program Estimates where, under the heading 'Surveillance of aquatic resources: Enforcement of Acts and Regulations', there is an increase of personnel from 1987-88 of almost three or what was proposed, but in actual terms of one. Where will that extra person be located? How are inspectors located—how many in the city and how many in the country? The whole idea of enforcement of fishing laws and regulations continues to concern me.

I noticed on another page that the number of prosecutions is not high for the number of people who were apparently apprehended in the first place. What is the Minister proposing to do in this coming year in relation to the activities of a very small minority of the recreational sector who are often referred to as 'shamateurs', amongst other names—those people who are amateur fishermen with no licence?

One case brought to my attention concerned a retired Government employee who apparently goes out on a reasonably regular basis with up to five extra people in his boat. That means that those five can legitimately catch 30 whiting each, a total of over 11 dozen, and the current catch line for professional fishermen is eight to 10 dozen, so they can actually do better than a professional on a daily basis. Whilst this type of person is in a smaller percentage of the recreational population, nevertheless they are evident at many of the ports in Spencer Gulf (I cannot comment on Gulf St Vincent), and it is very difficult to trace these people once they sell the goods to a fish merchant or whoever. Invariably the money does not change hands, and it is assumed that that occurs some time later, perhaps through a gift or the like. It appears to me that these people are having a detrimental effect on the fishing industry. Even if the numbers are insignificant, they do not help the professional fishermen who are trying to earn an honest living. They certainly do not help the rest of the recreational fishermen because they get a bad name out of it as they are branded with that same group.

I believe that additional inspectors would go towards stamping out this sort of practice. When this example was reported to me, I said, 'I assume you have reported it to the appropriate authorities?' The fellow indicated that very little can be done because the fishing inspector is some 100 or more kilometres away and that, by the time he arrives at the area, it is all over and done with. If the person is present, of course they are much more careful.

I also wonder whether the Minister has considered to having volunteer inspectors who could volunteer information and perhaps even have accreditation or authority to impound fish and approach people who are suspected of having committed offences against the Act or the regulations.

The Hon. M.K. Mayes: I must say, Mr Chairman, that the member for Victoria has drawn your attention to my long-winded answers. I could be here all day trying to answer that question as it encompasses the whole aspect of fisheries management and its implications. The additional staff, as listed on page 389, is a consequence of our most successful position that we advocated with regard to shark fishery management in this country. We believe that a very stringent management scheme ought to be instituted for our southern shark fishery. That came under significant opposition from some sectors interstate, but, with the support of the Tasmanian Minister, a new management scheme is now being instituted. The additional officer is a Commonwealth funded officer who is devoted to the enforcement of that fishery management scheme.

I am sure members are aware that our shark fishery was becoming very stressed indeed. The resources were under severe pressure, and that meant that our fishermen were under severe pressure and that there was a need to institute a severe management program in that fishery; this represents that need. That is a specific answer to the issue raised. I am delighted that we were successful because, as a consequence, we have probably saved our shark fishery and the livelihood of many of our fishermen involved.

I will list the break-up of the allocation of officers in the various regions. Five officers are based in the Adelaide head office law enforcement operation; two officers are in Ceduna; 1.5 officers in Kingcote, Kangaroo Island; two officers in Kingston, South-East; there is one officer for the inland fishery at Loxton; two officers in Minlaton; three officers in Mount Gambier; four officers in Port Lincoln; two officers in Port Pirie; six officers in Port Adelaide; two officers in Victor Harbor; one officer based with the helicopter; 2.5

officers with the fisheries management administration; and six officers in the Commonwealth fisheries enforcement section, making a total of 40.

With regard to the overall effort of enforcement, I accept on face value what the honourable member says about the 'shamateurs'. It is a problem that we have in terms of our fisheries management and our resource. There will always be that person who wants to cheat their neighbour, and that is in fact what they are doing if they indulge in bending the rules. There is a finite resource. Amateur fishing is done for sport and recreation, with the joy of being able to take home a beautiful King George whiting for supper or breakfast. The enhancement of our fisheries with artificial reefs, etc. has been considered. We have also considered numerous other regulations that would further restrict the pressure put on our fishery. The department is upgrading its physical and capital resources in terms of our new fleet of boats which will give greater versatility and a wider range of operation. We will find that our officers are far more mobile as a consequence. That will give us a greater offshore capacity also.

The question of the limitation of people on a boat is another issue. I am sure we have all heard the stories about the honest fisherman who takes his limit and sees his neighbour go out with all the family and take more than their share of catch, which they can consume, selling the excess catch to a retailer. I believe that by so doing, both in spirit and in principle they breach the Fisheries Act and abuse the privilege that they have. The Adelaide fishery is subject to a high degree of illegal and very violent activity. Not only are these people involved for the immediate short-term gain but also they commit criminal actions as a consequence of their activities.

I am sure that the honourable member would share my sentiments, although he may not express them in the same terms. I believe that those people who are involved in illegal activities in the abalone fishery are parasites on the community. An article last year in one of our prominent daily newspapers praised their 'cowboy-like' activities and described them as 'local heroes riding off into the setting sun'. I believe that that article was despicable because these people abuse the rights and privileges enjoyed by the community. They abuse a community resource that is supported by legitimate fishermen in a very important and valuable industry in this State. Illegal fishermen endanger the abalone fishery by putting it under additional stress. The histories of some of the people who have been apprehended indicate that they have been involved in other nefarious activities within the community. It is a very delicate issue.

The enforcement procedures, in my opinion, are very stressful to Fisheries Department officers. Some illegal abalone fishermen are armed. That requires a very careful approach and careful management of the situation. I do not believe that Fisheries Department officers should put their lives at risk. They have a job to do and they are carefully trained. They have special responsibilities and are highly skilled. I do not want to see their lives put at risk. The police are skilled in handling that type of situation so they are brought in. The police are often engaged, along with Fisheries Department officers, to police and enforce the legislation with respect to fisheries management. I am not deliberately responding in a circuitous fashion—it is simply that it is a serious issue.

I refer in particular to the United States and Canada, because the honourable member may have spoken with the same people to whom I spoke. In those countries enforcement officers are armed. I would be concerned if that occurred in this State, and I am sure that the Director shares

that opinion. Our officers are not trained in enforcement; that is left to the police. I am opposed to arming Fisheries Department officers, because that would put their lives at risk. The Director would probably have a more specific comment on this but, if it came to the crunch and an officer was threatened, I would expect him to withdraw.

With respect to volunteers, specific training is required and I believe that major problems could arise. Some enforcement training would be required, along with marine experience (that is, exposure to an education process) and access. There would be questions about liability and safety; and there is also the cost of training and other issues which in the long-term probably would be far too great and would put these people at some risk. The honourable member's suggestion with respect to a regulatory process is an area that has concerned me. I refer back to the abalone fishery. It seems to me that, if we could trace the processing of the fish, we could introduce a form of prohibition at the other end, that is, at the point of consumption. In that way Fisheries Department officers and other people would not be placed at risk and we could introduce some equity and justice in an area where some people felt that it did not exist. I suggest that that is not correct and that, in fact, our enforcement level is pretty good.

I refer the honourable member to the program description, which indicates that during the year the fisheries enforcement section investigated 712 separate offences against fisheries legislation and issued 276 caution notices. Of course, there is a court process which can involve some delay, so many people are warned off instead of being prosecuted. So, our work effort and our success rate are, I think, very high. However, I accept what the honourable member says, that this illegal activity is occurring. I would encourage, through the media, those people who are involved in the fishery and who know what is happening to report it to a Fisheries Department officer. Those officers are located around the State, and I have already indicated to the honourable member where they can be found.

Returning to how this can be policed, I think that we should look at the point of consumption and perhaps introduce a licensing process. This occurred to me as a result of what was happening in the abalone industry. Because we know that there is a particular consumption pattern with regard to abalone, we can trace it more easily. If a retailer was required to have some certification of where he or she purchased the fish, we might greatly reduce illegal abalone fishing. Of course, no-one would be foolish enough to suggest that we could eliminate it completely—that would be like chasing ants. We will not eliminate it completely, but we can make a major inroad. I refer honourable members to the green paper which is soon to be published. That is one of the issues that members of Parliament will have to address. I hope that I have answered all the honourable member's questions.

Mr MEIER: My final question will be very brief, as I hope the answer is. There has been considerable talk lately about the Government introducing licences for recreational fishermen. Can the Minister indicate whether he is considering that in the immediate future?

The Hon. M.K. Mayes: I know that there has been a lot of debate about this.

Mr MEIER: Is the answer 'Yes'?

The Hon. M.K. Mayes: The answer is 'No'. There are licences for nets and craypots, the fees for which have been increased. There was an interesting debate on this because, under the process of consultation, I advised the peak council of the fishing industry that we were considering increasing licence fees for craypots and nets. I received an intriguing

reply to the effect that the council argued that it thought, in the interests of equity and justice, that the Government should introduce a general licence fee for all recreational fishermen. I think that is where the rumours began—that is probably the source. I assure the honourable member that Cabinet has not considered introducing a licence fee for recreational fishermen. The honourable member for Mitchell who was in Cabinet at the time made some very pointed remarks about this issue.

Mr De LAINE: I refer to '1987-88 Specific Achievements' on page 393, where there is reference to the completed construction and commissioning of stage I of the Marine Research Laboratory. What is the major thrust of research being done there at the moment and how successful has it been at this early stage?

The Hon. M.K. Mayes: Because of the technical nature of the research being undertaken at the laboratory, I will ask the Director to respond.

Mr Lewis: Since commissioning stage I of the laboratory we have spent considerable time and effort gearing it up to full-scale operation. We have not yet reached that stage. The programs being undertaken there at the moment are primarily related to aquicultural projects, particularly with respect to successfully growing prawns from reproductive females through their larval stages. Until the recent establishment of the laboratory we had a problem in this area in the development of aquicultural prawns in this State. Since commissioning the laboratory, we are now able to do that successfully and we are writing reports on it. We are also conducting other experiments, principally with respect to the salinity tolerance of prawns so that we can provide information for aquicultural purposes. We are doing a number of projects jointly with the staff of various universities and with private individuals. We are also gearing up to work on behavioural studies with respect to fisheries matters. We will be looking at tagging animals and how those tags affect their behaviour. We need information on mortality rates so that we can properly gauge the accuracy of our wild population estimates. The work we are doing we consider has been successful to date, even though we are not fully geared up and will be doing further and more expanded studies in the next six or seven months.

Mr De LAINE: I refer to the Great Australian Bight trawl fishery. In program 4, under the protection of aquatic habitat, I refer to the development and monitoring of aquatic resources. The Minister referred in his opening remarks to this developing fishery, and particularly orange roughy. What potential benefits are there to South Australia from this experimental fishery in the Bight?

The Hon. M.K. Mayes: The value that has been recognised now was \$3.5 million in the previous period. The species we can identify that would come out of that fishery are quite significant. Obviously the expenditure now being committed by various fishermen to go into that trawl fishery is very significant. For 1987-88 the actual catches for the fishery were as follows: orange roughy, 1.5 million kilograms; ocean perch, 356 000 kilograms; dory, 32 639 kilograms; blue grenadier, 17 993 kilograms; shark, 6 800 kilograms; robalo, 160 kilograms; pink ling, 2 500 kilograms; flathead, 65 000 kilograms; gem fish, 2 000 kilograms; cod, 120 kilograms; squid, 2 600 kilograms; leatherjacket, 4 100 kilograms; knifejaw, 2 200 kilograms; red fish, 6 500 kilograms; and, mulloway, 500 kilograms. That is landed in South Australia.

The effort going into the Great Australian Bight trawl fishery involves 14 trawlers, which increased to 15 as of December 1987. They were approved to fish the deep water and central trawling grounds of the Great Australian Bight

under a new development plan introduced for the area on 10 July 1987. The fishery is Commonwealth managed, and Commonwealth licences have been issued initially for one year with the likelihood of an extension for a further year, dependant on the development of the fishery.

The experimental fishery is considered to have substantial potential for development, particularly if large catches of orange roughy can be sustained. In addition, there is scope for a continuing trawl fishery based on mixed groundfish. A number of groups (representing domestic and foreign interests) have sought access to the fishery, but the Commonwealth is not expected to grant further access during the two year period to 31 December 1989. The fishery offers potential benefits to South Australia in terms of an expanded fishing sector and the development of shorebased facilities. We have seen trawlers refurbished and rebuilt here. There will be an increased supply of fish species to the local market.

Mr De LAINE: The banning of the taking and eating of shellfish from Port River and inlets is increasing in frequency. Is this coincidental or a trend indicating increasing problems in this area?

The Hon. M.K. Mayes: It indicates a problem in this area; no doubt exists about that. Our colleague the member for Albert Park often raises the issue and it is something about which we in the community should be very much aware. Announcements have been made over the past two years about people consuming shellfish from West Lakes aquatic area and the Port River. The waters of both of these areas have been closed for the taking of shellfish for human consumption and water content activities owing to the presence of toxic dinoflagellate blooms. These closures have resulted from analysis of water samples indicating that the toxic dinoflagellate *Alexandrium* is present in high concentrations.

The very nature of the changing of that environment—both the terrestrial and aquatic environments—has led to a situation where we will have to manage that environment on an ongoing basis in the sense of both a reactive and proactive process. The member for Price and the member for Albert Park will have to keep an eye on the reactive process. To some extent you have to join with me, the Minister for Environment and Planning and the Minister of Water Resources to ensure that your communities are aware of the situation. We will do our best to advise the community at large of that situation, but you will have a responsibility in instituting those reactive notices.

This organism is present throughout almost all waters of the world. Under the right environmental conditions, usually protracted periods of calm and warm weather, it can increase its concentration in the water many thousand fold. Organisms of this group (invisible to the naked eye) produce a small amount of toxin. When in high concentration, the compounded strength of toxin can be lethal. The major organisms affected are filter feeders such as oysters, mussels and cockles. Although there are not substantial data bases to draw conclusions from, the general feeling is that the occurrence of toxic algal blooms such as this is increasing around the world, both in the marine and fresh water environments. It is unknown, if this is a true situation, whether this is a result of increased nutrient input into these environments by man. We will have to keep an eye on it and I ask the honourable member and his colleagues to ensure that local government and community groups are aware of the problem.

Mr D.S. BAKER: I refer to page 388 of the white book on expenditure, where I notice that recurrent expenditure last year was \$6.699 million compared with actual expend-

iture of \$7.664 million—an overrun of about \$1 million. When it is considered that full-time equivalents were budgeted at 108 but were only 100, that gives us about \$1.5 million or 15 per cent over-expenditure. That is the greatest cost overrun of any department. What does the Minister intend to do to bring this under control, and does he intend in the next 12 months to lift the 100 full-time equivalents to the budgeted 108?

The Hon. M.K. Mayes: Some explanation needs to be made. It is not a 15 per cent overrun but an accounting entry. We have been close to our budget and have managed the situation extremely well. Both the Treasurer and Under Treasurer are delighted with the skill with which the Department of Fisheries has managed the situation. It relates to the buy-back scheme instituted in the southern rock lobster area, and the journal entries for that go through the Department of Fisheries, which records the process. We have purchased nine boats and 550 pots. The buy-back scheme is managed by the fishermen themselves. They have representation from the community. They have an independent Chairman, Mr Bob Bakewell, a former Ombudsman. They meet quite regularly and manage their affairs. At this stage access is available to them of moneys to support their purchasing scheme through the levy that we collect for them—\$100 per pot per year. We then float those funds back through that account to the buy-back scheme which then institutes the purchase on behalf of the buy-back authority. To date they have not had to draw any outside funds, so they are in a very sound financial position—almost as sound as the Department of Fisheries.

Mr D.S. BAKER: The question that was not answered was the first part: you are budgeting on 108 full-time equivalents but, in fact, you only had 100, so there is a considerable overrun. Are you going to come up to the 108 which is budgeted for this year?

The Hon. M.K. Mayes: Yes, we will, because most of those will be Commonwealth positions—part of the fisheries management. On top of the 101.3 actual, the additional positions in the research branch rock lobster monitoring project will be two. Those are State positions. Positions in the research branch which are Commonwealth funded are as follows: research branch, Great Australian Bight, one person; Fisheries Industry Research Trust Account (FIRTA), a likelihood of two new projects, two people; the position of fisheries management surveillance, shark fisheries, located at Robe, one person; and the net carryover catch-up as a result of delayed appointments in 1987-88 is 1.2, bringing the total to 108.

Mr D.S. BAKER: Dealing with the southern rock lobster fishery buy-back scheme, the Auditor-General states a figure during last year's purchases of 382 pots, not some 500, and the compensation amounted to approximately \$1 million. It was hoped to reduce the fishery by 2 400 pots. At that rate it will take six years. Is that a fast enough rate or must more direct action be taken within that fishery?

The Hon. M.K. Mayes: The honourable member is correct in regard to the period of the last financial year and the number of boats and pots which have been removed from the fishery. The figure I gave was as of today, so the Committee has an accurate picture of the situation. The honourable member is correct, again, in regard to the proposal about the number of boats and pots, particularly the pots, which is a relevant factor in the equation. The scheme is voluntary and was proposed over two years nine months.

The factors that have affected it have been the price the fishery is receiving for the rock lobster, and I think that that has encouraged people. If it had been below the \$20 to \$25 per kilo return, we estimate that more boats would

possibly have evacuated the fishery. It is fair to say that at current prices there is still a degree of optimism from some areas and from some people we thought would perhaps have left. We expect that in the new year there will be further resignations from the fishery as a consequence of people seeing the prices and taking the opportunity this year, and perhaps taking the opportunity of rearranging their finances for next year.

Mr D.S. BAKER: Regarding the surveillance of aquatic resources, it concerns me and is taken up in the Auditor-General's Report that last year \$1.9 million was spent, which was \$200 000 higher than in the previous year. There was quite a considerable increase in salaries and wages. The department undertook 712 investigations, 25 per cent fewer than in the previous year, and they resulted in 20 per cent fewer people being charged. From the dealings that I have had, I can say that some of the investigations and prosecutions by these people are, to say the least, quite inept. What will the Minister do to curb expenditure in this area and have more efficiency in the whole surveillance of aquatic resources area?

The Hon. M.K. Mayes: Enforcement is a very important area and must be considered. Many factors affect its success, and probably all members would acknowledge that the nature of the industry makes it subject to a range of variations. I would argue that in the year before last we saw a dramatic jump in the number of prosecutions and sentences as well as investigations. There was a drop last year. The management of the department makes decisions with regard to special operations in particular fisheries. If we successfully prosecute an illegal abalone fisherman, in terms of the value of the prosecution, if one measures the dollars against the prosecution, it would be much more successful than a prosecution against someone who has breached a catch limit in a scale fishery.

Often there is a specialisation of the enforcement process. In addition, enforcement officers have a very important educative role. I have seen officers of the Department of Fisheries undertaking that role. They advise people at the ramp site in various locations in the fishery of the limits and information about fisheries, and it is a very important function. I do not think that we will be reducing the effort. I know that the industry would be horrified if we suggested that, because every submission we have from any sector of the industry, particularly the commercial sector, states that it is spending more money on enforcement. We would always be prepared to look at any aspect of improving our enforcement process, and perhaps the Director would care to make a comment about the question.

Mr Lewis: This is a dilemma which faces the department, and any such rough course quantification of performance indicators. The number of prosecutions is not really a good indicator of the effectiveness of enforcement. It is easy to book mum, dad and the kids for one under-sized whiting etc., and get the numbers up. I guess it is the same for a traffic policeman. In the past year or so, if one looks at the quality of offences which have been going to the courts, we have put a lot of effort into poaching and other major issues, and we have a very high success rate of prosecutions taken to court. We do not take them to court unless we are certain that we will win.

Undoubtedly, next year the number will drop even further and we will have much higher quality prosecutions, because we are currently preparing to put before this session of Parliament a change to the Act to allow for expiation fees for minor offences, the idea being that our enforcement officers are not being tied up with minor offences and we can expiate on the spot. Also, of course, it is in the spirit

of deregulation and of alleviating pressure on the courts. Whilst noting the honourable member's concerns, we must look at the quality of the result, not just the course figures.

The Hon. R.G. PAYNE: I note that one of the specific targets and objectives for 1987-88 at page 393 of the Program Estimates document is to commence basic research on the aquiculture of marine and fresh water species. I understand that, historically, the Murray River had a very much larger population of fresh water crayfish than is currently the case. In the research effort that is under way, is there any contemplation of the stocking of the Murray with this delectable species?

The Hon. M.K. Mayes: I call on the Director to answer this question.

Mr Lewis: This species is not very applicable to aquiculture because it is a slow growing species. Other fresh water crustaceans are more attractive in relation to getting faster production. As to restocking the Murray River, there is quite a lot of development in this area. We are not directly involved in doing the research. We are involved in the coordination of this, through a subcommittee of the River Murray Darling Basin Committee, which the Department of Fisheries is on. It has made recommendations following an assessment of the situation in the Murray that funding be provided for research into developing offspring for reseeding in the Murray—and this includes our section of the Murray River as well. This work has been approved and funding will be made available. The research work is being done in one of the universities in South Australia.

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

Works and Services—Department of Fisheries, \$1 526 000

Chairman:

The Hon. T.M. McRae

Members:

The Hon. P.B. Arnold
Mr H. Becker
Mr M.R. De Laine
Ms D.L. Gayler
Mr E.J. Meier
The Hon. R.G. Payne

Witness:

The Hon. M.K. Mayes, Minister of Fisheries.

Departmental Advisers:

Mr R.K. Lewis, Director, Department of Fisheries.
Mr R. Fairclough, Accountant.
Dr P. Sluczanski, Acting Research Manager.
Mrs J. Rhodes, Administration Manager.
Mr G. Rohan, Fisheries Manager.

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

The Hon. P.B. ARNOLD: I note that \$689 000 has been provided for the replacement of the shark cats. With which vessels is the department replacing these? How much will each individual unit cost? How are the shark cats being disposed of?

The Hon. M.K. Mayes: They are to be replaced with two 36-foot boats and two 48-foot boats. The cost for the two 36-footers will be \$494 000. We do not have a tender for the 48-foot boats so I do not have a figure for the honourable member.

The Hon. P.B. ARNOLD: Obviously, if the department is going to significantly larger boats than the shark cats the number of boats will be significantly reduced.

The Hon. M.K. Mayes: Yes, from six down to four. The new boats will have far greater versatility; offshore capacity, etc, will give them much better operational range. The cost is reduced because we do not have to replace trailers, etc. So, the overall cost of equipment has been reduced in unit costs. The proposal that we have will give our officers greater flexibility and versatility, even though the number of boats has been reduced to four.

The Hon. P.B. ARNOLD: How are the shark cats being disposed of? Is it by trading them in or sale by tender?

The Hon. M.K. Mayes: Sale by tender.

The Hon. P.B. ARNOLD: What is the performance of the new vessels in speed and range?

The Hon. M.K. Mayes: I call on Mr Rohan, Fisheries Manager, to provide those details.

Mr Rohan: The two 36-foot craft are currently being constructed. We hope to have them delivered towards the end of October. Performance details have been set. I think we are looking at about 27 knots for the 36-foot craft.

The Hon. P.B. ARNOLD: Are they being built in Adelaide?

Mr Rohan: No, in fact they are being built in New South Wales. The tender was let as an open tender and the lowest price was accepted.

The Hon. P.B. ARNOLD: What is the range? Is the objective for these vessels to be out on patrol for a week or a fortnight at a time?

Mr Rohan: One of the problems we had with the shark cats is that, although they had been designed to be flexible, the number of launching places that we had around the coast for large shark cats was limited. With the single-hulled craft in the water we will be able to activate them faster and take them much farther out to sea, and keep them at sea, than is the case at the moment. They will be more durable in terms of weather conditions and, therefore, safer. One of the problem areas that we have had with checking rock lobster pot allocations largely has been due to the nature of the vessels that we have. In future, we expect that we will be much better placed to examine those pot allocations. The boats will be able to stay out for a number of days, easily—although it depends on the weather.

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

[Sitting suspended from 12.59 to 2 p.m.]

Agriculture, \$55 805 000.

Chairman:

The Hon. T.M. McRae

Members:

Mr D.S. Baker
Mr M.R. De Laine
Ms D.L. Gayler
Mr G.M. Gunn
Mr E.J. Meier

Witness:

The Hon. M.K. Mayes, Minister of Agriculture.

Departmental Advisers:

Dr J. Radcliffe, Director-General, Department of Agriculture.

Ms A. Bunning, Director, Planning and Policy, Department of Agriculture.

Mr Rangan Venkipuram Srinivasan, Director, Support Services, Department of Agriculture.

Mr K. Taeuber, Chairman, Samcor Board.

Mr J. Meharg, General Manager, Samcor.

The CHAIRMAN: I declare the afternoon session open and welcome the member for Eyre, who replaces the member for Chaffey. I invite the member for Eyre and the Minister of Agriculture to make brief introductory statements.

Mr GUNN: The Opposition's approach to this part of the proceedings is that we seek information. We will ask constructive questions. We do not intend to engage in a political exercise and we hope that the Minister and his colleagues will respond so that we can have a productive afternoon. Some of the areas about which we will ask questions will be Samcor (specifically, the future of the saleyards and paddocks), the closing down of certain operations, and the relocation of the Northfield establishment. We are also concerned with the difficulties being experienced by the rural industry in certain parts of the State, a matter that has been highlighted in this morning's *Advertiser*. We have a considerable number of questions to raise with the Minister during the afternoon.

The Hon. M.K. Mayes: I certainly accept what the honourable member has said regarding the intention of the Committee and the process to be adopted, and I shall try to be as brief as possible. This morning, some questions were fairly long-winded and probably invited me to give fairly lengthy answers, but I appreciate the point made by the member for Eyre. I realise that this is an information exchange and I shall try to be precise and to keep to the point of the question.

The portfolio of Agriculture warrants an opening statement, given the large area that it covers. With your approval, Mr Chairman, I suggest that it might be helpful to the Committee's deliberations if I gave a short statement introducing the Agriculture estimates, which are about to be reviewed. This year's total recurrent State allocation of \$68.5 million is higher than the actual expenditure of \$58.1 million in 1987-88. The major components of the increased allowance are: Commonwealth Anti-Dumping Fertiliser Assistance of \$4.7 million; disposal of organochlorines \$315 000; Commonwealth subsidy, grants and administrative support for rural assistance totalling \$7.72 million put through Consolidated Account this year; a notional rent allowance for occupying Government owned accommodation of \$408 000 and allowances for cpi; 4 per cent wage increase; 3 per cent superannuation contribution of \$1 058 million offset by the removal of additional expenditure approved in 1987-88 of \$1.981 million; removal of the provision for the 27th pay in 1987-88 of \$875 000; and net savings initiatives of \$995 000.

The estimated expenditure from all funding sources in the 1988-89 financial year is \$132 396 million, which includes \$21 million from the Commonwealth Government and rural industry sources, \$4 million capital expenditure for development under the Research Centre Redevelopment Programme, \$3.1 million for replacement of motor vehicles, plant and equipment, \$5 million for Inter-Agency Support Services, and a proposed rural lending program totalling approximately \$31 million.

Additional funding was required in 1987-88 mainly to meet the cost of fruit fly outbreak of \$330 000, increased terminal leave payments of \$319 000, net salary overrun of \$150 000, plague locusts eradication of \$655 000, collection and storage of organochlorines of \$150 000, Golden Dodder Compensation Payment of \$201 000, approved additional expenditure of the Rural Assistance Branch of \$358 000 and increased salary costs due to national wage awards of \$979 000. This expenditure was more than offset by a reduction in expenditure of \$8.682 million for Commonwealth anti-dumping fertiliser assistance payable, \$223 000 for export inspection, \$275 000 for rural industry research projects, and savings in freight rebate and loan assistance measures relating to the bovine brucellosis and tuberculosis eradication program of \$267 000.

The department has undertaken a rigorous review of its overall resource commitments and managers have been given delegated authority for resource management, including the deployment of human resources in line with changing needs and priorities. This is in line with the Government's strategy for more effective uses of the Public Service work force, and the consequent rationalisation and reallocation of resources is reflected in the Estimates. Consultative mechanisms have been established with the industry and the relevant unions in order to effect these changes smoothly.

Under the rural adjustment scheme, \$15 million will be made available for carry-on finance, debt reconstruction, farm build-up and other purposes. This will also include re-establishment grants of \$28 000 to help farmers to relocate with a minimum of disruption.

The department will continue to place emphasis on the provision of enhanced farm business management advice and counselling services to farm families under financial pressure, particularly on Eyre Peninsula. This will be assisted by the allocation of \$100 000 per annum over the next three years by SAFA into the Rural Counselling Trust Fund. The Rural Affairs Unit and the Rural Women's Information Service complement the regional counselling services and are in accordance with the Government's social justice strategy.

Research centre redevelopment is proceeding. An allocation of \$1.65 million will assist the Northfield Relocation Study, further development of Turretfield Research Centre as a centre of excellence for wool, sheep and pasture agronomy research, and the commencement of a project for new facilities for the Lenswood Research and Advisory Centre.

A feature of this year's Budget for agriculture is the allocation of \$2.35 million for the construction of the Southern Hills Research Centre at Flaxley. In addition to dairy and pasture research, catchment management research and extension will be undertaken as a direct consequence of the Mount Lofty strategy review.

There is a special allocation of \$315 000 for the disposal of organochlorines collected within South Australia as part of the national recall program in response to the problem of pesticide residues in meat. Pesticide residue testing is continuing. In addition to implementing the legislation to control the use of chemicals in the State's agriculture, the department is conducting extension activities to develop industry awareness of the need for careful use of agricultural chemicals.

This year the department will emphasise the establishment of revenue generating projects. Some of these initiatives are the direct result of a 'Wealth of Ideas' workshop and include the contracting out of departmental research services, commercialisation of intellectual property, provision of special services like fleece testing and annual ryegrass toxicity testing, and the extension of the irrigated crop

management system into an Australia-wide irrigation equipment testing facility. Of special interest is the signing of a joint venture with Faulding Pharmaceuticals in the development of new technologies for disease prevention.

The CHAIRMAN: I declare the Department of Agriculture line open for examination and refer members to pages 123 to 126 in the Estimates paper and to pages 375 to 387 in the program estimates.

Mr GUNN: What is the future of the total Samcor operation, including the ability of people to sell stock in that area? I draw the Minister's attention to page 127 of the Estimates of Payments. The proposed 1988-89 figure for 'Transfer to a Deficit Fund' is \$3.203 million. As the Minister would be aware, there has been considerable controversy in local newspapers concerning the future of the saleyards. I draw his attention to a small article which appeared in the *Bunyip* of Wednesday 24 August indicating that Mallala may get the new saleyards. Other newspaper cuttings state 'Ongoing saga—country sales' and 'Gepps Cross pig market in danger'. Although I could quote at length the concerns expressed to me, this is the first opportunity that I have had to bring them to the Minister's attention.

My question is in two parts: what is the Government's commitment to the future of Samcor and its present operations and what will happen to the saleyards? I understand that the sheep are going, but what will happen to pigs and cattle?

The Hon. M.K. Mayes: Obviously there is an ongoing interest in Samcor and its continuation. The annual report for the past financial year is due early in October. I think it is fair to say that the operations of Samcor have again been successful in the past financial year. I cannot give specific details, but no doubt the Chairman, who is here with the General Manager, could give those details. There has again been another year of achievement in the commercial operation for the Samcor board. In my humble view, that puts together two successful years where there has been a real operating surplus for Samcor. It fits into the policy which the Government proposed of a commercial operation being established through the South Australian Meat Corporation, and I think that the board has met that challenge very well. Last year I had the opportunity to pay credit to the staff, management and board of Samcor, and again—pre-empting the annual report—I pay tribute to the Chairman, General Manager and staff of Samcor.

As previously stated on numerous occasions, the Government wants Samcor to meet and maintain a commercial trading arrangement. The process entered into with regard to the saleyards was a commercial one by which the Samcor organisation effected a transfer of land to the Government for sale to private individuals who have now taken up the options on the establishment of the Pooraka fruit and vegetable markets. In regard to the negotiations for the replacement of the saleyards, I asked the Chairman and the board to look carefully at the available options: that is, is an alternative available to the industry on the Samcor site?

The overwhelming conclusion reached was that from an economic and planning point of view it would not be the ideal location on which to relocate the saleyards because of the intense residential, light industrial and commercial development that has now taken place in that area. That is reflective of the changes occurring in other States, such as Homebush and publicly-owned abattoirs; in fact, it is more likely that in the long term that area will be devoted to some other form of activity that is more compatible with what is now becoming part of the almost inner-city area, certainly not the greater metropolitan area. Given that the

saleyards are situated only 10 kilometres from the centre of the city, it would seem to me that in time Governments will have to look at the operation of Samcor in that location and consider the options available for relocation or other alternatives.

I think it is fair to say that, from discussions that I had with the industry and representatives about three weeks ago, at this point of time the industry has accepted the reality that the planning process—that is, the actual process of seeking to establish saleyards in the existing area owned by Samcor—would probably not be successful. It is also likely that it will not be economically successful. We have encouraged the industry (and I think the Samcor board has done likewise) to look for other options outside the major metropolitan area.

I understand that constructive discussions have been held with one of our near city councils in relation to the future establishment of a saleyard. I note that the industry is proceeding fairly actively to pursue that issue. The honourable member's question was fairly broad, but I realised that he wanted me to hone in on those two issues in particular.

Mr GUNN: I have been approached by people involved in the pig marketing industry who actually showed me one morning that sufficient land was available for the Samcor site and that some of the old yards which are under cover could be converted, without a great deal of cost, into adequate facilities for the sale of pigs and sheep. I was shown a copy of a feasibility study into the building of alternative facilities at Samcor, which costed out at \$7 million. Having read this study fairly carefully, I feel that the cost is excessive. It was suggested to me that the costs were put so high so that the proposal would not be viable. Can the Minister or his officers comment on the existing facilities, which many people believe can be converted and used successfully without spending a great deal of money? Concern has been expressed to me that the relocation could interfere with people bringing stock from the southern parts of South Australia in particular.

The Hon. M.K. Mayes: I am aware of the information referred to by the honourable member. At my last meeting with the industry, the individual concerned raised that very issue. On advice that I have received and comprehensive information put before me, I believe that there are many shortcomings in that document. However, I invited the individual to meet as soon as possible and at his convenience with the Chairman of Samcor. I have just asked the Chairman if that meeting has taken place. The invitation was re-stated by the Chairman to the individual who represents the pig industry on this matter, but it has not yet been taken up. Samcor would be happy to look at any options and, if the figures showed that there was a positive cash flow, I am sure that Samcor would look at the situation because it would be in its interests to have the facilities established there.

However, I again stress that if there is major planning change it may draw the attention of the local authority to what it would see as a consistent planning process. I will not refer to the individual concerned—we all know who he is—but I invite him to meet as soon as possible with the Chairman of Samcor to go through those figures again. Having had those figures checked carefully in their initial presentation, I have received advice that they do not come up in the final wash-up. At this point of time we are in a situation to say, 'Yes, we can agree on the facts, but it is more a decision of planning or other factors.' The financial figures do not wash up at this point of time, but, if the honourable member is in contact with the person concerned,

we would be happy to arrange a meeting as soon as possible to discuss this issue.

Mr GUNN: I will certainly make that information available to the people concerned. Can the Minister say how much land Samcor currently has in the Gepps Cross area and what plans it has for it in the future? It was my understanding that this land was dedicated many years ago as both open space and second generation parkland. Some of us are concerned that the Government has a policy of disposing of all open space land in the vicinity of the metropolitan area, and the overwhelming majority of the public believe for a number of reasons that that would be unwise.

The Hon. M.K. Mayes: Currently, Samcor has 56 hectares under its control. I am told by its Chairman that a fairly old proclamation under the original Planning Act designated it as open space. I am sure the member is as aware as I am that that has some general interpretation and that it is not as specific as are the planning orders and public reserves, etc., with regard to usage and application.

We have now devoted the Samcor area on the eastern side of the Main North Road to become an open space sports park, including that somewhat controversial triangular parcel of land on the northern side of the train line. I can assure the honourable member that that land will continue to be so devoted. We have had numerous inquiries from various sporting associations regarding the future development of that land.

Concerning the policy which Samcor is considering with regard to the future use of that land, I am advised by the Chairman that the board is currently looking at it in its long term planning, and I know, from discussions with the Chairman and General Manager, that is well under way. The board is actively looking at the options open to it.

Ms GAYLER: As to the program assistance to rural industry on page 385, how has the rural counselling service been operating, how successful is it and how many groups are operating? Could the Minister outline how the rural counselling trust fund is made up?

The Hon. M.K. Mayes: The rural counselling service has had a very interesting path, if one can use that terminology, to describe its background. We go back to the period when a fund was set up with the Commonwealth Government and the National Farmers Federation to establish a counselling facility in the rural community. That is a very important function. I believe I am joined in saying that by most communities leaders in the rural areas because one of our major needs is the provision of information to our farming community and our rural towns' community in this State.

In a sense, the emphasis on the information and services that we provide through our facilities or through those counselling services is directed primarily at farming communities and not as a direct approach to rural towns' businesses, whatever they are.

We do, I believe, provide some indirect benefit but that is not the focal point of our efforts. I believe that those counselling services were very successful. They were extremely useful and the need for us to pursue them has been one of my personal ambitions, and that is part of the reason why we have the \$100 000 in funds for the next three years from SAFA and a contribution of \$30 000 from the United Farmers and Stockowners to assist that. Also, we have had some contribution from the banks which I must not ignore. However, I wish that more banks had come in with more money because it is also in their interests to provide the best possible independent financial counselling service to our rural community. An option we must

look at is that there should not be any particular ownership of this information.

My personal view (and it has been instituted in this way) is that it should not be owned by UF&S or the banks: it must be independent of the actual contributors of the funds. I believe that farmers are entitled to that, particularly in terms of the financial stress that many of them are currently under. It is important for them to feel as though they have a situation where they can freely move with that advice and not feel that that advice is owned. I am sure that the members for Eyre, Flinders and Victoria would agree that some of the advice given over the years by particular rural advisers has been less than appropriate and, certainly in some cases, downright misleading. That is unfortunate, because it has put some people who would be very viable in almost non-viable situations, and I regret that. I hope that other people involved in this process regret it as well.

It seems to me that some people have made financial decisions, particularly in 1983-84 (when I was a backbench observer and had an opportunity on occasions to visit some of our now critical rural areas), after advice from various sources which laid the foundation for future distress. That is why we are now proceeding on this basis of our rural counselling service. We have four services operating currently, at Barossa and Light, with Bill Cale as the rural counsellor; in the Riverland, with Sara Duvnjak as the counsellor; in Le Hunte and environs, with Tim Scholz as the counsellor; and in Murraylands, with Susan Neldner as the counsellor. It is a very good service and we are hoping to extend it. We hope we can go out to the Eyre Peninsula and offer the best possible environmental and financial counselling to those communities.

The existing rural counselling service has a component that requires contribution. It has been mentioned in the different media over the past few days that various people are involved—from church leaders to community leaders—and they are part and parcel of this rural counselling service. A 50 per cent component comes from the local community; although this makes it particularly hard, but also puts a local value on the work that is done. It will be quite essential, and almost every dollar spent will bring enormous returns to those communities. I hope we can encourage as many people as possible to continue to use that existing service through their local support groups and, hopefully, with our new fund, we can see our rural counselling advisory service continue to offer the best possible information.

Ms GAYLER: Under the same program, how is the rural women's information service progressing and what are the main issues that have been raised by callers who have used that information service?

The Hon. M.K. Mayes: I understand the member's obvious interest in this area. It has been a very important initiative on the part of the Government and the department to establish the free toll number of 008 182000. Over the first six months of operation there have been some 200 callers, and the service provides rural women with the chance to make informed choices on a range of options. Importantly, it provides a means of obtaining information while maintaining privacy, something many people in small communities appreciate. The Rural Women's Information Service staff do not tell women what they should do but provide options and choices. The service is staffed by an enthusiastic and concerned team of women from the Department of Agriculture. In close cooperation with the Women's Information Switchboard, they have participated in a training program conducted by the switchboard staff itself. The after hours facility is diverted through the Women's Information Switchboard.

Women in the more isolated and remote areas of the State have used the service the most, as the analysis of the calls shows. We believe that calls from Eyre Peninsula and the far northern regions of the State make up almost half the calls. The majority of callers ring about some aspect of their economic situation. It is fair to note that, in most rural situations, women often run the books and have responsibilities in terms of household budget management, and in many cases are the home base for the operation of the business. They tend to be the people who make the first call if the financial situation is particularly distressing.

It is more likely to be a call for help in dealing with Government departments and I suppose that one has to reflect on what is happening on Eyre Peninsula. We need social security services in the far west of that region. We are currently working on getting services out there. It is very difficult for some people to understand that you are talking of 400 to 500 miles to the nearest social security service or information service of a Government department. It is not easy to travel that distance at the best of times. With family commitments and businesses to run it is even more difficult.

The toll free number has a very useful basis. It is not unusual for farm families to delay approaching any Government agency until all their resources are exhausted. That is important to note. Some people on the West Coast are probably financially absolutely flat, and the only time they start to wave a flag for help is at that point. We need to be better placed to respond more rapidly. This service is one of those very valuable services that can reach out and meet the needs.

In summary, the aim of the Rural Women's Information Service is to provide accurate unbiased information—and I stress that. It provides a confidential service to rural women, acts as a referral centre to meet the needs of rural women, provides support for rural women to act with increased confidence, encourages effective and efficient use of community services and resources, and complements the services of the Women's Adviser and the Women's Information Switchboard. I congratulate the staff involved in it and the effort put in, particularly by such people as Cecily Bungey, who has made a marvellous contribution. Their time and effort is well acknowledged.

Ms GAYLER: At page 386, the program estimates refer to a specific objective for 1988-89 for development in conjunction with other departments of land management plans for agriculture and horticulture in the Mount Lofty Ranges. Will the Minister outline in more detail what is intended in those land management plans?

The Hon. M.K. Mayes: Extensive work is being done in all areas, particularly the Mount Lofty Ranges study which is an expensive and important exercise. There has been a good deal of public debate about the whole proposal, which came about from the initial publication of the watershed supplementary plan for 1985-86 wherein the Minister for Environment and Planning announced a review of the planning and management of the Mount Lofty Ranges, which would include the watershed issues and also have broad objectives of preparing a management plan for the region. We hope to have it by June 1989.

Taking into account the diversity of interests and need for complementary management and planning policies, the departments have become heavily involved. The working group and steering committee comprise representatives from major departments with interests in the area. The part-time manager of the working group is Mr Arthur Tideman from the Department of Agriculture. Dr McPhail, the Chief Executive Officer of the Department for Environment and Plan-

ning, is Chairperson of the steering committee, and Dr Radcliffe is a steering committee member with Mr Windle as the SAGRIC member of the working group. It is a very influential and powerful group of individuals who draw on a large intellectual and departmental resource. They are looking at a very broad study.

In April 1987, Cabinet accepted a proposal that formally established the structure of the review and included the working group, steering committee and ministerial advisory committee. Representatives from district councils are included on all committees of review. The technical programs for review are being conducted by key departments in ongoing projects or, in the case of the Department of Agriculture, mostly as new projects funded by reallocation of State resources and NSCP funding. It is important to acknowledge the work being done in this area.

Up to June, 1988, most activity was directed at servicing the advisory committee, visiting and informing community groups, including agricultural organisations or committees and consolidating the data base for the review. The Department of Agriculture has finalised project details and identified extension opportunities and has stepped up the soil survey/land description program to meet the requirements of the review. Two soils officers have been appointed as part of a new three year NSCP funded soil conservation project in the Mt Lofty Ranges. A SAGRIC committee to coordinate the agricultural components of the review was established and will be providing a major progress report by December 1988. Assessment of the capability of land to support a variety of land uses, and the presentation of that data on maps produced by the DEP geographic information system is a feature of the review. SAGRIC's Land Capability Unit, headed by Dr Maschmedt, is leading this project, with additional resources being contributed by Lands and E & WS.

The review team has been a community consultation program based on a series of 14-16 workshops for four sub-regions of the ranges. A newsletter and information bulletins have been distributed to stimulate participation in the workshops. It is intended that an investigation report will be produced for distribution early in 1988 and that a consultation draft management plan will be released on 1 March 1989. The work during the remainder of 1988 will be concentrated on the community workshop program, preparation of an investigations report and policy development for preparation of a consultation draft of the management plan.

The Barossa Valley, of interest to many people in the community, ought to be touched upon. A study is being considered at the moment. Nothing has been finalised but the Government is looking carefully at what is happening there.

Mr MEIER: I would like to come back to a question the member for Eyre asked in relation to Samcor. The Minister indicated that 'a near metropolitan council', I think were his words, had shown some interest in making land available. I would like to refer to the *Plains Producer* newspaper for 17 August, which carried the headline 'Economy booster for Mallala?', the first paragraph of which reads:

Mallala's economy could receive a boost late in 1990 if the green light is given for relocating the Gepps Cross saleyards to the area.

I assume that the Minister's 'near metropolitan council' would have referred to Mallala. Given that members of the saleyard relocation committee have apparently met with members of a council subcommittee, what possible financial grants can the Government make towards the relocation?

The Hon. M.K. Mayes: The answer to the first part of your question is 'Yes'. The answer to the second part is 'probably very little'. Basically, in my discussions with

industry representatives I pointed out that the Government views this as a commercial venture and would see that relocation as a continuation of that process, very similar to the way in which we resolved the issue of the fruit and vegetable produce market. Given the massive resources in the use of the saleyards and the huge commercial enterprise involved, it would be almost irresponsible of the Government to engage in any sort of subsidy or activity of that sort, especially having regard to the feeling of the community and the reaction one gets in the press on many occasions.

I draw on the memory of the Remm Group proposition. It wanted subsidies from the city council and the Government, and there was an onslaught on my office from constituents about funding being given. This case would be very similar. It is a very commercial operation that can stand alone and probably succeed alone.

Mr MEIER: Will the Government come to the party in relation to upgrading roads and other facilities? At page 381 the Program Estimates refers to the 'Complete implementation of the Rural Assistance Branch client services review'. I remember the review in which most if not all rural members were asked to take part. What changes have been seen as necessary as a result of that review? Can the Rural Assistance Branch be restructured so that it can be more effective, or was the review such that the basic operation of the Rural Assistance Branch is seen to be satisfactory in its operations over the previous years?

The Hon. M.K. Mayes: We ought to clarify the situation with regard to reviews of rural assistance, of which there are several. One is a review which has been conducted by the Commonwealth in conjunction with the States, and is a review into the overall operation and effectiveness of rural assistance. Part of that review involved the constant lobbying of State Ministers such as I about the need for greater flexibility in the rural assistance package. Within the next week or so I hope to be able to make some further announcements in that regard. We have played a very active part in that Commonwealth review. That has been staged, although the initial stage did not look very carefully at South Australia. It looked at New South Wales, Victoria and Western Australia and we tended to be overlooked. I think that that was foolish on the part of the reviewers. Our contribution led to some significant changes and positive effects.

We run what is probably one of the most effective rural assistance schemes in Australia. I do not want to go off at a tangent, but I can say that, because we had a very active interest through being a lender. We do not subsidise banks with people borrowing from banks. We have more direct involvement. In terms of our control, that is very significant. We keep a lot of people honest, if you like, within the system. That is an important aspect to the package which we offer. Although other States always seem to think that they do things better, often we can do things much better than they do, and this is another example.

The second review to which I would like to refer is that conducted under the auspices of the Director-General. That is basically a review of the delivery of services to our clients and was conducted by consultants of the office of the Government Management Board. The terms of reference are as follows: to identify the ways in which the branch receives and services its clients; to suggest opportunities for improvement; to examine the decision-making process within the branch with a view to assessing its effectiveness; having regard to the above, to assess the existing organisation structure, information flows and accountability mechanisms. The final report was submitted in March 1988 and contained 38 recommendations covering all the terms of reference. The

recommendations are being implemented and include the following features: correspondence redrafted and updated; new application forms in August 1988; fact sheet redrafting, including community languages, which is proceeding; turnaround time in processing applications, which is also proceeding; client reviews, which are being implemented; client confidentiality; and a five-year plan.

In relation to the review of Rural Assistance Branch systems, the Director of Support Services has asked for a review of the computer facilities and financial recording systems being utilised. A dramatic increase in rural lending has the potential to lead to problems in the capacity of the present computer accounting system to manage, so we are to review that. Owing to the limitations of current hardware, some desirable additional functions of the system, although developed, cannot be implemented. Therefore, we are looking at upgrading that facility. It is important to note that a number of things have come about as a consequence of these collective reviews. We have a much better package which, I think, is more sensitive, more responsive and achieves better long-term goals. It offers better packages for people who are in distress and, contrary to what one correspondent to the media said recently, we are not in the business of making people 'go quietly' or doing anything like that.

We are dealing with reality, and the fact that we can now offer people, for example, \$28 000 as part of an establishment grant as against what we could offer before, is a significant improvement and something for which I have been arguing for the past two years. It offers some hope and opportunities. I know that there are numerous stories of people who have sadly and tragically left parts of the West Coast but who are much happier and better off in their current situation. I can give chapter and verse on that topic.

I think that is a distinct advantage in administration terms, bearing in mind that the Government made a significant contribution the year before by increasing by six the number of personnel in the Rural Assistance Branch. I think that has added a significant resource support, which is fortunate, given the difficulties that we encountered. Certainly, after the rains last weekend we can probably isolate the difficulty now to Eyre Peninsula, the Far West and some other parts, such as the top part of Eyre Peninsula. I think it has been very fortuitous and wise for us to move in that direction.

I think that benefits have come from the whole process and certainly from our information systems. I think the honourable member would agree that we do have an improved system and a more flexible scheme, which we will announce through the public process in the next few days. The honourable member might say that it is not ideal, and I would probably have to agree with him but, given the constraints on both Federal and State Governments, I think it is quite a significant achievement.

Mr MEIER: What is the situation in respect of people who have previously taken out rural assistance loans but who no longer have the capacity to pay? Have any people been forced to sell up by the department? Is there a general record of people getting into worse debt, or are they mainly able to pay back their loans? I have taken several constituents to meet with departmental officers—admittedly this was a year or two ago—and those people were desperate as it looked as though they would have to sell up. What are the statistics in that respect? Also, on the Samcor question, do you think the Government will provide services to the area, perhaps improved roads, if the facility is located at Mallala?

The Hon. M.K. Mayes: In my response earlier to the question about Samcor I think I said 'a little'—I think that was the terminology that I used. I think that is probably the only area that the Government would properly look at. I cannot speak for my colleague the Minister of Transport. However, I have left the door open in terms of industry representatives. If they want to come back with a package to put before me, I will be happy, as I have said, to consider the matter and take it up with my colleagues. As to what level of success I would have, I am not too sure, but certainly that is the sort of thing that governments get involved in with the provision of service linkages. Of course, services for water, effluent removal and power on site would need to be provided. All these aspects would have to be contemplated. I have made it clear to industry representatives that we have a time constraint. We have a particular need and we want to deal with this issue within a special time constraint due to what is happening with the development of the fruit and vegetable markets at Pooraka. I am certainly open to any discussion on the matter.

Regarding rural assistance, I am told that the department has been involved in three forced sales over five years. I think this new package to be offered will give us far greater flexibility in terms of our handling of these debts. Because of this I think we will find ourselves involved in fewer of these very unfortunate forced sales. So, I hope that our new package will give us far greater latitude and flexibility—and I am talking about all these potential pecuniary relationships related to debt structuring. I hope that, as a representative of a rural area, the honourable member will convey to the community that we have a more flexible rural assistance scheme, allowing for farm build-up and debt reconstruction in a more flexible way. We do not want people to simply have to rely on word of mouth or a local member visiting a local show or field day, telling people that the other day he put a question to Mayes and that, as the Minister had said that it would be more flexible, they had better ring up. The Government will undertake a fairly major publicity program to advise the community in very clear terms what will be available.

Regarding the rural assistance information service, I think members would be aware—particularly the member for Eyre as I mentioned this in the House in response to a question from him—that the department has had two officers located at Murat Bay since 15 August, giving advice to people in the rural community. I think that is very important. As I said earlier, we are encouraging, and in some ways, I suppose, provoking, other departments, particularly Commonwealth departments, which we need out there, to come out and support these communities in their hour of need. I think that is how we should look on this matter. If we do not provide these support services I think we will see families having no food on the table. In this situation we need a major exercise involving a lot of government services, and private services as well.

I draw to the honourable member's attention the bankers' guide which we launched earlier this year for bankers on Eyre Peninsula. This was very useful in giving bankers a better idea about the sorts of problems with which they should be dealing, and it also refers to some of the technical questions that they need to know, because they are not experts in farming. A lack of expertise and knowledge of rural management in the banking industry might be one of the reasons for the problems being experienced on Eyre Peninsula at the moment.

Mr GUNN: In view of the fact that a deadline has been placed on the relocation of the sheep and pig yards at Samcor, what will happen to the cattle yards? Is it intended

to shift the cattle yards from their current location to Mallala? If extra time is needed to facilitate the relocation of these important facilities, will the Minister give an assurance that the existing facilities will be able to be operated until adequate alternative arrangements are made? It is particularly important for the stock market in this State that people are fully aware that there will not be a gap or a void in the market for some six, eight or 12 months while alternative arrangements are provided.

The Hon. M.K. Mayes: Samcor is prepared to continue with its cattle saleyards that are there. I suppose the import of the honourable member's question is whether or not it is convenient to relocate the cattle yards with the possible relocation of the other facilities, and I suppose that that is an economic question that the industry might contemplate.

It may, in fact, prove to be economic to have the cattle yards out with all the others, as a composite or amalgamated facility. As to an undertaking from myself as to continuation of the yards, I cannot give that, because I do not own the facility. However, I can assure the honourable member that I will raise this matter with the industry and facilitate negotiations so that we can ensure, with the Adelaide Market Produce Group, the continuation of the operation until the new saleyards are relocated. I am happy to offer my services to ensure that that negotiation is successful, for the time leading to the relocation of the saleyards at the new location.

Mr De LAINE: With the completion of the vine-pull scheme, as mentioned in the horticultural crop industries program, will the Minister outline the operation of the scheme in South Australia, with particular reference to funding arrangements, administration, and the assistance provided both to individuals and to the grapegrowing industry?

The Hon. M.K. Mayes: It is important to acknowledge that at present there is an extraordinarily enormous demand for South Australian wines, especially for those of premium quality. The prices paid to vigneron in the Adelaide Hills for some of the chardonnay grape varieties were extraordinary compared to those paid in the previous years.

Some people have criticised the vine-pull scheme. I inherited the scheme and have not run away from the responsibility of administering it. As a short-term adjustment program it has been successful. I am supported in those comments by some fairly distinguished commentators and wine producers, including Mr Brian Croser from Petaluma, who delivered a paper on this matter to a national conference. He is convinced that it has proved to be a good adjustment scheme. However, some of those areas cleared were subject to a full vine-pull and certain corporate bodies are buying that land at over \$3 000 a hectare to put it back into production.

I suppose that that price for the land represents a large capital barrier to entry to the industry, but it is happening and, if one takes that into account, one sees how buoyant our wine industry is. Some pundits are pessimistic, espousing a boom and bust theory, but the quality of the wine and the area of plantings occurring are such that I believe that our industry will go through a period of adjustment successfully.

We still have areas where broadly generic non-premium grapes are being produced and that production supports the base wine production and supplies important market needs. However, if we are to see the industry continue to prosper, especially at the international level, we need an opportunity to plant more premium quality grapevines. In this regard, there is a major planning exercise. My department is considering long-term planning strategies and discussions are being held with the wine forum group that represents the

industry in this State; indeed, it represents 60 per cent of the industry in Australia. That group is considering long-term strategies and a whole range of issues including labelling and promotion. The Wine and Brandy Producers Board is considering major promotion of the product, and the whole area is one of optimistic view.

The vine-pull scheme allowed 446 grapegrowers to be assisted at a total cost of \$6.5 million, of which the Commonwealth Government contributed \$4.3 million and the State Government \$2.2 million. State funds were recouped to Consolidated Account from the Rural Industry Adjustments Development Fund. The availability of funds from a source set aside to assist agriculturists was perhaps one of the more visionary processes initiated by the Government. When the scheme was instituted in 1985, there were poor market prospects. Dried vine fruits were holding up at that stage, mainly in Victoria, but there had to be a major transfer.

We have seen between 20 000 and 30 000 tonnes come out of production as a result of the vine pull. No doubt that capacity could be used now, but most of the area pulled were of the wrong varieties representing old low-production vineyards which, in my opinion, were no great loss to the industry. True, we lost a few hectares of premium chardonnay, but in many ways the industry itself was to blame for that because some manufacturers were not paying the full market price for the grapes. I could cite a couple of examples where \$660 a tonne was paid for chardonnay grapes whereas, not 50 kilometres away, vigneronns received \$1 200 a tonne from another manufacturer for that variety.

With those disparities in the market it was almost predictable that we would lose some of the older producers who were producing premium quality grapes. Today, some manufacturers are frantic in their search for those premium grapes but, if they had been sensible and looked to their long-term future, they would have preserved those growers. However, they lost them and their quality production. Consequently, many of those manufacturers have had to go into production themselves. Indeed, one major cooperative is considering planting grapes in the Riverland region. That is a significant and marvellous turnabout.

As Minister, my first visit was to the Riverland where we were then contemplating a situation almost similar to that being experienced on Eyre Peninsula at present. We have seen an amazing turnabout in the industry involving growth, optimism, re-investment, and so on. The following is a list of the types of vines pulled in the vine-pull: sultanas 109 hectares; chardonnay 25 hectares; grenache black 417 hectares (that is significant); mataro 125 hectares; pedro 193 hectares; rhine riesling 310 hectares; and shiraz 393 hectares. That list represents a cross-section of the vines pulled. The area of top of the line premium grapes pulled was 193 hectares—significantly down in the total of 2 578 hectares. Indeed, the 25 hectares of chardonnay grapes that was pulled represented only 1 per cent of the total pull, which is insignificant even though people say that we lost many of our premium quality wine grapes in that pull.

Mr De LAINE: What are the present financial arrangements for soil conservation in South Australia and will those arrangements continue?

The Hon. M.K. Mayes: Soil conservation, a major issue, has been the subject of considerable debate. The subjects of soil conservation and land conservation are intertwined with environmental matters, planning issues and funding arrangements, including rural assistance. All these have an impact on soil conservation, and it is important for us, both as a Government and as a community, to continue to address these questions in the interests of our farming com-

munity. We are not over-endowed with soils. We do not have the same depth as other countries; sometimes we have greater problems with salinity than other countries, and consequently we need to be a little more vigilant and energetic.

There are a couple of major proposals afoot which need our attention. The Pastoral Act has an impact on this. The Soil and Land Conservation Act, which will come under my jurisdiction, will cover the re-establishment, enhancement and devotion of soil boards throughout the area, and agricultural and pastoral areas are also very significant. The Crown Lands Act, the Pastoral Act and the Soil and Land Conservation Act should be married because, if we do not have a composite management and manage by education and example, we will not protect and enhance our agricultural, horticultural and pastoral environment.

In South Australia funds for soil conservation are provided by the State through the normal operations of the department, as well as through special programs of the State Government and the Expanded Soil Conservation Program (ESCP). Also, under the Commonwealth Government, is the National Soil Conservation Program (NSCP), to which I referred earlier. During 1987-88 12 projects were funded under the ESCP and the NSCP. In 1988-89 the submission for funding under both programs indicated that eight projects required continuing finance and a further seven projects would be submitted for consideration for funding.

The proposed sources of funds for 1988-89 are: ESCP, nearly \$204 000; NSCP, \$587 000; local government, \$4 500; landholders, \$54 000; other Government departments, \$176 000; and Sagric nearly \$417 000. Under the Expanded Soil Conservation Program, the State Government provided \$176 000 in 1987-88, and matching amounts were contributed by landholders and local government. An amount of \$182 000 has been allocated in this program for 1988-89. A total of \$263 000 will be required by the Department of Agriculture which provides supervisory, administrative, clerical and technical staff. Under the National Soil Conservation Program, a total of \$535 000 has been approved under the State's component for projects, and an amount of \$371 000 has been sought to continue the improved projects in 1988-89.

This is one of the most challenging issues that we have in front of us as a department and as a community. Our process has been to work with the major industrial groups such as the UF&S, the Farmers Peak Council and the Conservation Council. In that vein we have already undertaken a trip organised for the Conservation Council to the Mid North to expose it to the projects that are currently being undertaken by our soil boards in those areas. Going on the report from the officer responsible for this area (Mr Roger Wickes), it was a very successful trip and one that we should encourage more of. Unfortunately, some of the key players were unavailable. If we can find a spare seat and if members are interested in going, I am sure that they would be welcome to have a look.

One must be infected by the enthusiasm of some of our farmers who are involved in these soil board programs. The smart farmers know what these programs mean: a continuation of farming and increased prosperity to their communities as well as themselves. I remember going to Hawker a fortnight ago, and a major soils program is conducted in the Hawker-Parachilna area. On the side of the road there is a plaque recognising the commencement of that soil program.

We are encouraging as much as we can, with the resources that we have, the establishment of soils boards under the land management program. This will enhance the efforts of

the officers involved and, with the enthusiasm of the individuals concerned, I think we will see these programs spread like wildfire across the State. I hope that in the pastoral areas we can see a joint management arrangement involving all departments, industries and groups concerned to ensure a major effort in this area of soil management.

I have only briefly touched on the honourable member's question. There are many stories which relate to the success of these programs. The Director-General has pointed out the following Commonwealth projects: Murraylands region; the Eyre region, with the Lower Eyre Peninsula Soil Board; Central Regions, with soil erosion management in the Mount Lofty Ranges; South-East region, with the County Cardwell group conservation project; the Northern Region, with the pastoral soil conservation extension; and the Plant Services Division, which entails numerous programs such as applying the erosion prediction model to total catchment planning; marginal lands mapping; northern marginal lands soil management; dryland salinity catchment investigation; and amelioration of water repellence in sands. Those projects are being undertaken on a national level in relation to soil conservation.

Mr De LAINE: I refer to page 384 of the Program Estimates, and particularly to the locally based national program entitled 'Woolplan'. Can the Minister give an overview of how this program is working?

The Hon. M.K. Mayes: I will refer that to the Director-General, who would more appropriately be able to give a technical analysis.

Dr Radcliffe: Woolplan is an Australia-wide program based in South Australia. Run by Dr Brien, who came to South Australia from Victoria to be its management officer, Woolplan provides a range of selection indices which growers can use. They can add a number of options to their normal visual selection requirements, depending on how they want to have their flocks developed. They can select according to micron size, wool yield, body growth, or whatever they choose. This is aimed not at requiring growers to take any specific course of action but rather to facilitate their adoption of objective measures.

I see this program as an aid to their selection programs. When they identify each of the options that they wish to pick up, computing and data processing services are provided and reports are made available identifying the characteristics of the individual animals which have been looked at. This has meant a fairly substantial change in South Australia. We have had a very traditional stud breeding industry over the years, but in the past several years we have taken a Woolplan display to the stud merino field days and, by courtesy of several of the major studs, we have been able to set up displays on good sites on properties which have attracted a great deal of interest from growers. I believe that this has been a very successful program, and it has been extended in other States in the same way.

Mr D.S. BAKER: The Minister answered a question earlier on fisheries, when I pointed out a severe cost overrun in recurrent expenditure, and explained it away as a book entry. Because of the pre-eminence of agriculture in providing the State's income, could he explain where it will be effected with last year's 20 per cent reduction in capital expenditure in agriculture in this State and with this year's 4 per cent reduction in staff, and how that will affect our ability to remain the major income earner for this State?

The Hon. M.K. Mayes: I am a little confused about the first part of the question. You referred to a 20 per cent reduction in capital.

Mr D.S. BAKER: Expenditure from budgeted last year to actual last year?

The Hon. M.K. Mayes: I see. That is a lag effect that we have had as a consequence of the dairy research facility which is now under full steam to be constructed; that is the impact there. That would obviously mean some delay in getting our research facility up and running, but I am not sure how that could be measured in a direct cost or loss of income. I would be surprised if there was any direct impact. I have sought the advice of the Director-General, and he supports my view that there would probably be little loss in terms of that lag. Certainly, that is where that figure arises. As with all departments, we have had to enjoy reduced funds from this year's budget. This is the third year that we have had a reduction in recurrent funding. It is getting increasingly difficult to continue services with reduced funding. I would be the first to admit that, and I am sure my other ministerial colleagues would admit that, too.

Unfortunately, given the current economic environment and claims for reduced taxation, there is very little option other than looking for other revenue sources, which we are actively doing. That is how we will be able to continue our services to the community in South Australia: by looking for commercial options which continue our funding, thereby enabling us to maintain our intellectual resources so that we can provide services to the rural community. We are endeavouring to keep the impact of the reduction in the recurrent funding to a minimum in terms of the overall extension or farmgate services. Until this year, we have traditionally tried to keep the reduced staff numbers in the major administration and central facilities area, rather than the advisory services out at the farmgate. We have also found that similar services are perhaps available in another location nearby, and we can save in areas of duplication or even worse. We have had to look at merging our priorities to address those services.

In recent years, these initiatives include the commencement of 21 new positions as part of the changes to rural assistance. These positions will concentrate in the areas of resource protection, particularly in the northern regions, water resource management and horticultural marketing, which also received a fairly good nudge from us in that regard. Members would know that we are currently looking at a number of areas where we have announced that services will not be continued. One of those is SERVL at Struan, where there are real savings of slightly less than \$250 000. I had a series of meetings about three or four weeks ago to talk about that with industry representatives, staff and management. We believe that we can continue the service of those two areas offered within the laboratory through our veterinary services in Adelaide, and we have given an undertaking about turnaround times and facilities.

Nigel Thompson, the Director of Regions, has taken on the responsibility to look at areas where those services can be expanded. That will enable us to further enhance our laboratory services at SERVL. The Director and I gave an undertaking to that public meeting that we would look at areas of research and support for submissions from our laboratories at Struan to win work that was of interest and value to that region. We know that the population of animals in that region is very intense and that there is a major servicing need. We can increase our services through that laboratory in a number of areas.

I attended another public meeting two weeks ago at Naracoorte, and there is a fear that this is the thin end of the wedge—that this is the flying tackle that will wipe out SERVL. It is not my intention, nor is it that of the Director-General, that this should be the beginning of the end. We are looking at ways to enhance that facility. A cut that we

have instituted in the service gives us a real gain, yet we believe we can provide that service.

A couple of other matters are pending. We are still looking at the Berri regional office, as members know. At this point in time, I am inclined to think we will probably be forced to close that office, knowing the arguments that I have seen put before me from the region to keep the office open. However, there are offices within 20 minutes driving time from the Berri office. No-one, least of all me, gets any joy from closing down offices. I have no ambition to go around closing down offices. If I could keep them all open and keep all our staff, I would be delighted. No-one enjoys giving out bad news. In the circumstances, having to operate with this reduced funding base, it is one of the most obvious alternatives. I should give a fairly clear hint that, when the final report comes through, the Berri office will probably not have the priority of other projects that we have to look at.

I know that the honourable member is concerned about Kadina. That is an issue of concern, but as I indicated in my opening comments—and I am not passing the buck—the management of the region wants to make a decision about those priorities. Managements should manage, and I have curtailed their capacity to make decisions because I have been given less money to spend. I am the first to accept that. Managers are asked to manage within those priorities, as they know what is best in their area. So, we have asked them to look at what rearrangements and what reorganisation ought to take place in view of the situation at the Kadina office. A couple of other areas like that need our attention. We are looking at major cost savings in terms of our office accommodation situation. We are looking at a reorganisation in that area also so that we can enjoy a reduced cost and continue to employ our extension services.

The other area is revenue, at which I have hinted. We will be looking at areas which can generate, in almost a commercial sense. I say that because many farmers who have spoken to me have said that they prefer the Department of Agriculture to do this rather than some other outside body owned by an individual group or organisation, which has a sectorial interest. They would prefer the Department of Agriculture to be the adviser on a commercial basis. I am sure that the honourable member has heard that from various constituents.

Funds set aside for capital expenditure with regard to particular facilities include: the Northfield relocation, design and documentation of alternative facilities at \$250 000; the Turretfield office (which is the purchase of the land) at \$350 000; Lenswood stage one at \$100 000; and the Flaxley Research Centre, now before the Public Works Standing Committee at \$2.4 million. The Turretfield office is also set down for \$600 000. That is the break-up of that capital figure.

Mr D.S. BAKER: The Minister has said that the \$10 million or 20 per cent less spent on capital than was proposed in 1987-88 was because of a hang-over expenditure. I guess that it will be spent this year, 1988-89. Therefore, capital expenditure this year has been cut by 20 per cent and will be only \$42 million if that \$10 million is carried forward—is that correct? I am referring to page 375 of the white book. I refer to the line capital expenditure where \$52 million was proposed last year and \$42 million spent. The Minister said that the 20 per cent reduction was because of carry-overs that could not be spent. If that is correct, we are cutting this year's expenditure by 20 per cent.

The Hon. M.K. Mayes: It is more complex than that. I will ask the Director of Finance to respond. It is tied up

with rural assistance, but he might give the honourable member chapter and verse to clarify it once and for all.

Mr Srinivasan: The capital expenditure includes not only capital expenditure voted as part of the State allocation but also capital loans made available for the rural assistance program and adjustment programs as well as capital moneys the department receives in trust from other funding sources. The difference between the \$52 million and \$42 million is made up of a number of increases and decreases of funds from various sources and not just the State. The State component of the capital works program was \$1.2 million, which is in the white book under last year's program and made up of \$1 million for the part-development of Flaxley Research Centre and \$200 000 for the design and documentation of the Field Crop Improvement Centre. Because of the delays in processing the design and documentation through various channels, that part of the expenditure has been carried forward, plus additional expenditure proposed for the development of Flaxley. The \$52 million, initially part of the estimates in 1987-88, and the \$42 million actually spent is broken up into various programs.

Mr D.S. BAKER: Is there a 20 per cent cut in this year's capital allocation because of the carryover?

The Hon. M.K. Mayes: No.

Mr Srinivasan: The State component of capital expenditure receives an increased allocation this year. Last year the allocation for capital works under the Research Centre development was \$1.2 million. This year the allocation is \$4 million. Last year the allocation for motor vehicles was \$1.18 million and this year it is \$2.5 million. For plant and equipment it has remained the same for this year as for last year. There has been an increase in the State allocation for capital expenditure and the capital allocation shown in the Program Estimates include allocations from other funding sources outside the State.

Mr D.S. BAKER: I refer to the Egg Board. I am told that the Centre for Economic Studies did a study of the cost structure of the industry and recommended a large increase in the price of eggs to the consumer. One of the reasons for the increase in prices was due to feed costs rising dramatically. The board recommended a price to the grower of 14c, but the Minister overrode that and only 8c a dozen was allowed. Why did the Minister put the producers at such a disadvantage?

The Hon. M.K. Mayes: That is a confused analysis of what has taken place over the past two years. I do not mean that with any disrespect. The honourable member has been confused by a number of events that have taken place. An independent cost of production analysis was undertaken by the Centre for Economic Studies, which looked at the various cost of production inputs and analysed the basis of the most economic cost of production centre. It made various assumptions and then built a model which suggested a particular price structure for the Egg Board to adopt. I have some doubts about the actual cost of production basis by which the Egg Board arrives at its conclusions. I have never been backward in expressing those views. I have asked my officers to look at the basis of that analysis. The latest application goes back two steps from what the member for Victoria suggests. The board, as a consequence of reviewing its price structure, came up with a complex two steps forward, one step back, pricing proposal for the retail price and for production returns to producers.

That process involves an initial price increase of 6c a dozen to be followed by a reduction of 4c in the price and, after further adjustment, a reduction in total of 17c a dozen during a three-year period. That exercise was undertaken on the basis of endeavouring to encourage the most efficient

producers to restructure within the industry and eliminate some of those less efficient and secondary industries, in the sense that they are secondary industries within the business framework. That is one exercise on which the Egg Board has embarked.

I do not have any power to override the Egg Board and have not done so. I have had discussions with the Chairman of that board in relation to the pricing structure. I am happy to record publicly that I do not agree with the policy that has been adopted by the board. I cannot see how a policy which is meant to encourage efficiency could in any way do so by making a price increase, taking part of it away, then adding to it again and taking it away again. It seems an extraordinary economic policy to adopt, and I have expressed that to the board in writing and would do so publicly on any occasion when invited to do so.

However, the board has embarked on that course. I acknowledge that the board is endeavouring to address the issues which I asked the previous board to address and which my predecessors have asked previous boards to address *ad nauseam* in relation to eliminating some of the inefficient regulatory functions of the board. I give credit to the board for endeavouring to address those issues, albeit in what appears to be a very convoluted way. However, I accept that the board is making an effort, although in my opinion it may not work out.

The next exercise was an advice to me from the Egg Board that it intended to raise the price by, I think, 10c. That came a very short time after the initial advice that it was going to increase the price by 6c, which occurred on 5 July 1988. It seemed to me that the board was not engaging in serious long-term planning, when I had been through a lengthy discussion with the Chairman about the restructuring exercise and the pricing arrangement, only to have within just over a month a later advice from the board that it was seeking to put up the price by a further 10c.

I believe that there are some eight inefficiencies built into the industry because of the regulatory nature of the Egg Board, and I make no secret of that. I think that there have been rorts in the system over the years and that the consumer in the long term has paid for those. I make no apology for saying that. Where we have a highly regulated industry, as we found with the potato industry, serious questions must be answered, many of which cannot be answered by the people on those boards. I am not suggesting that the egg industry is in this condition, but some serious questions have been raised. Where we have regulatory price structures totally devoid of any market forces, we are very vulnerable to artificial mechanisms that give artificial price structures and, in many ways, lead to rorts within the system.

I am not convinced that there are not still some rorts in the egg industry in this State, and I would like to see a free market environment in which the most efficient producers can produce without any hindrance or evasion and be able to enjoy the returns. I hope that that sort of industry environment can be encouraged. In the current environment, I think that that is impossible.

Mr D.S. BAKER: On many occasions the Minister has cited the bright prospects of our export industries, especially in fruit and flowers. I know that there are plans for much better facilities at Adelaide airport, but I think that they are a couple of years away. Those who are exporting perishable products are being severely disadvantaged by the lack of coolroom facilities at the airport. Will the Minister consider putting in a refrigerated container at the airport so that products can be held while they are awaiting shipment out of the country? At present, quite a few people are being

deterred from exporting, and those who are exporting are being disadvantaged on overseas markets. I am not asking on my own behalf here.

The Hon. M.K. Mayes: I do not suggest that you would. On my recent visit to the South-East I met a large number of people involved in the cut flower industry and other areas of horticulture, and I know that some exciting things are happening in the South-East. I will certainly take up the honourable member's point with the Minister of State Development and Technology. I realise that the State Bank proposal is probably a couple of years away and I will be happy to take up the honourable member's suggestion, because I know that there is a major problem with refrigerated storage at the airport. I note the move with regard to Singapore Airlines, and Thai Airways will soon be involved. The Director-General has drawn my attention to the fact that our Horticultural Export Committee has been addressing this issue, but I am more than happy to take up the matter with the relevant Minister to try to come up with something more convenient. If there is an increased capacity for produce to leave the airport and we do not have the facility to cope with that, we will end up undermining our export effort, which we have been endeavouring to encourage.

The Hon. R.G. PAYNE: I refer to the line for 'Fertiliser Assistance' (page 127 of the Estimates), for which \$10 million was voted in 1987-88, while actual expenditure was \$1.38 million. Proposed expenditure for 1988-89 is \$6 million. Also, at page 381 of the Program Estimates the following reference is made:

Proposed increase in recurrent expenditure reflects increased provision for Fertiliser Assistance (\$4.7 million). . .

That is about as far as it goes. Can the Minister provide some further rationale in the matter that would be of some illumination to the Committee?

The Hon. M.K. Mayes: The honourable member has drawn the committee's attention to what is obviously a large margin between the voted amount and the actual payments for fertiliser assistance in 1987-88. Some unique environmental and economic factors influenced this in the 1987-88 period. I ask the Director-General to provide a fuller explanation.

Dr Radcliffe: The basic role of the State Government in this is merely to act as a banker between the Commonwealth Government and the fertiliser industry. It derives from the fact that there was some dumping of fertilisers, fully imported, on the Australian market several years ago. At that time the Federal Government was concerned that that dumping might result in prejudice to the local industry and so it introduced a system of Commonwealth payments, which constituted the difference between what might be loosely described as the normal price of the fertilisers and the dumped price, based on the value of the nitrogen or phosphorus, or whatever the elements were, that were being used in the fertilisers.

In effect, the Commonwealth provided the sum of money which allowed the industry to market its product in competition with the imported fertiliser, and the increment between what would be described as the normal price and the reduced price was paid by the Commonwealth. The process involves paying that money from the Commonwealth to the State. The State then pays it to the manufacturer. The figures comprising those voted in the estimates are provided to us by the Commonwealth and they are, in a sense, notional, because the amount that is actually paid by the Commonwealth to the State is in response to the amount of fertiliser manufactured and sold in the circumstances, and the State then pays that to the manufacturer.

So, as to the \$10 million voted last year, that allowed cover for whatever might have happened, and in the event actual payments were \$1.38 million. This year, a notional provision of \$6 million has been allowed, and it is more than likely that payments will be quite a bit less than that. So, it is merely a notional provision that allows this process to take place through the State accounts.

The CHAIRMAN: I indicate to the honourable member for Mitchell that the matter just dealt with relates to expenditure under Minister of Agriculture, Miscellaneous, which is not yet before the Committee.

The Hon. R.G. PAYNE: I apologise Mr Chairman. I had assumed, obviously in error, that we would be dealing with both allocations together. I now refer to 'Program 2—Agricultural Industries Policy' (page 123 of the estimates) and to the lines relating to rural assistance, namely, Administrative Support, Grants—Household support/rehabilitation and interest rate subsidy. I understand that these amounts relate to assistance to farmers in difficulty, in the main due to circumstances not under their control, such as drought conditions and so on. I noted in the *Advertiser* today a reference to people who are already under considerable stress and at risk in the West Coast area and on Eyre Peninsula, in a wide band, running roughly a little way from Nunjirkompita across to Cowell and in a broadish band based on that alignment, and who now appear to be under absolute threat, whereas even two weeks ago there was some hope that a further rain might interpose and allow them to look at some sort of crop recovery based on this year. According to this *Advertiser* article it now appears that that is quite out of the question. Since the lines to which I have referred would have been put in the budget prior to the happenings that I have just outlined, I now ask the Minister whether it is his belief that the relief funds are adequate?

The Hon. M.K. Mayes: I know that all members would be interested in this question because of the very nature of the circumstances. I was talking to the representative of the *Advertiser* a few minutes ago about this very issue and the extent of the failure of crops in that region. One needs to have a map in order to outline the areas involved. However, there is absolute devastation in the Far West area, west of Ceduna. There is no question about that. There are many people who have not even sown crops for this season. From there going east and south-east it is significantly patchy. Some areas are in the situation where farmers will probably not get seed and some have already turned their animals out on to the crops.

Some areas are quite good, and it goes down to Karkoo. The member for Eyre could probably give a better geographical description, but I think for Karkoo down it is going to be an average to very good season, which area, in an average year, probably represents about 30 per cent to 40 per cent of Eyre Peninsula production. Above that area would represent about 60 per cent in an average year. There are patches above that. If one takes a line of latitude above Karkoo, if one goes immediately north and north-west, there are patchy areas where some regions will get average to reasonable crops. However, one would have to say that the majority of the area—perhaps 60 per cent of that region—will not have any crop at all or just seed.

The Hon. R.G. PAYNE: Does that apply to all those areas?

The Hon. M.K. Mayes: Yes, all those areas. It is difficult to describe in one sentence the area of devastation. It is patchy. It has certainly been a very stressful season for most of the people on Eyre Peninsula. With regard to what we cover with rural assistance, there is no doubt that last year we did not have enough money in terms of what we wanted

to do and how we wanted to do it. Perhaps I should qualify that: we had enough money for the way in which rural assistance was structured, but it was too restricting. We could not offer the flexibility that we wanted to offer and we could not offer that to the people whom we wanted to help. We have argued now with the Commonwealth for two years, persistently and continually, that we need a better package of arrangements to offer people, involving farm build-up, restructure and debt restructuring in order to be able to offer the best type of facilities for our rural community.

We have had Eyre Peninsula squarely in focus for the past three years and we have pitched ourselves to offer services in that region. I have been adamant in getting a rural financial counselling service established on Eyre Peninsula, even though there was some resistance initially.

Last year, \$17 million was advanced through the interest rate subsidy scheme, which the member for Mitchell has mentioned. Last year, \$4.7 million was available for interest rate subsidies and this year that has been increased to \$5.5 million. In addition, we have greater flexibility in the program, which will give us \$35 million to lend out. As regards the rest of the State, we have special interest arrangements for commercial loans, especially for debt reconstruction and farm build-up.

Over the rest of the State we are in a good situation with present wool and beef prices. We are having a bumper season in many parts, especially in the South-East. The Mallee is looking good, although the area north of the river is dry. This week's excellent rain has topped things up nicely. In the Mid North, some areas that were stressed have been nicely finished by the rain, although more is needed. The Upper North is going well. If I may be parochial for a moment, my parents' old farm had 63 points of rain over the weekend, which was just what was needed. There was a fair amount of water stress in the crops and the recent falls should tide things over nicely.

In the Mid North, the Upper North, and even in the lower pastoral country, helpful rains fell, indicating a good season to come. So, looking at the State as a whole, we will be down on a bumper season for cereal production, but we will have about an average production yield and prices are firming, which is a good sign. On Eyre Peninsula, however, we have specific needs which must be addressed. Our total lendings on Eyre Peninsula are \$39.8 million out of a total of \$105 million, which represented about 35 per cent of available lendings to 15 per cent of the South Australian farming community. That shows the significance of our debt structure in that region.

Further assistance, which will be publicised enthusiastically and energetically through the major media in the next couple of months, will give people in that area significant options that have not been available to them in the past, and I am keen to do that. I believe that the Far West area will require special attention and effort on our part and on the part of the community as a whole. I do not know what can be proposed there, although I have some ideas in the back of my mind. However, it will involve working with the Premier, the Minister of Water Resources, and the Minister of Lands to provide a package.

We need to consider something specific for the Far West—the area west of Ceduna—and this may involve a reticulated water scheme. This is a hot issue. The Stokes committee recommendations support such a scheme. I hope that we can come up with a package that will provide help in the long term. Our Regional Director (Dr Swincer) commented in the press this morning on rearranging the farming structure in that area. It has been argued that that is not the way

to go, but we must devise a process for that region to enable some of those people to adjust their affairs. We must also consider this matter from the point of view of long-term benefits to the community, what it can contribute and how the Government can help so that these people can continue to farm and not face a crisis in a situation such as the present one. This is a complex issue, but we have provided increased funds this year and I believe that they will be adequate given the season for the rest of the State. Most of this year's funds will be spent on Eyre Peninsula.

The Hon. R.G. PAYNE: At page 387 of the Program Estimates, the following statement appears:

A workshop, held to generate ideas for improving efficiency of operations and increasing revenues, generated 120 responses and in excess of 400 ideas.

That amazing result speaks well of departmental officers. That workshop was held in 1987-88, but we are not told whether it is proposed to hold another during the present financial year, although it might be useful again to tap that reservoir of expertise. Can the Minister comment on this matter?

The Hon. M.K. Mayes: I thank the honourable member for his question. The staff seminar that dealt with the options received came up with such a significant bag that the Director-General and his executive are fully engaged in 1988-89 in working through the suggestions to see which ones have practical application and feasibility for the department. Many things are being addressed. I have already referred to SERVL, our laboratory in the South-East.

As part of the exercise, we have identified options for that facility, including worm check, which is a tremendous option in which we can get involved in offering a commercial service to the local community. Such a service would be valuable in enhancing our facilities and services. Numerous ideas have come from that seminar. Indeed, one of our directors has told me that, given the department's commitments, we need someone from outside to say which options should be proceeded with in a practical, commercial, private enterprise sense so that our officers can continue to provide services to the community.

In another sense, we must consider the commercial application of ideas that have been placed before the executive committee, and we are considering such options. The department will obviously gain significant benefits in the long term because it will be able to maintain its overheads by means of many of these projects, provide service infrastructure, and develop our intellectual services within the department.

Mr GUNN: Can the Minister clearly indicate the cost that is involved in the relocation of the facilities at Northfield and where those facilities will be transferred to? Can he give an undertaking that all those valuable assets, which will obviously be bulldozed and need to be replaced—

The Hon. R.G. PAYNE: Not necessarily.

Mr GUNN: The honourable member has just had the opportunity of asking three questions and Opposition members have sat patiently in a constructive manner. This is a particularly important question and I will ask it in the way I think best. I could say a number of things about it. I am looking forward to a detailed response in Parliament to a speech I made last week, but I draw to the Minister's attention an article which appeared in the September issue of the *Public Service Review*. I understand that this organisation is well known to the Minister: it appears that they have had a slight falling out. Headed 'Northfield relocation', the article states:

The association has made repeated attempts to get a detailed response to the Mitchell report, which questioned the economic

wisdom of selling the Department of Agriculture's Northfield complex for residential development.

The association has participated in two delegations to the Minister of Agriculture, Mr Mayes, seeking more information justifying the evacuation of the Northfield worksite. A second delegation was necessary following the Minister's initial reply which was patently inadequate, and provided members with little new information.

At a meeting on 18 August 1988, members passed a resolution expressing dissatisfaction at the Minister's second response to the Mitchell report. Nevertheless, as a sign of good faith, members agreed to request the Trades and Labour Council to provide a nominee to sit on a steering committee considering Northfield's relocation provided that:

- the retention of parts of Northfield become part of the steering committee's terms of reference, and
- the steering committee considers alternative metropolitan sites.

I think it is fair to say that Opposition members have been particularly concerned about the decision to dispose of a total of about 260 hectares when a development could take place leaving adequate land for agricultural purposes as well as providing some land to the Northfield High School, which is currently carrying out excellent work for the students in the area and a much wider part of the State. I therefore ask the Minister: can he respond by giving the information which I sought as well as information sought by the Public Service Association on this important subject?

The Hon. M.K. Mayes: I accept the honourable member's point that it is an important issue. I have never taken it lightly. I thought that it was a bit unfair of the member for Eyre to drop the PSA document on me, but I will wear it. Understandably, the PSA is very concerned about this matter on behalf of its members—of course, that is its right. It has dealt with the matter as it sees fit. I was somewhat less than impressed with some of the PSA's handling of this issue.

In relation to this article, I think that the PSA had a public meeting. Some of its members had a meeting with me, and so they should; they are entitled to have a meeting with me. However, as a consequence of their meeting with me at my electorate office—and I especially made the time available before going to a meeting of the Agricultural Council—they dreamt up a time by which I was to respond to a query regarding the transfer of facilities. Neither I nor any of my officers can remember giving any time commitment. When we did respond, they went to a public meeting but failed to tell the meeting that I had responded.

I had a copy of the letter in my file, but they failed to notify this public meeting that I had responded. That does not help relations, but it all happens as part of the process. The situation is that we are under some commercial constraint to divulge to organisations such as the PSA or any other organisation the exact commercial detail of the land. With all due respect to the PSA's document, I have responded in some detail on two occasions to its request for information. The Mitchell report makes a set of assumptions at which one must carefully look. One must have a general view about the value of the land. I think that has been one of the first errors in the report.

The Hon. R.G. PAYNE interjecting:

The Hon. M.K. Mayes: I make no comment about Mr Mitchell following on the honourable member's comment. A lot of things go through my mind; I could think of a couple of one liners, but I will withdraw from the temptation. When one looks at the value of the land, one sees that it varies according to its use. If one puts a housing development on one location and a shopping centre on another, the value of those hectares will be different. If one has a site on a main road, it will be of different value than if it is off the main road. If it is commercial or residential it will be different, and that has to be taken into account.

Indeed, this aspect has been taken into account by the Government's economic advisers in deciding on the value of the land. Cabinet and the departments went through this whole exercise *ad nauseam*, to a point of almost total exhaustion on their part, to make the best possible decision in the long run. The economic analysis concluded that the cost of developing land in the most outer part of the metropolitan area—in suburbs such as Burton—would be about \$15 000 per block as against about \$1 500 per block in the Northfield area.

The overall net gain to the Government is quite significant. Depending on which equation one uses and the values that one puts into the equation in terms of land values, etc., there will be between \$5 million and \$15 million net gain in the short term. That is nothing to say of the long term gain with the hidden costs that are encountered not necessarily by Government but by the community because of schools, etc.

So, the net gain is there and every economist in the Government that has looked at the problem has come up with a similar figure—some higher and some lower, depending on the figures put into the equation. So, that is the ultimate decision in regard to about 260 hectares at Northfield. In terms of my responsibility to the department and the industry, I must ensure that we have the best facilities to house, in another location the research and extended facilities at Northfield. I made a judgment based on advice from the working party, which advised the department with regard to the Field Crop Institute. It came to the raw and, what I thought to be, insurmountable position that the Field Crop Institute required 20 hectares at arm's length from the research laboratories. As a consequence, I have been disabused of that view, because the UF&S now says that it is critical to have access—and I do not question this—to intellectual resources and services in preference to access to the actual broad acres for field research.

In view of that, I am happy to withdraw my position, which I put to Cabinet, regarding the FCIC going to Roseworthy and to throw open the situation for the steering committee that has been established under the chairmanship of the Director-General to look at the whole issue. The steering committee met on 8 August in the Agriculture Department conference room. The steering committee consists of the Chairman, Dr John Radcliffe; Mr Don Pfitzner, the President of the UF&S; Mr Rob Smyth, the Chairman of the Advisory Board of Agriculture; Professor Jim Quirke, the Director of the Waite Agricultural Research Institute; Dr D. Reuter, the Officer-in-Charge of the Northfield Laboratories; Dr Andrew Scott, the Project Manager of the Department of Agriculture; Dr Barrie Thistlethwayte, the Director of the Roseworthy Agricultural College; Mr Glyn Webber, the Director of Plant Services; and Dr Chris Provis of the Public Service Association. The Public Service Association has now joined the committee, about which I am very pleased. I welcome their contribution.

The working party or steering committee has been looking very carefully at the whole issue of the resources. I understand the point of the honourable member's question and I realise how important it is to the rural community.

Our early estimates suggest a replacement cost for those facilities to be about \$20 million. That would involve all those facilities being relocated. The steering committee has an option that it may be optimum for a very small number of those facilities to remain at Northfield. The steering committee is looking at that. The Director-General may wish to comment about it in a moment, but it may be better to relocate all facilities from Northfield at another site. There is no secret that we are looking at a number of

locations, including Waite. The steering committee has a broad brief to consider a whole range of options for Waite. I do not think that Roseworthy will be excluded from that equation. I have been lobbied very hard by various sectors of the rural industry. The relocation was probably the most common topic that was raised with me by every industry group that I met during show week. There is a very mixed view about where things should go.

It is fair to say that the horticultural industry will probably be looking at the relocation of their facility to Lenswood. Various sites are being debated for the piggery, and I have not pre-empted that. I give a commitment that I will work my butt off to ensure that, with the relocation of our Northfield facilities, we have the best possible facilities for our staff to work in so that they will be able to continue their excellent work and maintain their excellent reputation, not only in this country but also overseas, as a facility of excellence. Given some of the facilities there that have been converted from old houses and old grain sheds, we will not have to work too hard to improve them, but I would like to see the best possible facilities there.

Given the net gain to the Government, that is a possibility that has to be encountered by Government. That is my brief. I know that the Director-General is working energetically. Cabinet wants a report back from the steering committee as soon as possible, and the sooner, in my opinion, the better, because that will mean that we can get on with planning sooner. The Director-General may like to give the member for Eyre some further detail on the progress of the steering committee.

Mr GUNN: Including the request from the Northfield High School?

Dr Radcliffe: The steering committee has been meeting every Monday, which has not been entirely convenient for all the participants, although they have accommodated that pretty well. We initially met in the Grenfell Centre, and we have received a brief from the Minister. We met at Northfield and inspected the piggery facilities, the horticultural facilities and the laboratories. The pig industry, through the members of the Swine Compensation Fund Committee and the Northfield Pig Liaison Committee, is addressing the issue at industry level as to its relocation, and it is my impression that the piggery cannot viably remain at Northfield in the long term.

In terms of horticulture, we visited Lenswood and the Waite Institute and looked at a number of possible sites that were pointed out by Professor Quirke. We have considered some of the planning constraints on the Waite Institute site, and there do not seem to be major difficulties in that area. We also visited Turretfield and Nuriootpa on Monday this week and spent half a day at Roseworthy looking at various sites and facilities that Dr Thistlethwayte pointed out. Next week we will be visiting the animal resource centre at Northfield and will again visit the Northfield laboratories. We have also visited the Frome Road Central Veterinary Laboratories and the facilities of the Division of Chemistry in Wakefield Street and Divett Place. The aim of the group is to look as widely as possible at all possible options that would be available for those components which might be better relocated from Northfield in terms of the decision taken by Cabinet. The objective is to bring down a report as soon as possible, probably within the next month or so.

With regard to the high school, it has had expansions of land on two previous occasions, during both of which I was actually the officer in charge at Northfield and living on the premises. I guess it involves a matter of the value of that land for high school purposes—whether they can more

effectively use the existing land area or, alternatively, its use in terms of housing. It is my understanding that the area of land that they aspire to acquire has a value in excess of \$1 million.

Mr GUNN: I raise the matter of the South Australian Government's attitude towards the continuation of the existing arrangements for wheat in this country and, in particular, the proposals of Mr Kerin. He has made three commitments to alter the domestic arrangements for wheat, dealing with the local market for feed wheat, denatured stock feed to be sold overseas, and the underwriting arrangements. It is fair to say that this matter has attracted considerable media attention around the nation.

As I understand it, at the last Agricultural Council meeting, the South Australian Government's position was to support the proposition put forward by Mr Kerin, while a number of other States, including Victoria, strongly opposed it. As I understand the situation, if the Commonwealth Government attempts to legislate, they will need complementary legislation to be passed through the South Australian Parliament. I believe that Mr Kerin will have grave difficulties, because my colleagues tell me that Western Australia would not support the legislation, and the Opposition has the numbers in the Upper House to block it. The Liberal Party in this State has made clear that it will not support these proposals, and I understand that the Victorian Opposition's position is the same as that in South Australia.

Therefore, in view of this strong opposition, can the Minister assure this Committee that he will not be supporting any action unless it has the support of the Grain Council of Australia and a majority of graingrowers in this State, because there is considerable concern in the grain-growing community? The debate that has taken place has had some benefits. It has at least given growers the opportunity to express a point of view, and the industry has been able to explain the complex nature of grain trading not only in this country but also on an international basis. Unfortunately, some information has been passed around that has been less than helpful in this debate, and reflections have been made on people that have been not only unhelpful but also grossly inaccurate. It is very important that the Minister clearly indicates where the South Australian Government stands on this issue.

The Hon. M.K. Mayes: What the member has said when portraying my position at the recent Agricultural Council meeting is not exactly true, but I will come to that in due course. A good deal of misunderstanding has been conveyed to the rural community and particularly to grain producers. I am not singling out anyone here as being involved in that, but there is a very large misunderstanding. The advice I have received from officers attending some of the public meetings held recently, including meetings at Lameroo, Gladstone and Wudinna, is that a large misunderstanding has arisen and that we are talking about the export marketing arrangements being undermined. We must convey the message to the rural community that, although that was in the original working party report (the IAC report), there has been no suggestion on the part of any Minister that I know of that there be a removal of the sole operation rights, in the export area, for the Wheat Board.

There has been a large misunderstanding and, when people have had it explained to them at rural meetings, it eases a good deal of distress. The situation does not only represent different Ministers' views around the country but also different views within political Parties. The honourable member's own Party federally supports the Kerin plan.

Mr GUNN: No decision has been made at this stage.

The Hon. M.K. Mayes: Certain leaders have made statements in the Parliament supporting it. Whether or not a final decision has been made, obviously a large degree of difference of opinion exists throughout political and rural industry groups. My position has been one which would enable us to come to a decision after we know exactly what is going to happen and what the Commonwealth will do. We do not know at this stage how the Commonwealth will do it or what it will do in the process. Certainly John Kerin has indicated that he is looking at a time period of phasing out the domestic regulatory system.

Some merit exists in arguing that, and I have acknowledged that the producer receives top card price on the basis of the export price. In my opinion that means that it is a one-way trip. That in itself warrants some suggestion of review. Whether or not we come up with a conclusion that it should be deregulated or rearranged is open to debate. We must be consistent and that is where members of the Federal Liberal Party are attracted. Certainly the President of the Liberal Party made utterances supporting total deregulation of grain handling in this country not only for domestic but also for export purposes. I cannot be accused of anything in this light because the head of the Liberal Party in this nation is advocating the very thing that people are accusing me of not doing, namely, making a clear decision about maintaining the regulatory nature of the industry.

It would seem that if the process John Kerin pursues is one of extending permits, tying that with underwriting or looking at a different pricing mechanism, as against removing completely the regulated market on the domestic scene, there might be some merit in looking at what is being proposed. There are numerous ways in which the Federal Minister can do that. There is probably a negative legislative process in which he can engage or a pro-active one by bringing in amendments or removing sections of the existing Act for that to proceed. A debate exists on whether there is a need for complementary State legislation or whether there must be adjustments within State legislation to allow that to occur. It would seem that he might have the numbers to get the whole process through both the House of Representatives and the Senate federally. If that is the case, when we are dealing with a reality we in this State have to decide how we will fit in with what happens in those circumstances.

Again, I have to try to pre-empt or determine what might come out of the whole process of the Federal Government's legislative program. I am personally attracted to a slightly more flexible system. I strongly endorse the continuation of the Wheat Board as the sole export authority. I would think that there could be some loosening up of the permit system and some review of the pricing structure in terms of being more equitable to everyone. Efficiencies could be gained in the whole process of what we are looking at in terms of the question of grain handling which would have no impact on farmers' incomes at all yet allow us, when we go to the international stage, to argue clearly that we are not a regulated domestic market. The Americans do not miss the chance to stick in the boots and say exactly that: that we have a regulated domestic market and that we ought not to be preaching to them about deregulation on the world scene. Many are fully aware of how regulated is our domestic market and that we have a fixed price structure.

I intend to take a proposal to Cabinet and will not pre-empt what my Cabinet colleagues think as they may have a totally different view from mine. I leave open my options. I did not at Agricultural Council openly endorse a fully deregulated proposal. I said that it was important for the Federal Minister to look at the options and for us to look

at what he came up with in trying to pick the best proposal that had a basis of equity and justice for all in the industry. That is basically where I stand at the moment.

Mr GUNN: On another subject, the Minister would be aware that throughout the State many people have been drastically affected by the unfair, unreasonable and quite disgraceful manner in which the Vegetation Clearance Authority has treated them. I know that the Minister's officers have been involved in assisting people making representations before that unrepresentative body, which seem to wear a set of blinkers and have little understanding of the hardships it is creating in many parts of the State. Will the Minister consider having his officers make representations to the Department of Environment and Planning to ascertain whether it can arrange for a better system of assessing? Can Department of Agriculture officers be involved in assessing and making recommendations to the Vegetation Clearance Authority, because most of the advice which comes from the Department of Environment is biased against the farmer?

On almost every occasion on which I have appeared before that body the departmental officers have put forward a recommendation of no clearing. In marginal areas west of Ceduna there is much land suitable for responsible development and it is important to involve the practical people in the Department of Agriculture, who have a long history of involvement with the farming community, are respected and accepted unlike this new generation of people in the Department of Environment and Planning who are more interested in academic qualifications than in understanding how to deal with people. Will the Minister have his officers make representations so that this unproductive arrangement can be improved as it will have an effect on the funds his department may have to supply to areas devastated by the drought?

The Hon. M.K. Mayes: That is a fairly aggressive statement.

Mr GUNN: I make no apology for it.

The Hon. M.K. Mayes: I am sure you do not. I offer some defence of the officers concerned, as it is very unfair. One could say that perhaps this State has been the most cleared of any State in Australia. Many people set off hoping that the rain would follow the plough and it did not. My forebears were amongst those people as they farmed in areas which perhaps, on reflection, it would have been better not to farm. I do not deny that there are some problems with the Vegetation Authority, but the honourable member has taken a particular position. I understand that, as he has a rural electorate and a constituency which obviously expresses some frustration. I heard arguments on radio last week with various people with interests in the rural community saying that perhaps we have cleared too much country. That may be more general in the sense of what the honourable member is raising and there may be specific examples where his suggestions are quite right with regard to individuals. There may be regions where we should be grazing rather than cropping.

I have to defend the officers. I do not think they are as three-headed as the honourable member has painted them. Some of them have very good academic qualifications; I am not opposed to people having academic qualifications. I think that the Minister for Environment and Planning would probably acknowledge that there is always a chance to streamline and improve. Above a certain line in the Mallee, land was in better condition and could cope with farming much better than land below the line, but that land was allowed to be cleared and was poorer country. I am not only going on advice given to me. I have worked up

there, albeit some 20 years ago, and farmers talked about that very issue in terms of themselves, saying that a certain farm should never have been cleared; it should have been left and not farmed because it was poor country and would always be poor country, and it would get poorer the more it was farmed.

The Director-General is in the process of having discussions about this matter with the Chief Executive Officer of the Department of Environment and Planning. Our Director of Regions was involved in reviewing the Native Vegetation Authority administrative processes, so we had direct input. We have not been a silent partner in this process. I have had discussions with the Minister on several occasions and have had ongoing correspondence with various constituents throughout the State who have applications or pending applications.

The Director-General will be meeting with the CEO of the Department of Environment and Planning very shortly to discuss some further options with regard to improving the system. I do not think that I need to issue any instructions, as the Director-General has this in hand. No-one possesses all wisdom, and we can always improve a system. If we can assist in that process in any way as agricultural advisers, I am sure we will do so.

Ms GAYLER: Has the Minister any idea why the quality of tomatoes, at least those available in metropolitan Adelaide, has been so abysmal over what seems to be a year or more? Many consumers, mostly housewives who do their greengrocery shopping, have noticed this and would be interested in the reason for it.

The Hon. M.K. Mayes: I am still waiting for an apology from the member for Goyder about the dimethoate situation.

Mr MEIER: I must take a point of order there. I am amazed that the Minister expects an apology from me, because I am still waiting for the Minister to reverse the decision he made last year.

The Hon. M.K. Mayes: Tomatoes have been of great interest to me, having had a death threat to my family and various other things over the past year from people not necessarily in the industry but certainly associated with it. The debate goes back to the issue of dimethoate, and I stand by my decision which I think was most appropriate. Of course, it has proved to be correct in terms of the dangers to the community, which were exaggerated, and I think that the member for Goyder has joined in that debate. The National Health and Medical Research Council has given the all clear, as we were advised that it would, and the Health Commission in South Australia also gave the all clear.

I am not just going for the bash, because the growers here subjected me to a fair kick in the shins, but one of the largest chemical companies advised me that it was selling enormous quantities of dimethoate in the Virginia area. One must sometimes question these people who were putting advertisements in the media saying that they were selling chemical free tomatoes.

I will not name them because it would probably affect their sales, but many industries use large quantities of chemicals, and it is important to note that dimethoate was being used quite generously in our horticultural industry. So tomatoes in this State were not free of that chemical. Certainly, it is a chemical which is used quite generously in the industry, and we were in the situation of seeing our tomato crop, which was in a rather poor state, being placed on the Adelaide market.

My officers advised me that, during the period of this whole dispute at the end of last year, many of our top

quality tomatoes were appearing on the Victorian market. Obviously, there was no loyalty to this market in particular, but a loyalty to the price. I understand that: that is commercial operation. However, I do not appreciate people in the industry pleading that their markets are being knocked about because we allow a State of this nation, namely Queensland—which is part of Australia—to send its tomatoes on to our market. I think that that is fair and reasonable trade. Section 92, although we have a Federal Constitution, suggests that there should be fair trade between the States, and the High Court has upheld that on numerous occasions.

Ms GAYLER: The problem is that tomatoes right now rot within a couple of days of purchase. They just will not last. I do not care where they come from: they just rot.

The Hon. M.K. Mayes: We have to review our industry, and we have undertaken a rural assistance development fund grant for new crops for glasshouse tomato growers. We would like some major effort put into restructuring our tomato industry, which will offer consumers a better quality product at the time when our tomatoes are available. We will continue to have Queensland tomatoes come into this State, as they go into Victoria and other States of Australia as well as to New Zealand. If one recalls when the Queensland tomatoes appeared on our shelves, the quality was much better than the South Australian tomatoes which were on the shelves at that time. Certainly, they lasted better and my close advisers, my mother and my wife, said that they were much better quality than those available from South Australia. The interesting thing was that our top quality tomatoes were going to Victoria.

There is little loyalty in that sense to the South Australian consumer—but so be it; it is a commercial decision. We are looking at supporting our industry to help it restructure so that we can provide the quality of product. However, I think it is important to note that a lot of untruths were presented to the community during that whole debate—and these were from some significant people who I thought should have exhibited a more responsible attitude.

Ms GAYLER: I think that at some stage the pest program included a subsidy arrangement to local councils for management and destruction of European wasps, when they were located in a particular area. The Tea Tree Gully council, in my electorate, has advised me recently that the subsidy has been withdrawn. Can the Minister explain what the situation is in relation to the removal of the European wasp?

The Hon. M.K. Mayes: At the outset, let me say that the department does not regard this as its responsibility—and I support it in its decision, as the wasp is not an agricultural pest, as one would normally define an agricultural pest. There is some minor irritation at the fringe, but I would have to say that, from our point of view, it is not something that we regard as our responsibility. The wasp has been prevalent in parts of the Adelaide Hills and in other parts of the State for many years. We have assisted with an education program. The honourable member might have a poster of the European wasp in her electorate office, but if not I will be happy to supply her with one. This helps people to recognise the wasp, and it is useful to supply these posters to schools. It is wise for kids to know the difference between the wasp and the bee, and certainly the native bee. An educative program is important.

As for eradication or extermination, in our humble opinion it is not possible. The wasp is a pest in the community, but it is not something with which we necessarily want to be associated, as we do not see it as being within our portfolio brief at all. We believe that, as a community health problem, it is a local government responsibility. However,

we will provide technical advice if need be, but that would be only as a secondary back-up to those services that are available. We have those little plastic sealed containers with a wasp inside, which are useful for identification or to show school kids what a wasp looks like. I have done this in my electorate. I know that my son can identify a wasp at 20 feet. I know that all the kids at his kindergarten know what a wasp looks like. I suggest that the honourable member take up the matter with the Minister of Local Government and also that she work on this through local government agencies.

Ms GAYLER: There was an article in last Friday's *Financial Review* about the recent announcement by the Commonwealth Minister for Primary Industry (Mr Kerin) on the imposed so-called voluntary restraint system to apply to exports of beef to the United States. Can the Minister advise the Committee of the likely impact of that on South Australian beef exports?

The Hon. M.K. Mayes: I suppose one could cite this as another example of double standards. I noted the radio and press debate which surrounded this issue and the reaction of the industry. I observed that the various leaders, such as the President of the Cattle Council, and the beef exporters as well, were very angry about this announcement. On the advice that I have seen presented, I do not believe that it will have any significant impact on our beef prices or our industry. I think the breakthrough with Japan has been very significant for our industry. It reinforces the need for bilateral negotiation as well as multilateral negotiation, through GATT, and the negotiations that are being conducted by the free traders, the Cairns group. Again, this highlights the sort of self-centred decisions that can emanate from some of these countries; they put themselves forward as friend and colleague, in the same boat with us, but one can find that one is in the dinghy while they are in the main ship. They want to reap all the rewards and returns, while we suffer from something of a secondary effect arising from whatever they decide in the marketplace.

It is not good and, again, it highlights the lack of discipline that they exhibit in relation to agreements that we have with them—and they do it time and time again. I do not want to bore members in referring to the contact that I have had, but in one instance the Director-General and I had a discussion with the Secretary for Finance in Washington, and it was the most extraordinary discussion that I have ever encountered, where a man basically denied the truth, that they were going into our home grain markets. How does one deal with that, when one has no common ground? We know that they are going into our grain markets, which are meant to be by agreement. They are going in there selling and undercutting with a subsidised price, and that seems to fly in the face of all reason. So, we have these ongoing problems. It must be extraordinarily frustrating for our international operators or for the Austrade people, or for the negotiators in the Wheat Board and the beef industry because one comes to an agreement and then encounters a sudden change.

Mr MEIER: At the outset, I want to refute totally the implications of some of the answers that the Minister gave to the member for Newland in response to the question on tomatoes. This is not the time for me to pursue the matter further, so I will address the Minister's comments at another time. However, I was disappointed with his answers—and I think I speak on behalf of many of my constituents in that respect. Further to the member for Eyre's question about the Northfield situation, I am very worried at the Minister's seeing that the sale of the Northfield site as an opportunity for a possible quick financial gain for the State.

Has the Minister given due consideration to the need for the additional second generation parklands, which to some extent have been identified already? To me, it seems a contradiction that a previous Minister of Agriculture should bring in native vegetation controls, which have upset many rural people, while now we are not taking the opportunity to revegetate a large tract of land to create, through secondary vegetation, a wooded area. Some years ago I was very privileged to be in West Berlin. I was taken to a forest there right in Berlin—which I nearly got lost in. I was told that wild pigs can attack people there from time to time. It was a magnificent forest, and the thing that amazed me was that at the end of the war there was not a tree there, apparently, as they had either been destroyed through bombing or afterwards people had used the available wood to keep warm.

So, since the war they have created a forest close to the city and it is a magnificent attraction today. Seeing that a large tract of land may become available, will the Minister consider using that area as part of second generation parkland and, in particular, make it a forest area?

The Hon. M.K. Mayes: I thank the honourable member for his innovative thoughts. The idea had not crossed my mind as a third option. This would not be my decision and I believe that I would be run out of the State by the rural community if I proposed that Northfield be evacuated and a forest be established there.

Mr MEIER: Would it not be better than putting housing there?

The Hon. M.K. Mayes: I do not deny that the honourable member has a decent motive in asking his question, but I am following through on the practical political implications. About \$90 million worth of land is sitting there and it is not part of a second generation parkland area. That is, in fact, across the road and over the hill towards Gepps Cross. The honourable member's suggestion might win many hearts but, fundamentally, the economic argument must be considered first and foremost.

We are not in the same situation as Germany and we do not have the level of pollution that is encountered there. The Germans have virtually wiped out many large tracts of their forest areas by means of acid rain and other pollutants, and they have a specific need to overcome mass insecurity and doubts about their whole economy and the living style they have adopted since the Second World War. Their whole idea on over production and food supply stems back to their need for a supply of food so as to avoid starvation which they experienced in the 1930s, during the Second World War, and until about 1948. On the other hand, we have a different need.

Recently, we made an announcement about our native forest areas in the Arbury Park region. The areas being proclaimed are important to us, and the Minister for Environment and Planning has made a clear statement about preserving unique native stringy bark area just off the freeway. So, if we are to preserve our native forest areas, it will be those that get the priority. From my home in Unley, which is only five minutes from the city centre and 10 minutes from the foothills, I can be either at the seaside or in the Hills within 20 minutes, whereas in Germany that would be impossible.

So, economically I cannot see the honourable member's idea as an option, although I admire him for considering it. However, I would be lynched by my former colleagues at the Public Service Association every Monday morning for a number of years if we proposed to kick them off the Northfield facility to establish a forest there. Further, I must find the money to rebuild the facilities that have been used at Northfield. In this regard, money does not fall out of

trees and the finance must be found. About \$20 million is involved in rebuilding our research facilities, and the source of those funds is earmarked from revenue received from the sale of the land. In these economic times it is just too hard to contemplate such an alternative. We must have the money to re-establish the best possible research facilities for our staff and for the industry.

Mr MEIER: It is interesting to hear a Minister's speech on such a matter compared to the remarks of an Opposition member, when the Minister and his colleagues might have taken a different view on the use of this land, but I acknowledge his reply.

Concerning the Minister's reply to the member for Victoria, who asked a question about the Kadina office of the Department of Agriculture, I am concerned that the number of staff at that office has fallen from nine to about three full-time equivalents since the office was set up. Further, if one of those three officers gets his transfer from that office, only two full-time officers will be left, even though Yorke Peninsula produces about 40 per cent of South Australia's barley, 30 per cent of its peas, 15 per cent of its wheat, and almost 1 million sheep, as well as many cattle and pigs.

There is a huge need for various departmental officers to be stationed at Kadina. Specifically, it is a tragedy that no full-time agronomist is stationed there. The agronomist there is also the senior district officer, and many of my constituents have complained to me that, when they ring the office, they hear only a recording because the officers spend as much time as possible on outside duties. Indeed, I have been told that only the other day a person who lost about 20 sheep on his property called the Kadina office but could not raise anyone, so no-one went out to his property within the next day or two. Is provision being made for at least one or two other positions to be created at the Kadina office?

The Hon. M.K. Mayes: One can open up in reply with a statement about the general budget situation. I should prefer not to be in that situation but, because of community demands (and one of the main groups advocating reduced public sector expenditure has been the National Farmers Federation), my options as Minister, after negotiations with the Treasurer and the Under Treasurer, require me to reduce the recurrent expenditure in the budget allocation because, in line with the vehement expressions from the Opposition against increasing taxes, we cannot increase taxes.

True, by increasing taxes we could probably provide more officers in the long term and this would bring great enjoyment to the whole community, although the Opposition, the National Farmers Federation and the United Farmers and Stockowners would undoubtedly attack us for increasing taxation in order to increase the number of Public Service bums on seats. So, I will not on this occasion let the Opposition escape from overall accountability because, if we were to have reduced numbers in the Public Service (and the Leader of the Opposition harangues the Government to do that), that would entail cost, and that cost would be in the real world.

I hope that, when the member goes out there and his constituents ask him about this matter, he will explain to them that, if those officers are to be replaced, it rightly requires increased taxation, because when one keeps calling for reduced taxation in the community a cost is attached, and that cost is reduced services. This is the very area in which this occurs. The present positions in the Kadina office are currently under review. As I indicated in my general comments, decisions about the relocation of resources are being left to regional managers. The priorities for the central region, in which the Kadina office falls, will be a decision

for the regional manager in that area. So, with the soils officer being stationed at Clare, the animal health adviser and the agronomist-cum senior officer being at Kadina, the regional manager, when making a decision about those resources, will have to weigh up his priorities in the context of the region's budget.

Mr MEIER: While fully acknowledging the Minister's point of extending rural counselling services, and realising that Eyre Peninsula is a specific exception, I feel that, if there were increased services in terms of officers to regional departments, some of the problems might not have occurred in the first place. We could argue further on that, but time does not permit.

Is the Government aware that Gulf Industries, a grain receiving company, went into receivership earlier this year and has since gone into liquidation owing unsecured creditors something in the vicinity of \$2 million? About 150 unsecured creditors are owed an average of just less than \$10 000 each, but most of the constituents who have approached me are owed in the vicinity of \$20 000 to \$40 000.

The Minister would be well aware that such a debt has a significant impact on farming operations. It would appear that these people will receive no money at all. Have there been occasions in this State when a company has gone bankrupt and the Government has come to the assistance of either the rural producers or other people and is the Government considering any sort of reimbursement for the 150 rural producers who have been affected by the collapse of Gulf Industries?

The Hon. M.K. Mayes: The answer in relation to Gulf Industries is that it was not able to compete in a commercial environment. That does not wash away the hard economic fact of the impact of their failure on rural producers. It is a commercial environment and Governments do not get involved in bankruptcy cases. I have a friend who recently went bankrupt in a small business and no assistance has been offered to him. It was a commercial decision. His business did not go bad: another company on which he relied failed to support his income and, in the process, he became one of the unsatisfied creditors.

That example is repeated daily. In a commercial environment it is not the role of Government to get involved in bailing out companies that are in difficulties. If we can offer advice, we do so and, if it is critical in the industrial sense and if it is in a major manufacturing or primary industry area, assistance may be offered. When we are talking of regions, I am sure that assistance has been offered, but in a commercial sense, where it involves a local industry in a competitive environment, assistance is not normally offered.

Certainly, the Government does not pay out people who are unsatisfied with a company in terms of their outstanding debts; the receivership process is normally followed. If the Government got involved in that sort of situation, it would be to suggest that the Government should run the whole State because it would be involved in every enterprise and bail out everyone.

Mr MEIER interjecting:

The Hon. M.K. Mayes: That would be centralised socialism, as the honourable member has suggested. He may have his views about that as well, but I will not embark on that debate.

Mr MEIER: It has been put to me that the Government has previously come to the aid of such people, and I wonder whether the Minister has any information about that.

The Hon. M.K. Mayes: I would be happy to supply the honourable member with that information if he wants to put the question on notice. I think that 7 October is the

deadline. There are a variety of things that the Government could tap in on. In many ways we offer farmers assistance in that form of debt reconstruction. We certainly do not offer grants: it is on the basis of loans, and it is not available in that form to rural industries. We specifically target failing producers, but national export industries are assisted by the Government—not necessarily before they go bankrupt, but in order to establish their businesses in export dollars. That is slightly different, but I will take the question on notice.

Mr GUNN: There has been considerable discussion recently amongst people involved in horticulture and growing fresh fruit and vegetables about the need for a Farm Produce Agents Act and for legislation to cover grade standards. The Minister and I, and indeed a number of members, have received correspondence from the Tomato Council of South Australia and a number of other organisations involved in similar industries. I quote an extract from the letter, as follows:

Also, to protect growers in the State and interstate a Farm Produce Agents Act is necessary. I believe that here again South Australia is the only State in Australia without such an Act. It is time this was rectified.

The gentleman who wrote this letter says that we need 'legislation to cover grade standards and legislation to require all fruit and vegetables sold to pass through the Adelaide wholesale market'. There are a number of other suggestions. Can the Minister say whether he intends to legislate or what the attitude of the Government is? A number of these suggestions I could not personally go along with, but I raise the matter because I believe it has already been generated from the controversy that arose earlier in the year in relation to the importing of tomatoes from Queensland and the concern expressed about the treatments to which those tomatoes were subjected. Can the Minister inform the Committee of the Government's attitude, particularly in relation to grade standards and the proposed Farm Produce Agents Act?

The Hon. M.K. Mayes: Do I detect slightly that the member for Eyre is not totally in favour of total regulation? This is a refreshing change by the Opposition, which has always attacked the Government as being the Party of over-regulation. Every time I put up a proposed deregulation I have been hounded and abused by the Opposition benches for removing what is said to be an important regulation.

Mr GUNN interjecting:

The Hon. M.K. Mayes: I cannot resist it; I think there is a subtle crack in there. It always strikes me as interesting that the Party of free enterprise is so keen on regulation. The Farm Produce Act and grade standards are two separate issues, as is the dimethoate treatment program for tomatoes. I will deal, first, with the Farm Produce Act. I think it is fair to say that at this point of time the Government, although it does not support the concept of the Farm Produce Act, does not have a closed mind or a steel trap on it. It is open for further discussion.

A working party of industry representatives is progressing very positively in looking at a voluntary self-regulatory process within the industry. The Farm Produce Act will offer some security and protection for growers and also, to some extent, for agents, although primarily the benefits are for growers because of the insurance that they would have (metaphorically speaking) of payments in regard to their produce which they have delivered with all good conscience and sincerity to the agents to sell. I have accepted the process being entertained by the working party looking at it at the moment, and I have given my indication to the members of that working party that we will be happy to look at any processes if they do not succeed in getting that in place. I would be happy to go back to Cabinet to do so,

and I have given that clear indication. In fact, Cabinet has given me a riding instruction to look at the Farm Produce Act in that light.

As to minimum grade standards, it is important to note that Cabinet looked at that matter fairly carefully and came down fairly soundly of the view that the consumer ought to have the option and opportunity to make the decision about the quality of the product that they purchased and the price at which they purchased it. There is a fear amongst some members of Cabinet that we might find a situation where a certain quality of product was not being presented at a particular price, and that this would exclude those less well off members of the community, better known as the poor, from the opportunity to purchase products: it was feared overwhelmingly by Cabinet that they would be excluded from getting a proper dietary balance by not having options to purchase that type of product.

If circumstances suggest other than that and various groups say that they will dump inferior products on the South Australian market, and indeed if that becomes an overriding theme of the people who market those commodities, I will be happy to look at it again. In the current circumstances and environment, minimum grade standards are really in some ways an overregulation and would in fact be an inhibitor to market forces—also better known as 'free enterprise'—taking place, thereby providing some barriers to the options which normally present to the consumer and agent.

The dimethoate issue is a separate matter. We went through that process very carefully to ensure that we protected our industry from the possibility of illegal fruit being presented to the market containing Queensland fruitfly, probably wiping out a \$40-odd million industry in this State in one fell swoop. It was the best and most responsible decision that could be taken, and I would do it again. I stand by it. As I said before, many of the comments made by various sectorial groups within the industry were untruths, misleading and designed to put fear into the minds of the public. In the final wash-up, it has come out as the right decision, and certainly the prices that consumers were paying initially for tomatoes, when Queensland tomatoes were excluded, were just outrageous.

There is also some suggestion of market manipulation. In the end, when the Queensland fruit presented itself, it was much better quality fruit than that which was being presented locally. At that stage I think our best quality fruit was disappearing over the border, and certainly at a much more acceptable price to the consumer.

Mr GUNN: Returning to the problems of these people who are affected by the abnormally dry seasons on Eyre Peninsula, including the Far West, it has been highlighted again in an article in today's *Advertiser*. Can the Minister give an assurance that the department will take a flexible view towards these people who have been placed in such difficult circumstances and, if there is a reasonably long-term chance that they will be viable, assist them to trade out of their difficulties? Does the Minister believe that he has adequate funds to assist those people? Is an adequate build-up of funds available to allow restructuring and for adjoining neighbours of those who wish to leave the industry to purchase their properties without unduly affecting their economic viability, which is a very important aspect of assisting many of these people facing such difficult circumstances that have been brought on by conditions outside their control?

The Hon. M.K. Mayes: I thank the member for his question and for the way in which he has responded as the shadow Minister. He has handled his responsibilities very carefully and sensitively. This has been the major issue that

has preoccupied my mind for the past two months. It is certainly something to which I have tried to find the solution from every possible angle. Unfortunately, I do not think I have been successful in finding any radical new solution. I know that senior officers of the department have been turning themselves inside out when looking at the options and how we can address this in the most constructive way, fundamentally so that we can ensure that our farming community continues to farm, and so that we have the people and the resources there and, should a good season return, they can respond to that good season, produce agricultural commodities and provide for the wellbeing of their families in the future.

Our responsibility as a community is to ensure that the future of the region is assured. I do not think we can assure individuals that they will retain farming as their predominant vocation. I am probably the product of the late 1940s and early 1950s move as part of the evacuation of my parents' farm. Members may wish to make their own comments, assumptions and analysis of what that brought to the community but, in terms of our overall farming resource, we have seen many structural changes in farming over the years. Whichever region one visits, particularly those that have been farmed for the 150 years that Europeans have occupied this land, numerous areas present themselves as having previously been rationalised. In a broad and general sense, I can give the commitment that the member wants. A number of factors affect it, and it is all very dependent on what is happening with regard to land prices, the individual expectations of people within that region, their personal commitment, their potential as managers, and their skill at financial and agricultural management.

In an overall sense, we can give a general assurance to those people who are, in the long-term, viable. We can do more now with our rural assistance scheme than we could last year. We can offer those people better options than we could last year. We are able to present ourselves with a whole range of options in terms of special farm build-up loans. It is a much more attractive package with security arrangements and interest rate alterations. The very nature of the assistance that we offer is much more flexible and will provide us with a greater option to deal with the very problems that people present to us with regard to their farm business.

In the general sense I can give the honourable member that undertaking. It has to be somewhat qualified by the circumstances surrounding the market environment in which that individual farm may present itself, but I hope that those people in those regions who have a long-term future will continue there. Nobody wants to see anyone leave their farm, least of all the department or myself. I hope that this package will be applied in the most sensitive way.

I refer to the most important and critical issue that we are facing as a department and a Government in the rural area at the moment, with due respect to other problems we face. I refer to the Director-General's review of the Rural Assistance Branch, which has provided us with a further sensitivity. The Principal Rural Assistance Officer is well in touch with the situation. We endeavour not to have people closetted in the black stump. We want people to know who they are and how they will be dealt with.

I have had discussions with the UF&S about a scheme we are looking at in terms of an improved mechanism for rural assistance. At this point we have not pursued that but we will if circumstances present and we need to further improve or enhance the system to make it more sensitive to these people. I know how the member for Eyre has operated in the past and know the type of people he is

talking of and I believe we could help those people so that they stay there and continue farming in that region. The member for Flinders is also present and he is vitally interested in these issues and has an ongoing concern himself. I am reasonably confident that I can keep that commitment.

Mr GUNN: I refer to a considerable controversy at the time of the passing of the new Agricultural Chemicals Act. Concern was expressed by people and farmers in the industry about the use of chemicals. People had various mixtures they used to control chemicals. Will the Minister give an undertaking that the process of consultation and review of the operation of the Act and regulations will ensure that all reasonable requests for modifications will be given adequate consideration so that people's ability to carry out day to day spraying operations will not be unduly affected?

The Hon. M.K. Mayes: I will not give a lengthy explanation in view of the time. The answer is 'Yes'.

Mr De LAINE: I refer to page 384 which deals with the animal industries program. I note the good news that the State's cattle herd has been declared free of bovine brucellosis and impending free of bovine tuberculosis. Testing of the State's domestic and feral deer population for tuberculosis has been completed. Is there any intention to continue a random testing program in the future?

The Hon. M.K. Mayes: The eradication of brucellosis in South Australia has been extraordinarily successful. I congratulate the departmental officers involved who have handled it with a great degree of professionalism and skill. The industry has bitten into the issue solidly and it has been successful. We have had a couple of breakdowns in the program. Since July 1987 we have had three breakdown cases of bovine tuberculosis reported on three northern pastoral areas. The eradication by destocking is already underway on two investigations into action required and the third is proceeding. No brucellosis infection has been detected in the past 12 months. Expenditure on the campaign in 1987-88 was as follows: general operations, \$1.3 million; compensation, \$600 000; and, additional assistance (freight), \$163 000. For 1988-89 proposed expenditure is as follows: general operations, \$1.27 million; compensation, \$694 000; and, additional assistance, \$457 000. South Australia has become officially free of bovine brucellosis and almost free of bovine tuberculosis as of 1 January 1988, which is a significant gain to our industry. I will not comment on progress in the Northern Territory, but we may have some problems with their cattle as it is not free of such diseases. Queensland is also not free of such disease. We obviously have shipments of cattle coming down to South Australia from the northern regions.

The CHAIRMAN: I note that there are no further questions and declare the examination of the vote completed.

Minister of Agriculture, Miscellaneous, \$12 649 000—
Examination declared completed.

Works and Services—Department of Agriculture,
\$7 065 000—Examination declared completed.

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

Recreation and Sport, \$6 971 000

Chairman:

The Hon. T.M. McRae

Members:

Mr D.S. Baker
Mr M.R. De Laine
Mr G.A. Ingerson
Mr E.J. Meier
The Hon. R.G. Payne
Mr P.B. Tyler

Witness:

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

Departmental Advisers:

Mr G. Beltchev, Chief Executive Officer, Department of Recreation and Sport.

Mr D. Harvey, Director, Racing Division.

Mr D. Pullino, Finance Officer.

Mr R. Jones, Director, Operations Division.

Mr B. Smith, General Manager, TAB.

Mr P. Morrissy, Secretary, Betting Control Board.

Mr J. Miller, Director, South Australian Recreation Institute.

Mr G. Forbes, Manager, Administration and Finance.

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

Mr INGERSON: I do not wish to make an opening statement.

The Hon. M.K. Mayes: The Department of Recreation and Sport has undergone a major re-organisation during 1987-88 and the new structure now in place is reflected in the PPB papers. Program 1—recreation, sport and fitness has been incorporated within program 2—development of recreation, and program 3—development of sport. This change in programs reflects the expanded role of the South Australian Sports Institute and the creation of the South Australian Recreation Institute within the Department of Recreation and Sport.

All grants to sporting bodies are now administered through the highly successful South Australian Sports Institute by means of sports plans which replace the old development plan process previously administered by the Sports Development Unit. The sports plan process is less cumbersome than the development plan process, as sporting bodies no longer have to spend inordinate amounts of time and effort providing details to enable departmental officers to assess applications. Staff of the institute now work closely with individual associations in preparing their sports plans; therefore officers are devoting more time to the development of the plans rather than their assessment.

In previous years only the 'elite athletes' were catered for by the Sports Institute. However, under the new structure all sporting associations are catered for by the institute. Similarly the creation of the South Australian Recreation Institute, which has been modelled on the Sports Institute concept, ensures that all recreation associations are similarly catered for.

Staff of the Recreation Institute work closely with all recreation associations in the preparation of recreation plans. This is similar to the sports plan concept and is a vast improvement on the development plan process previously administered by the department. The Recreation Institute covers all facets of recreation from the establishment and maintenance of the very successful Heysen Trail (which won a State tourism award, is now in the national category

for tourist awards, and must be acknowledged as one of our major tourist attractions as well as a major recreational activity) to the development of a unit within the Recreation Institute responsible for the setting and maintenance of standards for playground equipment and design.

The number of children injured every year through accidents associated with faulty or poorly designed playgrounds reflects just how imperative it was that a playgrounds unit be established in an endeavour to reduce the frequency and severity of these injuries through the installation of properly designed and constructed equipment.

Another role undertaken by the Recreation Institute is the provision of grant moneys in the area of fitness. However, under the old structure fitness associations could apply to the department for grant moneys under the development plan process and staff would then assess these applications. Under the new procedures grant moneys are made available to those associations or bodies who are experts in the areas of fitness, that is the Health Development Foundation, Road Runners, etc., to enable those bodies to undertake courses or training programs previously administered by the department.

Therefore, while the department through the Recreation Institute is still vitally involved in the fitness area, less staff time is devoted to the assessing of individual grant applications and running of programs, and more time is devoted to those bodies that are acknowledged experts in this field, by assisting them in the running of programs and courses for the dissemination of information. During 1987-88 two major inquiries were undertaken with regard to the racing industry: First, the Committee of Inquiry into the Racing Industry and, secondly, the Review of Profit Sharing. The major recommendations of both reports have now been adopted.

During 1987-88 the South Australian Totalizator Board recorded its highest turnover of \$316 294 267, an increase of 26.67 per cent over the previous year. The State's three racing codes have received \$17 433 011 from the TAB. The State Government share is \$16 447 740. This record injection of funds into the three racing codes is a major factor in the racing industry's unprecedented success. Since 1 July 1988 racing has become a separate division within the Department of Recreation and Sport following the transfer of the small lotteries function to the Treasury Department. The total recurrent budget for 1988-89 is \$6.971 million, a decrease of \$142 000 over the level of expenditure recorded for 1987-88. As with most Government departments, recreation and sport has lost resources due to Government initiated savings. However, despite this pressure almost \$4 million has been allocated to programs 2 and 3, the development of recreation and the development of sport.

The large decrease in proposed capital expenditure for 1988-89 over that recorded in 1987-88 can be attributed to the completion of the international hockey and lacrosse complex (\$4.715 million) and the purchase of the Samcor property from the Department of Lands (\$1.6 million) during 1987-88. In 1988-89 \$1.9 million has been allocated for the commencement of the construction of a velodrome at Sports Park. It is expected that, when completed, the facility will cost in excess of \$6 million, which demonstrates this Government's commitment to the cycling fraternity in this State. A total of \$350 000 has been allocated for the construction of a small bore facility in 1988-89. It is expected that the construction of this facility will be completed by the end of this financial year.

In terms of workforce statistics there will be a small decrease in the average number of FTEs employed by the Department of Recreation and Sport. This reflects the trans-

fer of the gaming function (three FTEs) to Treasury and the completion of Government initiated reviews of the racing industry (one FTE). It is important to highlight that the savings made in human resources have been made in administrative areas. This reflects the department's desire to minimise the effect of any Government initiated savings on the delivery of services to the public. I am pleased to inform members that the restructured department reflected in the PPB papers is providing a more efficient service to the community. The amount of Government moneys being utilised for administration costs has been reduced and a greater percentage of the moneys made available to the department are being reallocated to recreation and sporting associations through this new structure. In addition the role of the department within Government is becoming more widely recognised, and better use is now being made of the expertise that exists within the department, particularly with the Environment and Planning and Education Departments.

Mr INGERSON: The first part of my questions relates to clarification of budget and of programs within the Estimates. My first question, which is a fairly lengthy three-part question, is one which I would ask the Minister to provide for *Hansard* as I would be very surprised if he had this information to hand. First, how many cars permanently or regularly available to employees for travel between work and home are to be fitted with private registration plates? Secondly, during the past financial year what was the total amount of sick leave taken by employees? How many of those days of sick leave were not covered by a medical certificate, and how many days of sick leave not covered by certificate were taken on a Monday or day immediately before or after a public holiday? The third part of my question revolves around the sale or purchase of land.

How many land or building sales or purchases were made in the last financial year? Will the Minister provide an itemised list of each of those sales, giving the location of property, the sale price, the name of the buyer, and details of whether the sale was conducted by auction, was an advertised sale or by way of private negotiation? Which agent or agents handled the sale? What is the detailed budget program for the year 1988-89 for the sale or purchase of land or buildings?

The Hon. M.K. Mayes: As to the first question, the answer is one departmental officer. At present one departmental officer who has a separate function has a car with private number plates—and that is the Chairman of the Racecourse Development Board. That has been a practice for some time. With regard to sick leave, I will have to take that question on notice as I do not have that information. The Administration Manager tells me that that information is not available immediately and so I will take that question on notice and provide details to members by 7 October. As to the sale of land, off-hand I cannot think of any, but I will double check that. Probably the answer will be 'None', but I will advise the Committee accordingly if there is any area of land in which we have had any involvement.

Mr INGERSON: My next question relates to the difference between the figure provided at page 401 of the Program Estimates for payments from trust accounts and deposits and the figure in the budget papers. Can the Minister detail all the information in relation to payments from the trust and deposit accounts for the year 1987-88 and in relation to the proposed figure for 1988-89, as there is some \$2 million difference between those two figures? Also, in relation to payments of a capital nature there is a variation, although very small, of some \$50 000 between outgoing and the proposed figure.

The Hon. R.G. PAYNE: On a point of order, Mr Chairman, did I hear the honourable member referring to the capital side? Are we dealing with both recurrent and capital expenditure?

The CHAIRMAN: The proposed amount of expenditure before the Committee is separate from the amount for payments of a capital nature. My understanding is that the member for Bragg was originally referring to an item of payment from trust and deposits.

Mr INGERSON: For the four years that I have been involved in the examination of the recreation and sport portfolio the usual procedure has been to deal with both capital and recurrent programs as we go through. If that is not the wish of the Chairman on this occasion we will have to change it.

The Hon. R.G. PAYNE: I have no quarrel with it, although I think I can say with safety through long years of experience in other portfolio areas that it is unusual. However, if that is the rule, I am happy to accept it.

Mr INGERSON: We have normally done it this way, mainly because there are a lot of capital payments mixed up with general recurrent payments all the way through.

The CHAIRMAN: May I suggest that we demonstrate some flexibility, although if a question relates purely to payments of a capital nature we should leave that until we reach that expenditure. If there is a bit of a mixture, if the Minister is happy we can deal with it now.

The Hon. M.K. Mayes: I am happy to do that. In fact, having some accounting background I have an appreciation of the fact that once funds are generated in the recurrent style that expenditure can be recorded as a journal entry in an asset ledger. What has been referred to is a case of just that thing, in that there is a trust fund deposit which comes about through the Racecourse Development Board. Honourable members would probably be aware that the industry itself has some ambitions about major redevelopment, and it has built up a significant sum for 1988-89 expenditure. I cannot pre-empt—and nor would I dare do so—the board's decision, but one could always speculate that in fact it may be for a major works program.

Mr INGERSON: Can the Minister supply that detail for us, as it is obviously not available in the budget papers? We have been provided with a lump sum figure only.

The Hon. M.K. Mayes: The information is available on page 399 of the Program Estimates. The amount under Racecourse Development comprises the largest portion of \$3.2 million for 1987-88, with actual 1987-88 expenditure at \$2.642 million. I am told by the Chairman that, in fact, the board is salting away funds in order to fund a future major project that is on the agenda. That comprises a large proportion of payments from trust and deposits, and explains the large figure for the source of funds at page 401 in relation to payments from trust and deposits of \$4.866 million. Further, there is a fund which includes \$176 000 for State Association House; there is another figure for recreation development; and another for administration—making up the figure that we have in the final deposit account.

Mr INGERSON: As a supplementary question, can that information be detailed, because we are only given the total here. Can we have a break-up of that figure?

The Hon. M.K. Mayes: I have just given that break-up: \$4.6 million; plus \$176 000 for administration personnel for State Association House; \$58 000 for State publications, and \$32 000 for administration, making a total of \$90 000—which brings it up to \$4.866 million.

Mr INGERSON: My third question relates to page 397 and to the resources summary. The bottom line of receipts

shows figures of \$25 million, \$26 million, and \$24 million but they are not explained in any detail anywhere in the budget papers or in the program performance figures. I am aware that they involve a lot of amounts that again go into trust funds in Treasury. Can those figures be documented and supplied to the Committee in due course?

The Hon. M.K. Mayes: We can provide a breakdown of those figures for the Committee.

Mr De LAINE: Page 405 of the Program Estimates refers, under 1988-89 specific targets, to the recreation and sport fund review. What aspects of the recreation and sport fund will be reviewed?

The Hon. M.K. Mayes: There is no secret that we have had problems with soccer pool funding. In fact, it has placed severe pressure on our development fund resource in order to support our development program. After arguing successfully, I was given new moneys from general revenue to support our development fund. About \$200 000 was given me via the budget to make up a shortfall in soccer pools. This fund relies primarily on moneys from soccer pools and sports lotteries, which are vulnerable to market forces. This money is given in turn through the department as grants to recreation and State associations, so it is basically a filtering process: we draw it in and pump it out to the clubs. Unfortunately, however, to maintain the analogy, the blood supply has been reduced significantly and we have had to tap into a new source, so the Under Treasurer brought forward \$200 000 to do that.

In order to look at our overall operations and maintain our commitment to development programs, the Director will look at the overall operation of the fund and consider ways in which we can generate outside moneys to maintain our development programs. I hope that this will bring forward additional moneys to enhance our general fund and development programs for State associations.

Mr De LAINE: At page 398, under grants for the development of sports programs, sports were required in previous years to prepare development plans. Are these development plans still required for sports to receive recreation grants?

The Hon. M.K. Mayes: In previous years, the development plans required by sporting associations were complex and extensive, and much concern was expressed by associations about the time required to complete the particulars on the application form. From our point of view, there was a need to review their operations and certainly to enhance the information given, as well as for the associations to consider critically their own operations and long-term plans.

Discussions between the department and the State associations indicated that the plans, originally intended I imagine to enhance the development of the associations, were not meeting that purpose and that led to a review. So, State associations have now, through discussions with the staff and boards of the Sports Institute and the Recreation Institute, developed specific contracts to sport or recreation from the institutes. This removes the process of submission based granting which can lead to inaccuracy, and sport and recreation State associations now set their own priorities in a financial funding program as a joint fund with the relevant institute and State associations.

The State associations are now required to identify their priorities through a process of negotiation with the relevant institute. Those priorities are placed in the context of the total development of the associations, and programs are specifically funded. Ultimately, a sports plan or recreation plan is established which identifies the nature and extent of the support given by the respective institute on specific program items, the contribution of the association, the tar-

gets to be achieved, and the methods by which specific programs will be evaluated.

The introduction of the sports plan and recreation plan system has introduced major deficiencies into the growing process of the Department of Recreation and Sport, and we emphasise the following points. The State association is setting its own priorities. By the joint venture approach to the development of the association and by performance based funding, we have simplified the process considerably.

Mr De LAINE: Regarding the tremendous contribution to the community of the State Surf Lifesaving Association, I recently read with interest the association's annual report and noted that it cost \$265 000 in the last financial year to run the State body. Of this substantial sum \$60 000 was provided by the State Government. I know that this sum is greatly appreciated by the association, but it is only a relatively small part of its total operational costs. Will this level of funding be maintained or perhaps even increased?

The Hon. M.K. Mayes: The funding process, which now goes through our institutes, comes up with recommendations. It is a consultative process and the people involved in the recreation and in the sport, whichever is the case, have a council representative on the board of that body. Therefore, they have an option to be involved through that person who represents the industry as a whole. At present, there is no recommendation before me. The Recreation Institute is considering all those applications and, when I get the recommendations, a public announcement will be made as to funding.

Mr INGERSON: Can the Minister give details of the income and expenditure of the Recreation and Sport Fund for the year 1987-88 and the proposed income and expenditure for 1988-89?

The Hon. M.K. Mayes: The balance of the Recreation and Sports Fund at 1 July 1987 was \$736 000. Contributions for 1987-88 in the various areas were as follows: soccer football pools duty \$526 000; sports lottery \$314 000; payment of loans \$18 000; Footy Punt \$57 000; TAB fractions and unclaimed dividends \$4 000; sports betting \$5 000; total \$924 000. With the opening balance at 1 July 1987, the grand total was \$1.660 million.

Mr INGERSON: What does the Minister think will happen in 1988-89?

The Hon. M.K. Mayes: I appreciate the point. I hope that the Estimates are better than soccer football pools of \$526 000, but they may not be. What we hope to have is another fund source which may increase the overall quantity of money available within the fund. The department is working on estimates of \$520 000 for soccer pools; \$50 000 for Footy Punt; \$7 000 miscellaneous; and \$300 000 for sports lotteries, a total of \$877 000, which is slightly less than this year. On what has been happening in soccer football pools, it would be fairly reasonable to expect a further drop in income unless something was done to enhance our revenue source.

Mr INGERSON: My next question relates to a possible decision by the Government in relation to fixed odds betting. Can the Minister state the stage that this proposal has reached, when the committee will report and whether that report will be made public? As the Minister would be aware, all the involved codes are concerned about and interested in this matter. The public is concerned and so are the bookmakers. It seems that quite a lot of questions need to be asked about the whole area, the answers to which the public ought to know. Some examples are: who would set the opening odds; the sorts of problems with place betting; oncourse verses offcourse use; whether it will be for all codes or whether only one or two codes will be involved;

whether they will be bets on selected races; and whether the Government will continue to look at separate pools. The public is very interested in those issues and would like to know more about them. I therefore ask the Minister when this report will be put into the public arena.

The Hon. M.K. Mayes: The answer is probably never, and the reasons are fairly obvious. There is a commercial aspect to the report and it is a highly marketable product which the TAB has made and will probably wish to market, not only to other TABs but to other countries. The report would therefore contain highly sensitive commercial information. The report will be attached as part of the submission to Cabinet. It will be a Cabinet decision and will come to Parliament.

I assure the member that all his questions in regard to the processes will be answered and that there will no doubt be an opportunity for members to ask questions because legislation is required. I am happy to answer those questions as best I can without divulging any commercial secrets, because there is no wish to hide anything from the public. I appreciate the reason for the question because this issue is on the lips of virtually every punter in the community or anyone in the industry who is interested in whether or not it can work and how it will work.

I am sure the honourable member has heard many opinions, as I have, on whether or not it will work, but I will endeavour to give the House as much information as possible. I doubt whether I will be able to release the report on a commercial basis, but I think that we can explore most of the questions asked by the member for Bragg within the House and also within the public arena, if need be, as to who sets the odds and how the general program will be administered. Of course, we are all assuming that (a) the committee will recommend it and (b) that Cabinet will accept that recommendation. We have to run the gauntlet of Cabinet and numerous eagle-eyed Treasury officials if the recommendation does come back in the positive; so, it may be some way off yet. I hope to have the committee's report by the end of September. The Director is a member of that committee and many eminent people in the industry are also represented.

Mr INGERSON: My next question relates to oncourse telephone betting for bookmakers. I understand that another committee is looking at this issue. As the Minister would be aware, the questioning as it relates to fixed-odds betting with the TAB and oncourse telephone betting would probably run one for one on the lips of most punters. Can the Minister give us a general feeling about this report and when it is likely to be made public or brought before Parliament?

The Hon. M.K. Mayes: This is not of my doing and I would have preferred not to have it. I think that a fair bit of political shenanigans are associated with it in that some interstate people are pushing particular points of view. I would have preferred to look at it in a local sense.

Mr INGERSON interjecting:

The Hon. M.K. Mayes: There is not much that I can do about what they do. In a sense it has been taken over, but there are concerns about the implications of introducing oncourse telephone betting for bookmakers. Those implications have an impact on other States, and we will therefore have to be cognisant of the position that other States take with regard to our position if we decide to support oncourse telephone betting for bookmakers. I expect that the Jack Wright working party on fixed-odds betting will come back with some sort of recognition of the issue and perhaps a recommendation. I am not sure—and I cannot

pre-empt the report—but I think that that may give some springboard from which I can look at the issue.

As I said in answering a question from the honourable member in the House, I do not have a closed mind on this issue and I am certainly prepared to look at it generously because bookmakers are suffering a downturn in their turnover. None of us wants to see that happen. It is probably fortunate that the Minister for Water Resources is now a Minister because I am sure that she would pursue this issue of oncourse telephone betting if she was on the committee on which she served for the past two years.

Mr INGERSON interjecting:

The Hon. M.K. Mayes: I do not know; I am not sure and I have never counted it that way. The position suggests that we will have to look at it from a State point of view. I do not think that we can be tied by this working party, which resulted from a resolution of Ministers in May 1988. My representative at that time was the Director who, because Cabinet had not considered the matter in the context of what was happening at that time and the Nelson report, was not able to give a commitment about our position. By default we are part and parcel of it. Denis Harvey, the Manager of Racing, attends the meetings of the working party, which we hope will report before February 1989. We will have to consider the issue and make a decision before February 1989 on the way things are going. It depends on what happens with the Jack Wright committee and the reaction of bookmakers to Cabinet's decision after that report is issued. There are a number of variables in that equation.

I really cannot speculate at this time. All I can say is that I have a fairly open mind to the whole thing. There are very strong arguments for and against it. We have the Secretary of the Betting Control Board with us tonight, and I am sure that he would reinforce and add to those comments. I suggest that we would have to look at some mechanisms with the industry (the industry has a responsibility as well) if we want bookmakers at racecourses. It would be a strange Australian racecourse without a bookmaker being on the rails or in the derby. Who knows what 50 years will bring. I do not want to speculate on that. This working party set up under the racing Ministers grinds on slowly, and hopefully it will report one day. We may have to speed on to make our own decisions.

Mr TYLER: Looking at page 399, I note that expenditure for the Department of Recreation and Sport is \$1.7 million above the actual line for last year, and that \$2 million increase is proposed for the Racecourse Development Board. Why will that board spend more in 1989 than it did in 1987-88?

The Hon. M.K. Mayes: I thought I had explained that. Basically, I cannot comment on that because it is a matter on which the Racecourse Development Board will deliberate and make a decision. I am not sure at what the honourable member is hinting. Maybe I have been here too long today. The situation with regard to the development board's program would be that it was planning for a major expenditure in one of the facilities this year, and that would be the reason for the \$2 million expenditure above the 1987-88 actual.

Mr TYLER: Also on the same page, under the line 'Policy and research, Administration and inspections', an actual expenditure figure is shown but there is no allocation for 1988-89. However, a new line 'Racing' appears showing \$250 000. Can the Minister explain that restructure?

The Hon. M.K. Mayes: The two areas affecting those lines are, first, the elimination of supervision of totes by

the department and, secondly, the transfer of the gaming section from racing to Treasury.

Mr TYLER: I noted the Minister's comments earlier about bookmakers and the TAB turnover. Have any recent studies been undertaken in the department or within the Government of the economic and social impact of racing on the community? What is it worth to the State in economic and social terms?

The Hon. M.K. Mayes: We undertake various surveys within the industry. The question of the overall impact on the economy of the State is broader than that. Our charter is not in that sense an economic charter. That is more State Development. We are there to encourage development within the industry and to see that it is properly managed and administered. We use very specific surveys to assess what is happening in the industry in particular, but we do not look at the overall implications for employment in that broader sense. Everyone knows various turnovers. If you were looking at a figure of income generation, you could probably get a very broad picture, but you would need to cut across so many industries. A vertical integration of racing is such a broad thing that segments would have to be taken out of each strata of industry to get a full picture.

Mr TYLER: As a supplementary question, on page 405 under 'Issues/Trends', it notes the increase in the TAB turnover and also that the Casino's share of gambling has continued to decline, even though marginally. It further states:

'Racing clubs and the TAB have accepted the challenge of competition and have initiated strategies to recapture the appeal of the racing product.'

Because racing obviously is very important to the economy in South Australia, what strategies do the racing clubs and the TAB have in mind?

The Hon. M.K. Mayes: The racing clubs and TAB have a number of strategies in mind. I could go on for most of the time allocated tonight telling you what is happening and what achievements have been made. I will touch on them in general rather than in detail. If we look at the funding available through Government revenue and TAB, we see that racecourse development is a significant contribution. About \$9 million has been spent on racecourse development since the Bannon Government came to power. That has resulted in significant improvements in facilities. We have assisted very significantly in getting the TAB turnover up by various means, including the settling of an industrial dispute that existed to allow for an agreement now to be struck so that subagencies could be extended.

We could probably claim a good deal of credit for that work. That will enhance the coverage of the TAB in the community. That means more money will go back into the industry and that there will be more opportunity for people to invest in the industry. The TAB has enhanced its services significantly. Teletex negotiated the package with the major print news media to ensure full coverage of meetings. That has assisted the continuation of 5AA, whose ratings have just improved. That is a fairly significant continuation of the racing service. Sky Channel has been encouraged to extend throughout this State. The overall development in terms of the industry itself, if one looks specifically at attracting investors into it, is being encouraged by the improved facilities and improved stake money from the industry.

Looking at the country areas, you will find the facilities are much improved. Wherever you go (to provincial clubs such as Balaklava, Murray Bridge, Naracoorte, Strathalbyn, Clare and Mount Gambier—you name it), you see that they are significantly improved and have excellent facilities which are great for the enjoyment that they provide. Free days

have been offered. A whole range of marketing mechanisms have been attracted by the industry to bring in patrons and encourage people to support racing.

Mr TYLER: The increase in interest in racing has had an effect off-course; has there been an increase in gate receipts with people attending race meetings?

The Hon. M.K. Mayes: It is marginally decreasing. The Balaklava Cup saw a record crowd, so some meetings are attracting increased numbers, but overall for the codes as a group there has been a marginal reduction.

Mr INGERSON: When does the Government intend to reduce the turnover tax for bookmakers?

The Hon. M.K. Mayes: There is no proposal before the Government at this point.

Mr INGERSON: Recently the Minister publicly announced that 5AA was causing concern for the Government and said that he expected there would be a significant improvement in 1987-88. The Auditor-General in his report noted that there had been a further \$1 million injected in equity last year bringing up the equity to \$7.4 million and that the TAB had paid \$750 000 for broadcasting rights. The loss of the previous year was some \$820 000, giving an accumulated loss of \$4 million to 30 June 1988. In relation to the comment made publicly, does concern exist about the general running of 5AA and what is the future of 5AA and its ownership by the TAB?

The Hon. M.K. Mayes: That is not quite what I said about my position with 5AA. The press report to that effect was not completely accurate and was taken slightly out of context. When an organisation is losing money in the sense of the traditional profit and loss statement, anyone would be concerned. However, I qualify that by saying that the asset backing of 5AA in relation to the overall operation of 5AA and the TAB (and one cannot separate the two) is not of grave concern. Certainly there are signs that 5AA is improving its performance. If one looks at it, an opportunity exists for income not realised in the 5AA accounts. How one measures that accurately I am not sure. It is intangible income which cannot be clearly defined within the balance sheet. It could be argued that the charge which 5AA makes against the TAB is not appropriate and in fact should be much higher. If that was the case, it would wipe out any operating deficit.

The board of 5AA and the board of the TAB have made certain decisions on those operating costs and such decisions are then reflected in its statement of accounts. From my meetings with the Chairman of the TAB and the General Manager, I know that there is some improvement. The ratings indicated by the survey last week are a good sign for 5AA and indicate a significant increase in its breakfast listening audience, which means that it will obviously attract more income. It is on a spiral up rather than down as it was before. The service offered to the racing public is very significant. It will obviously continue to be so as long as the technology we have operates in the way that it does. There may be changes to the technology which may lead to a change in the manner of operating of 5AA. That may lead to the TAB making decisions about it, although I doubt it in the short term.

If the operating situation of 5AA improves and the rating maintains itself with the service to the industry continuing as it has, good reasons exist for the TAB board to continue its ownership of 5AA or Festival City Broadcasters. The asset backing is probably about \$9.5 million to \$10 million, so there is no fear that the Government or anyone is losing the shirt off their back. The TAB obviously considers it a worthwhile investment.

Mr INGERSON: As a supplementary question, does the \$750 000 paid by the TAB to 5AA reflect any relationship to the true cost of programming racing at 5AA?

The Hon. M.K. Mayes: I was obliquely referring to that. It does and it does not. It probably reflects in the current environment a reasonable operational cost for that service. I understand that in other States different figures are available. One State pays about \$2 million for a similar service, although it is not as comprehensive as that which 5AA offers the TAB. It may be regarded in some circles as being about right, too high or too low. It is a commercial decision that the TAB board and 5AA have negotiated and one which obviously, if adjusted to a figure of \$500 000, would reflect a higher deficit in the profit and loss accounts. If adjusted to \$1.5 million it would almost wipe out the deficit. The figure has some impact on the final profit and loss statement.

Mr INGERSON: What procedures exist to protect the public interest when persons are appointed to statutory authorities that have conflicts of interest which were either already known or develop after their appointment? What action, if any, is taken if this conflict of interest procedure is breached?

The Hon. M.K. Mayes: Mechanisms are available and it is important that officers of the organisation or statutory body react properly and responsibly to any situation in which they believe there has been a breach of confidentiality or conflict of interest. If they fail to do that I imagine the responsibility would fall back on me as Minister to ensure that those steps are taken to investigate the alleged conflict of interest and, if there is such, to act in accordance with the Act. Various mechanisms are available which would involve a response from the Crown Law Department, with my officers providing basic information. Here we are, obviously, talking about a conflict of interest and not a criminal matter.

The Hon. R.G. PAYNE: My first question relates to page 402 of the Program Estimates. I draw attention to the fact that the 1987-88 specific targets/objectives referred to the development of the South Australian Aboriginal Sports and Recreation Association. I have not been able to find a reference to that in 1988-89. I attach no significance to that other than that it does not appear to have been singled out specifically. Has the Minister any progress report on the development of that association and any possible plans for its future?

The Hon. M.K. Mayes: The unit is established and working on a salary. It has an executive officer, so it is operating.

The Hon. R.G. PAYNE: Still on page 402, in relation to the 1987-88 specific targets/objectives, I note that one of the objectives was the promoting of recreational walking together with cycle touring and canoeing. It seems to me that recreational walking is one of the areas which could have the widest possible coverage of the South Australian community, as the title indicates what we are talking about. It is not competitive walking. It is now a fully established fact supported by many medical authorities that jogging as a recreation has certain associated hazards, especially for particular age groups and where the jogging might be carried out on very hard pavements, whereas it is almost universally recognised that walking should be and can be beneficial. I would like to hear from the Minister where this activity is going in 1988-89 and whether there is a longer-term plan.

The Hon. M.K. Mayes: The Government funds walking associations for recreational as against competitive walking which, obviously, would come under our SASI banner. We provide funds for a number of organisations to encourage walking in the community, and we invite anyone who has

not participated in walking the Heysen Trail to embark on that magnificent exercise along the many parts of the trail which are available not too far away in terms of being across the Adelaide Hills, down Fleurieu Peninsula and north to the Flinders Ranges. Eventually, we hope to have approximately 1 500 kilometres of walking trail. We have a long way to go and still have some debate to go through. The other day I had a debate with the officer-in-charge, Mr Terry Lavender, as to how we would get on in the pastoral areas in terms of walking trails. I am quite keen to go on with it.

The other areas in which we help are recreation for the elderly who, obviously, actively participate in walking throughout the Adelaide Hills and such areas. We fund and support various walking groups. Approximately \$135 000 is put into recurrent funding for walking groups and others, and about \$80 000 into the Heysen Trail to continue its development. Walking is one of the best exercises, second only to swimming. We will have the excellent facility around Sports Park of approximately 146 hectares, which will be developed with the opportunity for passive recreation.

That is something which our Recreation Institute and our Director will be encouraging. Walking is something people enjoy, and it must be encouraged for the good of blood circulation, and the heart and cardiovascular system.

The Hon. R.G. PAYNE: On page 404 the Program Estimates states:

Encouragement of sports associations to take the responsibility for the development of their sport with the assistance of the South Australian Sports Institute . . . Develop a sports policy for children . . . From the selected sports, have men and women equally represented—

That is a laudable statement of objectives and targets. It seems to me that over the past few years the department and its Ministers have done an excellent job in giving support to the sports of hockey, cricket and cycling, all of which have had much support from the State and/or Federal Governments. We have seen the establishment of excellent facilities for the promotion of sport at the highest competitive level—albeit at international level. Earlier tonight we heard the Minister point out that a major contributor to sport funding in South Australia, even though there has been some diminution of its contributions, is soccer pools. Soccer pools contributed \$526 000. It is thought safe to postulate that it will contribute \$520 000 in 1988-89.

In relation to future sporting plans, does the Minister have any hard and fast plan for soccer? In passing, I mention that soccer has the ability to attract international competition to this State more quickly than any other sport. It happens almost regularly. It certainly happens annually, and is a matter of an air flight or two away. I refer to the immense number of youth in our State who are now involved in soccer at all levels. This is an area of participation throughout the sport of males and females, and boys and girls. Body conflict is not occurring in soccer and active participation by girls and boys in teams is now occurring. There has been no fuss or problem or whatever in this area. I think, in short, I have given a definition to the Committee of the ideal sport.

As we now have to do in Parliament or in committees, I think it is only fair to point out any vested interest I might have in this matter, I am a former soccer player of some 17 years, including playing first division for Cumberland United and I am now the patron of the Cumberland United Soccer Club—which is located beautifully in the centre of my electorate. I have referred to that so that there can be no doubt about any hidden interest that I might have. I quite sincerely draw this sport to the attention of the Minister. On checking the figures involved, if the Minister does

not already know this, he would probably be surprised to find that the degree of participation in this sport is extremely high. Those involved in that sport do not have a history of standing in a queue and asking the State or the Minister to carry the bag or the burden for them. Will the Minister say whether there are any plans for (a) recognition of the importance of soccer in South Australian sport, (b) any promotion for it, and (c) any assistance?

The Hon. M.K. Mayes: I am exhausted after that question. How long do we have? I reckon I could stretch this out for an hour and a quarter. It is a very good question. I know that the esteemed honourable member for Mitchell has had a very distinguished career in soccer. Had we not had a sports policy that was fair and equitable in our Education Department I may have achieved an equally esteemed career in the same sport. Unfortunately, though, it was cut short because the school that I was attending decided that I should play football and not soccer, when I was a member of the Cumberland team. I think I kicked my first goal when I was in grade 1 at school, playing for Edwardstown Primary School against Forbes Primary, I think.

Mr INGERSON: Is the Minister going to support soccer or not?

The Hon. M.K. Mayes: It is no problem for me to support soccer, because I see it as one of the great sports—and certainly it is a sport that—

The Hon. R.G. PAYNE: It covers four-fifths of the world.

The Hon. M.K. Mayes: It is a sport that offers a very great opportunity for young people in this State, both male and female, to develop their skills and tactics. It is a very tactically developed sport. It is a marvellous sport to watch and certainly a great one to play. I actually returned some years later with a few ex-league footballers who were over the hill and a few ex-tennis players to don a pair of boots and play for a few more years for an esteemed club called West End United. I am not sure how many successes we had, but it was very useful. However, this is an important issue. There have been discussions with various people associated with the sport of soccer over a period of time as to the direction that soccer is taking in this State.

Mr INGERSON interjecting:

The Hon. M.K. Mayes: The member for Bragg suggests money; I am not suggesting that he would support taxes that would actually allocate funds to the sport. If he is suggesting that, we can both go along the various main roads of our electorates and advise people that taxes will go up this year and that we will be putting more money into soccer. As to funds available for development in sport, we do provide some development funds to soccer. There is major support for soccer, and soccer is one of the major sports for youth in Australia. It is one of the large participatory sports. When a sport generates large spectator support that provides an advantage over—

Mr INGERSON: And good sponsors, too.

The Hon. M.K. Mayes: Yes, it can generate good sponsors; I was getting to that point. If a sport can generate large spectator support it has an advantage over minor sports which cannot generate the same access of funding. Obviously, football is the classic example where huge sponsorship monies can be generated because of the large section of the population in this State which attends the various matches—and, of course, the finals I think are already sold out, and there will be live television coverage. A sport with access to those enormous funds provides a marvellous source. Soccer, to some degree is in that situation, although not completely. I am very sympathetic to the situation of those people involved in soccer. It is unfortunate that they took

a very negative position in regard to the tobacco sponsorship issue.

The Hon. R.G. PAYNE: I think that was under the Chairman.

The Hon. M.K. Mayes: Well, certainly, it was not the whole industry. I know the former Chairman very well. I have known him for very many years in many aspects of life. I have had some very interesting and lively discussions with him. However, both he and I know that water goes under the bridge and that we can get on with caring for the industry and the sport. The situation is, I think, that we will be looking at the options for the sport. The Director is currently talking to the soccer fraternity about its plans for development of facilities in this State and SASI is talking with soccer about the development of coaching. We are waiting for the soccer people to come back to us with a proposal. We have had individual discussions with various key figures within the major clubs in this State.

Certainly, in terms of our facilities funding, hopefully, if we get a reinstatement of funds next year, we will be looking at some funds being devoted to facilities for soccer. So, this matter is of concern to me. Unlike the member for Mitchell I probably will not be esteemed enough to be placed in the position of patron for Cumberland United, but I have a very soft spot for the sport, and I would like to see our kids, as they grow, have the opportunity to play at an international level. We have some marvellous ambassadors coming from the sport. Tony Dorigo is now playing for Chelsea, I think. He is a product of South Australian soccer, and one would not find a finer ambassador for the sport. When he was out here when Adelaide City was playing Sydney Olympic, he went out on the field and tossed the coin, and during that visit I had an opportunity to have a very good discussion with the lad. He has been through the apprenticeship system. He is a marvellous example of what that sport does for young people. At 23, he has an amazing potential. He was in the England under 21 squad. It is really important that we acknowledge the types of development that can go with sport as a whole.

The Hon. R.G. PAYNE: Well, it even leads to politics—you and I demonstrate that.

The Hon. M.K. Mayes: That is true—we have kicked a few goals since.

Mr INGERSON: Rumours are circulating in the racing industry about the auditorium on North Terrace, one rumour being that the TAB or someone is encouraging the large bettors at greyhound and trotting meetings to bet at the auditorium instead of on course. It has also been suggested that a payment is being made to induce such people to bet in the auditorium. Can the Minister say whether that rumour is accurate?

The Hon. M.K. Mayes: I am aware of rumours that are afloat in the community. However, it is not true that anyone receives such a payment. Possibly, the rumour refers to an arrangement made by the auditorium across the road especially with a particularly large punter. I suppose the parallel would be the use of the International Room at the casino. There are other areas of investing where people are provided with facilities because they are large investors. I believe that the arrangement was made to give a certain individual privacy when investing yet have access to the TAB facilities available in the auditorium. As far as I understand, no commission, payment or financial arrangement is available to that individual.

Mr INGERSON: In relation to arranging programs to cover greyhound and trotting meetings, considerable concern has been expressed that, particularly on Thursday evenings, discrimination is exercised by the TAB against the

greyhound racing industry by covering only two events whereas, on Friday evenings, in most instances at least three meetings are covered. Can the Minister comment on that statement? It has often been said that TAB makes decisions on economic grounds, whereas decisions should not be made entirely on those grounds because certain social reasons and the need to get people to the racing venue are as important as economic reasons.

The Hon. M.K. Mayes: TAB has a brief which fundamentally establishes its commercial criteria and objectives. Certainly, industrial and other commercial aspects must be considered by it when it makes decisions but, fundamentally, such decisions have to meet the commercial criteria that have been set. I am sure that TAB has an understanding of the overall needs of the industry, so in a general sense it would be outside its brief to consider some of the broader social implications referred to by the honourable member. However, the General Manager of TAB may wish to comment on the specifics of the way in which arrangements are made concerning the programs of these various codes, especially greyhounds.

Mr Smith: All decisions made by TAB as to its coverage of local and interstate race meetings are made in consultation with the codes. The racing industry throughout Australia has gone through a major technological change, specifically as regards Sky Channel, and the whole off-course betting market and trends have changed extraordinarily. As my Minister has said, the major purpose of TAB is commercial: that is, to make a profit while at the same time servicing the needs of the codes and the Government and taking into consideration all employees of the organisation. TAB recently decided to cover three race meetings on Friday evening, a meeting after the eastern gallops finished on Saturday afternoon (that is, Perth gallops) and three meetings on Saturday evening.

That decision is proving to be quite successful and we will watch the impact from the turnover and profitability point of view for the next three months and further consider extending the meetings to other nights. It is most important from a commercial point of view that we do not fragment the turnover. We are looking to create new money and not necessarily put on more meetings for the sake of gambling. These days there are more aspects to consider because of modern technology than just putting on meetings. They have to be cost-effective and from that point of view one must consider the additional cost incurred by putting the fields in the *Advertiser*, Sky Channel and teletext costs, and so on.

Mr INGERSON: I now turn to the South Australian Sports Institute. As the Minister explained earlier, the role of the Sports Institute has been considerably expanded in relation to sport and recreation in this State. The Opposition strongly supports this expansion and congratulates the Government on going down that course. It has made a significant difference to the control and delivery of funds into the right areas and, as I said, the Opposition strongly supports what the Government has done.

It is mentioned on page 404 of the Program Estimates that there will be an increase in the number of full-time and part-time coaches employed at SASI by some 10 per cent and that there will be an increase in the number of athletes in developmental and elite stages also by 10 per cent. How can that occur within the framework of the budget when there has been a reduction—even though it is only \$100 000—from \$7.1 million to \$7 million, without some very significant drop-offs in other areas of sport?

The Hon. M.K. Mayes: Fundamentally, it will occur because of reorganisation of the department as a whole and

some cost savings instituted throughout the organisation. For example, there are planned savings in the area of accommodation, which will be realised. In particular, we are recognising some positive gains in the SASI reorganisation. That will allow us to use those funds more effectively for the generation of activity towards the direct application of funds to coaching and developmental programs.

An announcement was made a fortnight ago involving Anna McVann. Anna will be working under the direction of our swimming coach. I think that we have \$115 000 set aside for that purpose in addition to the savings that will be accrued. So, it is a combination of additional funds in that area plus savings which will enable the provision of coaching and additional activities in that area.

I will give the honourable member a figure that will highlight how we have improved our efficiency. The direct funds going to sport in 1987-88 represent 61 per cent of our funding. This year it has been reorganised so that we can put 71 per cent of our funding directly into sports in that sense. We have achieved it, in that way, as well as by a combination of some additional moneys and savings. We are looking at a major reorganisation of our accommodation arrangements. I will ask the Director to give the details of that, because he has been directly involved in those decisions and has been negotiating with various organisations. We are looking at a major relocation of SARI into a central location taking the head office out of the black stump and into town acre 86 as part of the rearrangement of our accommodation uses. Town acre 86, on the corner of Pulteney Street and Rundle Mall, will involve significant Government accommodation, and we will be moving there in about December. I will now ask the Director to give some further detail on that accommodation.

Mr Beltchev: As far as the accommodation is concerned, we are undertaking to establish the Recreation Institute into its own facility. That is currently being negotiated. The rental for that facility is less than 50 per cent of the Recreation Institute's current rent in the black stump. This will produce very considerable savings which will enable us to meet the kind of initiatives that we need to make savings. This will leave the central core head office component, including an operations division and a racing division, of approximate 30 people in total, which is all that we would need in a central business district location.

Mr INGERSON: Concerning the role of the Sports Institute and where it fits in with Foundation South Australia, it has been put to me by many sporting bodies that the Department of Recreation and Sport has now lost control of its future finances and that there will be a lot of diversion of moneys through this new Foundation South Australia that will not necessarily be under the Minister's direct control. Having said that, I recognise that there is a Sports Advisory Committee. However, it seems to me that one of the concerns is that we have set up a Sports Institute as the principal funding and controlling body, but we now do not have the Sports Institute directly involved. How does the Minister see the control of moneys going to sporting bodies, particularly in the facility development area? With very large sums of money now available to sport through the foundation, it will be very tempting for sporting bodies to bypass the Department of Recreation and Sport if it does not have the funds available.

The Hon. M.K. Mayes: That question is very pertinent to the Foundation South Australia operation, which is the trust set up under the tobacco legislation, replacing tobacco sponsorship. The structure of our committee in South Australia is very different from that of the committee in Victoria, where this issue is beginning to rear its head quite

actively. The Victorian funds are significantly greater and they give sport less funds through their department. We are in a different situation. We have three sports representatives on our committee of six with an independent Chairman.

That gives us far greater input from the sporting community. The other issue is that the new Minister of Health and I have been actively engaged in discussions over the past few weeks on sports winning and the community winning. We will establish the guidelines. We do not see this as alternative Government funding to sports or recreation in this State. It is there as a fund to encourage healthy lifestyles and active participation in recreation and sport, and it has been established for that very reason. My personal view is that it is there and should use sport as a basis for the promotion of that lifestyle and activity. In that way significant money is available in this State for the development of sport programs and facilities. That will not cut across or interfere with what I have in mind or the department's proposals in the operation of SASI or the development of any of our facilities.

What we have talked about in terms of our position is supported by the Minister of Health and the Premier. It is also the theme adopted by Cabinet in discussions to establish the sports trust fund, in that we see the replacement funding going to areas for which there will be replacement funding. I will not specify that, as we are presently defining which areas will and will not be exempt. It would be a direct funding replacement. In sport it represents about \$1 million in a full year with full application.

We will probably not see a full replacement because of the contractual arrangements that some sports have, the complication of television coverage and all other commercial decisions that they must take. Therefore, we had to allow some period of introduction, which will probably be by the end of next year. In a full year tobacco sponsorship represents about \$1 million to sports in this State. Of remaining funds there is replacement of outdoor advertising and arts sponsorship of, at the most, about \$100 000. Where we have 5c or 3 per cent on a pack of cigarettes, we will probably have in the fund \$5 million or more, of which \$1.5 to \$2 million may be committed. Outdoor advertising will be a large replacement cost to compensate that area of industry.

The remainder of funds I hope will be used in promoting, through sport, a healthy lifestyle. If we are to encourage people, particularly youth, not to smoke, the best way to do so is through sport. Not many kids are deeply involved in opera, although there could be more if we held more successful operas in the outback. The mass participation is in sport, and that is the vehicle by which we can promote that lifestyle. I refer to the position of overall funding arrangements, which are such that we will obviously stay at arm's length, as we committed ourselves to do with the exercise of funding decisions made by the foundation in South Australia.

We have the responsibility to set the guidelines and I have a responsibility to see that there is a co-ordinated and sensible approach to sports sponsorship and sport that does not cut across what we have succeeded in doing in SASI or SARI. We want a complementary approach to sports sponsorship in this State. In order to achieve that, I believe that we have two vehicles available to us and, as Minister, I make no apology for adamantly supporting my portfolio in this area. I believe that the two avenues available to us are, first, through the broad guidelines which Cabinet will set for the operation of the fund. It is our responsibility, and the trust wants the broad guidelines to be established because it is important for it to know in terms of how it is operating.

That does not involve us in the day-to-day decisions or the operation of the fund. That will remain accountable to Parliament through the Auditor-General, and the various other public officers, including the Ombudsman.

The second avenue is the establishment of the advisory committee which has membership from the trust itself, and the trust will have representation. We will appoint two people to that committee under schedule 2, section 6 (2) (c). My proposal, which has not yet gone to Cabinet—although I have made my position clear and am sure of Cabinet's support—is to represent SASI there as well as SARI so that there is continuity of policy advice to the advisory committee which will then flow to the trust. Coupled with the guidelines, that will eliminate any overlap or confusion, any bypassing of sport and, I would hope, any disputation which might exist between associations and the trust as it stands.

The other strength that we must acknowledge is the standing of SASI in the eyes of the sporting community of this State. Fundamentally, people will want access to SASI for their development programs, their overall development structure and long-term planning to be supported and encouraged by SASI, so that we will have basically three tools of management available, thus eliminating what may happen in Victoria.

We are in a pretty sound position, given that I must remain at arm's length from the operation of the trust. I have shared with the Committee my inner thoughts as to how the process will operate. I do not think that there is any conflict with any of my Cabinet colleagues, and it is only a matter of the finalisation of those guidelines, the institutionalisation of the arrangements for the advisory committee, and the overall commencement of that operation. However, we are in something of a no man's land at the moment because the fund does not have any guidelines, as required under the Act.

The operation is in a free market environment and obviously there is a commitment to making some decisions with the fund as it is. Funds are accumulating funds at a rapid rate daily.

Mr De LAINE: I am very pleased to note the proposed commencement in March 1989 of the world class cycling velodrome at the State's Sports Park at Gepps Cross, with the first stage, which is State funded, due for completion in April 1990 and with the second stage expected to be funded by the Commonwealth Government. What is the expected stage 2 completion date?

Mr INGERSON: Will the Commonwealth Government pay?

The Hon. M.K. Mayes: I will take on board the member for Bragg's supplementary question. As to the question asked by the member for Price, our staging of the development of the velodrome is basically to properly manage the construction program. I do not wish to unduly blow our bags or exhibit a degree of arrogance, but our efforts in relation to the hockey and lacrosse stadium have been very successful. The position is that in 1989-90 we will phase in the major completion of the velodrome with its associated facilities. That is the program to which we are committing ourselves with regard to the \$4.6 million for the velodrome development. It is a very expensive sports park at Gepps Cross. It gets further enhanced with every decision we make. The asset value will be quite enormous at the end of the day.

The question of the roof is very important. I think we are all aware that in relation to the decision a lot of negotiation went on to get the cycling academy here in Adelaide. I think we did very well, given the forces that were lined up against us. There is no doubt that my counterpart in

Tasmania is not at all pleased with the situation—bearing in mind that the people there have a problem now with the surface of their track, which is worrying any competitor who ventures on to it. The position is that the roof for the facility will involve active negotiation with Senator Richardson. I have had two discussions with Senator Richardson about this. I had a discussion with him in Canberra just after he was appointed as Minister for the Arts, Sport, the Environment, Tourism and Territories. That discussion was very constructive. Following the announcement of the Federal budget, the Director and I were about to take out the razor blades and cut our wrists and give up, because we thought there had been a major slash of funding to our area. To our surprise, the day after we got the analysis of the Federal budget, we found that a funding line was available for what was the old national facility development fund account. That has a significant amount of money in it for 1988-89.

I have since received a very promising letter from Senator Richardson indicating that he is quite sympathetically disposed to our claim for assistance for the roof of the velodrome. That is as far as I can go at the moment. I know that the honourable member has a particular interest and knowledge in this area but, as to the track surface, I am reasonably hopeful that in bringing the track on-stream we will go for the surface that we are looking for, bearing in mind the experience of Tasmania. I think they used a Huon pine surface, but not so long ago a 12-inch splinter went through the chest of one of the competitors. We will have to look for a timber that can cope with the extremes of our climate, with a significant safety factor built in, to avoid a situation like that. From our point of view we want international competition; we will be promoting this aspect, and I am sure the Cycling Federation will be promoting it as well. I know that some of our entrepreneurial young international cyclists already have some schemes in mind to have international track meets here, with international television coverage from the international media.

So, we are positioning ourselves well for a properly based roof-over velodrome. We are in discussions with Mr Webb, who is an expatriate Australian and an expert in the construction of velodrome tracks. A date is soon to be set for Mr Webb to visit South Australia to examine plans, and then the process will be well and truly under way for construction.

Mr De LAINE: This question is of special interest to my colleague the member for Albert Park. What progress has been made with the Special Events Foundation of South Australia?

The Hon. M.K. Mayes: This subject is of keen interest to me and is a matter that we as a Government must consider seriously. We have operated successfully on a departmental footing in the past: for example, as regards our masters games proposal. However, there is now a need and an opportunity for us to consider a similar type of organisation to that operating in Western Australia. At present, we are actively pursuing this matter. Various people have theories that this is not the best way to go, but I assure the honourable member that we are in discussions within Government about the options open to us concerning a Special Events Foundation.

Mr De LAINE: On page 403 of the Program Estimates, reference is made to further development of the Heysen Trail. I remember some years ago, when the Hon. Tom Casey was Minister and I was on his platform committee, some of the problems that he experienced in setting up that trail. Can the Minister say what specifically is involved in this further development?

The Hon. M.K. Mayes: We are considering a specific extension of the trail, namely, a consolidation of about 100 km in the Burra-Crystal Brook area. Talking to the officer-in-charge only a few of days ago, I learnt that we have problems with certain landholders in the area. It is difficult to win their assurance about the responsibility that walkers will take concerning stock, gates, fences, and so on. Generally, we tend to build stiles, so that there is no problem in that regard with opening and closing paddock gates.

That is the main area of activity at present. That process will obviously take some time to negotiate. I understand that in a couple of areas landholders are especially concerned about the access of walkers along the trail. However, the officer-in-charge is confident that negotiations will be successfully completed.

By 1992 the trail will include the lower part of the Northern Flinders Ranges, if that is not a contradiction in terms, basically up to Brachina and Blinman. Whether we go past that area and proceed into the pastoral areas of the State will have to be decided. I or someone else might make that decision. As I said, I personally favour that proposal; I think it would be brilliant to walk through the Arkaroola area and further out to Lake Torrens, although safety problems will have to be addressed as to how one returns and the route one takes. Some major issues must be determined, but by 1992 we will include in the trail the mainland from Cape Jervis to the Flinders Ranges. To reassure members, the consultation process involves not only the rural community, with public meetings which people are invited to attend, but also friends of the Heysen Trail.

Mr INGERSON: I refer again to Foundation South Australia. Associations which have had long-term involvement with tobacco companies are concerned about what is happening with exemptions and non-exemptions. Has the Minister made or refused to make any recommendations in this area? The sort of people concerned are the soccer people in relation to the Rothmans Medal; the football people in relation to the Escort Cup; and the trotting people in relation to the Winfield Trotting Cup. Planning for these sorts of events cannot be turned on and off at the whim of Governments. I think that they would like to know fairly soon whether in their next season they will have the opportunity to continue with traditional events, some of which have been short-term and some long-term.

The Hon. M.K. Mayes: I think that it is an issue of obvious concern to those associations, and I am very cognisant of their needs in relation to their timetables. Obviously they have timetable commitments which are quite firm and related to their sponsorship requirements and over which they have no direct control, because the sponsor and television channel determine the timetable. At this moment we are considering current applications. I have made recommendations in the areas in which I am involved. I have responsibility for one area of exemption under the Act and the Minister of Health is responsible for two areas of exemption. We will be submitting a joint document to Cabinet for consideration in the very near future in order to finalise this matter.

I have given a clear hint to the Federation of Australian Motor Sport that its program will probably be given an exemption. I have not made any clear or public statements about soccer, trotting, football or tennis, although I have indicated to the various officers of those organisations that a decision is not too far away and that we are aware of the pressure that they are under. I can assure members that the Government is very concerned about the matter and will

get onto the issue as soon as possible. We appreciate that their timetables are very tight, and I hope that in the next two or three weeks we will be able to make an announcement.

Mr INGERSON: My next question relates to three different areas. On page 406, under 'Support services', an increase in funding to the shooting park is shown of \$209 000; an increase in funding to the Aquatic Centre is shown of \$175 000, and a drop in premiums for workers' compensation by \$189 000 is also shown. Could the Minister explain in reasonably quick time those three issues?

The Hon. M.K. Mayes: The shooting park provision is to enhance the existing clay pigeon facilities and improve the infrastructure of the park including a fence and security arrangements. That will provide the added impetus required by the shooting park. I was talking to the Promotions Officer from the Grand Prix who had been looking at the shooting park because a couple of the international drivers want to have a shot or two there for recreation instead of hitting a golf ball. He had not been there and was absolutely stunned by the facilities available. It is probably one of the best, if not the best, in Australia.

The other matter is a one-off payment to the Aquatic Centre in relation to our original agreement for the deficit funding arrangement. It represents two years payments (for 1985-86 and 1986-87) in regard to the deficit funding arrangements that we have with the centre. The reduction in workers compensation is from \$200 000 last year to \$11 000 this year.

Mr INGERSON: My last question relates to the 10 year development plan. Has that been progressed to the stage that it can be published? Basically, what sort of order are you looking at in terms of facility development? If it cannot be published to this Committee, when will that sort of plan be made available for the community to look at?

The Hon. M.K. Mayes: We have set priorities, and I can provide a list of our priorities as they stand. By its very nature, it has to be a fluid situation at the top end. We are looking at those priorities, and we are negotiating various packages with groups such as baseball, small bore rifle, netball, as well as soccer and tennis. So, we have three or four in the firm category. Once we have gone through the velodrome process, they will start next year in terms of the process of dealing with the planning. I can provide a list of those. At the other end is a list of sports that we are negotiating with about developments in terms of capital and facility programs. By their very nature, that will be somewhat fluid because they are still determining their commitments and what they want to achieve. We have a bag containing a loose group of claims from a number of sports that we have not yet firmed up.

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

Works and Services—Department of Recreation and Sport,
\$2 675 000—Examination declared completed.

ADJOURNMENT

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