

HOUSE OF ASSEMBLY

Thursday 16 September 1993

ESTIMATES COMMITTEE B

Chairman:

The Hon. J.C. Bannon

Members:

The Hon. P.B. Arnold
 Mr K.C. Hamilton
 Mr P. Holloway
 Mrs C.F. Hutchison
 Mr G.A. Ingerson
 Mr J. Meier

The Committee met at 11 a.m.

The CHAIRMAN: If the Minister undertakes to provide information at a later date, it must be in a form suitable for insertion in *Hansard* and two copies must be submitted no later than 1 October. In questioning I will alternate from side to side. The usual thing is three questions, although there is flexibility as to a supplementary question if a particular topic is being absorbed, but we try to give everyone an opportunity. Questions are to be directed to the Minister who, at her discretion, may refer them to an officer for response or elucidation in a way that she believes the Committee is best served. A member outside the Committee is entitled to ask a question after Committee members' questions have been dealt with.

It is helpful if members can identify the page reference for their questions so that those answering can follow up the question as it is explained. I will allow an opening statement if that is desired.

Road Transport, \$1 610 000

Witness:

The Hon. Barbara Wiese, Minister of Transport Development.

Departmental Advisers:

Mr R. Payze, Executive Director.
 Mr J. Ledo, Director, Planning.
 Mr A. Bishop, Director, Road Safety and Regulations.
 Mr R. Frisby, Registrar of Motor Vehicles.
 Mr D. Gurke, Manager, Programming.
 Mr T. Delaney, Senior Accountant, Management Accounting.

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

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

The Hon. Barbara Wiese: I have pleasure in bringing to this Estimates Committee the total budget of \$303.722 million for the Department of Road Transport for debate. This represents a decrease of \$31.5 million or approximately 9 per cent when compared with last year's

expenditure. The main reason for this decrease relates to a reduction in Federal funding, primarily due to the Federal Government's deciding not to continue with its black spot program. This initiative provided additional funding of \$22.4 million in 1992-93 to improve the safety of the road network, enabling the department to attend to about 280 black spots on the road system.

In addition, specific Federal funding for arterial roads has decreased by \$16 million in 1993-94. This is due mainly to the Federal Government's withdrawing from providing specific funds for arterial roads from 1 January 1994 as part of clarifying the role and responsibilities of each level of Government for roads. However, the Federal Government will provide \$11.4 million to the State as identified road grants as part of general revenue assistance to South Australia. Minor funding reductions have also occurred on the national highways and provincial cities and rural highways categories.

While on the subject of Federal funding, Committee members will be pleased to know that the upgrading of the Sturt Highway to national highway standard will continue in 1993-94, and a new national highway link through the urban area will be declared. State funded roads expenditure will increase by \$17.7 million or approximately 10 per cent in 1993-94, which will partly compensate for the reduction in Federal funding. This increase will enable the department to continue, from January 1994, working on projects currently funded under the Federal National Arterial category. The additional State funds will also enable the acceleration of works on Panalatinga Road. I can supply further details on major projects undertaken by the department if the Committee members require that.

As the rate of change imposed by the economy and technology increases, the department has seen the need to continue with its management initiatives. Under its commercial accounting initiative a further eight business units will be established this year, which will allow cost comparisons of services provided by these units to those of the private sector. Furthermore, the implementation of the recommendations arising from the field operations review will occur in 1993-94. The review's major impact was the reduction in the level of support staff at the Naracoorte and Port Lincoln offices. Other initiatives include the continuation of the quality management and strategic planning processes. To ensure that the managers of the department will be able to understand, adjust and take opportunities to foster the best interests of the department's clients, the community and employees, phase 2 of the Change Management Development program will be undertaken.

The year of 1993-94 will be the first full year of operation of a more flexible approach to driver training and licence testing through the introduction of a log book scheme. The department will also continue with drink driving publicity campaigns.

Mr INGERSON: Page 160 of the Program Estimates relates to road safety. In March of 1991 the Parliament passed legislation to reduce to .05 the breath alcohol concentration limit, to reduce the general speed limit on roads to 100 kilometres per hour and to make the wearing of helmets compulsory when riding a bicycle. These measures and others were designed to reduce deaths and accidents on our roads. This year there have already been 155 deaths on our roads, which is 21 more than the same period last year and only 10 fewer than the full year of 1992. Fourteen people were killed on our roads in the last two weeks. As the deaths on our roads

have skyrocketed how does the department aim to achieve its stated objective: 'To seek a further reduction in casualty crashes by effective road safety programs'?

The Hon. Barbara Wiese: The comparison of statistics from last year to this year can be somewhat distorted by the fact that last year had a record low level of deaths on our roads, so that we are comparing a particularly favourable year in that respect. That certainly does not in any way diminish the tragedy of the road toll statistics for this year. However, I think that it should be taken into consideration that during the past 10 years there has been a steady decline in the deaths on our roads, and I believe that the actions that have been taken by the State and Federal Governments in introducing various road safety measures, a high level of enforcement and so on, have had a very significant impact on that road toll reduction.

As I indicated in my opening remarks during last year we benefited very significantly from the Federal Government's black spots program and we were able to attend to some 280 of those around the State, and that has had an important impact on making our roads safer. Our overall road program is designed to improve the safety on our roads as well. Some of those other measures that were referred to by the honourable member himself have also had an impact on the behaviour of individuals on the road, and as I have said the statistics show that there has been an improvement in road accident statistics as a result of that.

We must also bear in mind that the Government can do only so much in this area and we must also rely on individuals in their motor vehicles, on motor bikes and bicycles to take proper care on the roads, and to ensure that they drive in the safest possible way.

Mr INGERSON: We all recognise that there was a record low last year and that the Black Spot program was effective, but we also know that the money for Black Spot has now gone. Whilst that might have been effective yesterday, we are really talking about today and tomorrow. Everyone who has been involved in road safety recognises that the individual has some significant responsibility in this whole area. What effective programs will the Minister implement and how will she resource those programs compared to the current programs? Does the Minister see any legislative changes that need to be proposed to attempt to come to grips with this whole area?

The Hon. Barbara Wiese: The Government has already undertaken numerous things, but during the coming year there will be additional drink driving campaigns; there are booze buses that are new to the system, which will be introduced for the Police Force; and as part of our ongoing program various projects will add to safety on our roads. There are other publicity campaigns, random breath testing campaigns and measures of that sort, which have occurred in the past and will continue in the future, and which will be accelerated at particular times of the year, when we know from past experience that a particularly dangerous situation is likely to arise on our roads.

The honourable member would be aware that in the past we have had anti-drink driving campaigns that revolve around weekends such as Easter, when we can expect many more people to be on the roads. These are amongst the range of measures that we have undertaken in the past, which we will continue during the coming 12 months and into the future.

Mr INGERSON: As a supplementary question, was any assessment made of the programs that have been used in the past 12 months and what sort of results have we had from

assessing the programs, for example, the Black Spot, the booze bus and so forth? How was that done and what sorts of results have been achieved?

The Hon. Barbara Wiese: To talk about the results of booze bus campaigns it would probably be more appropriate to speak with the Minister of Emergency Services, who is responsible for police. Certainly, there is a good record there. I will ask Mr Payze, the Executive Director of the department, to talk about some of the things the department has been involved with, particularly the success of the Black Spot program during the past 12 months or so.

Mr Payze: The Bureau of Transport Economics at this very time is undertaking a fairly extensive evaluation of the Black Spot program across Australia, and to do so in a constructive manner really requires one to examine the effects for three years prior to undertaking any sort of treatment at a location and then the accident history and effects for three years afterwards. Making those comparisons then with the cost of the works enables us to make a judgment as to whether the monetary benefits to be gained in terms of changes to accident history before and after exceed the cost of the works involved.

In a preliminary and cursory assessment of the Australia-wide black spot program, if my memory serves me right, they are coming up with benefit to cost ratios of about 7:12. That indicates a very significant rate of return for those works. At this time that is based on only one year's evidence after the works have been completed.

The Hon. Barbara Wiese: Another important part of our program of increasing safety on the roads, taking up the point raised by the member for Albert Park, is the question of education. We have introduced some significant driver education programs during the past few years, not the least of which was the program introduced during the past 12 months for novice drivers. That allows for much more effective training of people before they are licensed. We have also done that with driver instruction for people who want motor bike licences. The idea is that if we can encourage good driving habits in young people when they are first setting out on the roads, they will develop and carry on with those good habits during their lives as motorists and we are likely to have much safer roads and drivers.

Mr INGERSON: My next question relates to the Hindmarsh Island bridge in the Capital Works Program, page 45. In relation to Binalong Pty Limited, the Minister last week in the Legislative Council said, 'I am advised that arrangements are currently in hand for the Commissioner for Taxation to be paid outstanding moneys, and in the event of that occurring winding-up action will not proceed.' If that is the case, there would appear to be no grounds for the Government to change its position on building the bridge to Hindmarsh Island. Given the Government's interest in this project and its need to be aware of the financial position of Binalong, has the tax liability been paid; who paid Binalong's outstanding liability; did the Government; and, if not the Government, can the Minister guarantee that neither the Premier nor she, or anyone in her office or in the Office of Premier and Cabinet, spoke with Binalong's financiers urging them to extend further credit to Binalong so that the company could pay the outstanding tax liability to the Australian Taxation Office?

The Hon. Barbara Wiese: I have no further information on the matter relating to Binalong's outstanding tax payment beyond the statement that I made to Parliament last week. That was the information that I received at that time. I can

only assume that measures are in hand for the payment to be made.

I can assure the honourable member that the South Australian Government has no intention of paying that outstanding amount. Whilst I cannot speak for all the parties to whom the honourable member referred, I can indicate that no-one in my office has spoken to Binalong's financiers about any intention by the Government to pay such an amount.

It is worth noting that although Binalong Pty Limited is having financial difficulty, that does not affect the Government's decision to proceed with the building of the Hindmarsh Island bridge. The decision to build the bridge, as I have said on many occasions, was based on a financial evaluation of the cost and benefits of building a bridge to Hindmarsh Island. Indeed, the proposition stacks up very well financially. It will be much cheaper for us to build a bridge to Hindmarsh Island than to persist with the current inadequate ferry service or to upgrade the ferry service to a dual ferry service. That situation has not changed.

There is significant support in the local community for the building of the bridge. It has not always been as vocal as I would have hoped, but during the past week or so, and particularly since the Environment, Resources and Development Committee brought down its report on the Hindmarsh Island bridge, there has been a groundswell of open support which has now emerged from the Goolwa and Hindmarsh Island community.

Those people are very concerned that this procrastination—this opposition which has been taking place with respect to this project—might lead to its not being built, and that is not what they want to occur. They want this bridge, and there are many people in that area, not the least of whom are small businesses, who recognise that their future depends on further development taking place in the area. They want to keep young people in their district, they want jobs to be created and they do not want this opposition to this bridge to be allowed to continue any longer. Just yesterday I met at Hindmarsh Island with a number of people who were very representative of the silent majority in that area and who said to me that they had decided that they must now come out, stand up and be counted.

They had not done that before because small business people in particular feared that there might be local repercussions if they were openly to ally themselves with the proponents of the bridge. They now feel there is nothing to lose because, if there is no bridge, development in the local area will be stifled and they feel so strongly about it that they are now prepared to take the risk. A representative group spoke to me yesterday and passed on the views of many other residents and small business people in that area, and they urged me very strongly to proceed with the bridge proposal and to take their views to Cabinet, and, of course, I will do so.

Mr INGERSON: As a supplementary question: in this morning's paper the Chapman family requested and were granted in the Magistrates Court yesterday four months to pay \$1 392 in fines and court costs. Does that prompt the Minister to question whether Binalong may be in a position to pay its liability to the Taxation Office? In your comments in reply to the first question you said (if I understood it) that the financial status of Binalong was really insignificant. I would have thought that, when entering into an arrangement, particularly a significant financial arrangement to the State, one of the parties to which is Binalong, the Government

should be very concerned with the financial status of one of the partners with which it may have entered into a long-term arrangement in relation to the payment of the bridge. It seems quite staggering to me that the request for four months to pay \$1 392, which is a pretty small sum, would not require the Minister to question the status of the company.

The Hon. Barbara Wiese: What staggers me more particularly is that the morning newspaper would deem a story relating to the non-payment of \$1 000 as of sufficient importance that it warranted a front page position in the newspaper. The fact is that, as I have indicated on many occasions, whether Binalong Pty Ltd stands or falls does not affect the proposition that is before the Government as to whether we should or should not build a bridge to Hindmarsh Island. The financial position is such that it is cheaper for us to build a bridge than to persist with or upgrade the current ferry service. It is definitely in the interests of taxpayers that we should save that money. If, over and above that, we were also successful in achieving the repayment of part of the cost of the bridge from Binalong Pty Ltd and from the third party to the agreement—the Port Elliot and Goolwa council—that would be cream on the cake. However, if we do not recover one cent, taxpayers will still be in front on this proposition.

That is the situation. It is not just a Government proposition; it has been checked by independent consultants. When the honourable member soon learns the value of the tenders for this bridge, when appropriate announcements can be made, he will find that this is a very favourable financial proposition from the Government's point of view and from the point of view of taxpayers.

Whether Binalong stands or falls will not affect the future of the marina development on Hindmarsh Island, I would suggest, because if they were to be wound up I would think that other developers would be interested in taking over such a development. They would be more likely to pick up that development at such a price that it would make it a very viable proposition for any new owner.

Despite that, the fact is that numerous small business people, residents and others who, for a whole range of reasons such as the development of business in the local area, emergency services needs and a whole range of things, would like to see this access to Hindmarsh Island improved. A bridge will achieve that, and I have been informed about numerous additional developments which are waiting in the wings but which will not occur unless there is a bridge and access to the island is improved.

Numerous examples can be quoted in that respect. Therefore, the Government's decision to proceed with this bridge is soundly based and has considerable support. In relation to the campaign that is being waged by various people, for whatever reason—in some cases it is some sort of a personal vendetta against the Chapmans; in other cases it is a legitimate concern on the part of some people about the environmental effects, etc.—the fact is that we have taken all these matters into consideration and the proposition stacks up and it should proceed.

Mr HOLLOWAY: Referring to page 158 of the Program Estimates, under the title 'Road Assets Preservation', what priority does the Department of Road Transport place on maintaining an existing network, and what proportion of the department's budget is allocated for road maintenance? Can the Minister say whether the funding has been cut this year?

The Hon. Barbara Wiese: As the honourable member would be aware, it is necessary, obviously, to undertake routine maintenance work in order to keep our road network

up to scratch to make it safe and trafficable. Within the total budget of the Department of Road Transport routine maintenance has always had a first call on funds available; hence, the funding requirements for this type of maintenance work have always been met. That part of the work of the Department of Road Transport adds up to something like 48 per cent of our total road funding budget. This ensures that we preserve our road system. This year, about \$100 million will be spent on the Road Assets Preservation Program.

Mr HOLLOWAY: What proportion of roadworks activity undertaken by the department is performed by private contractors compared with departmental employees?

The Hon. Barbara Wiese: During the past financial year the total field costs spent on the road asset preservation program amounted to \$89.35 million. Of that some \$13.4 million or 15 per cent was spent on contracts. For the accessibility enhancement program the total field costs amounted to \$63.81 million of which 59 per cent or \$37.6 million was spent on contracts.

Mr HOLLOWAY: The Minister referred to the black spots program in her opening address. How much was received by the department from the Federal Office of Road Safety from its black spots program last year, how was it spent and, more importantly, is there any expectation of similar funding in the current financial year?

The Hon. Barbara Wiese: As I indicated, the black spots program undertaken last year was the biggest program ever undertaken by the department. The department was also successful in achieving additional allocations of funding during the course of last year because its program of works was so far advanced that it was able to attract additional allocations from the Federal Government which, when it reviewed its program midway through the year, found that some States had not been able to spend their allocations, so we picked up some of that money because the department was well advanced and efficiently carrying out the programs involved.

As I indicated, we completed about 280 separate projects which were approved by the Federal Minister in the total allocation received of \$22.35 million and put together in three separate programs throughout the year. Further, 66 of the projects involved work associated with local government roads and amounted to \$2.379 million. The total funding limit was claimed well before the claim deadline of December 1993. It resulted in increased employment and improved safety of the road network. Unfortunately, I understand from the Federal Government that there is not going to be a similar program continued in 1993-94 and there is not any intention to set up a similar black spots program. It is a great shame that the Federal Government is not continuing with that program because we certainly have benefited enormously and it will mean that we will have to put more State resources towards such road needs.

Mr INGERSON: In reply to my last question the Minister commented about the effective costing of the bridge. Is it not true that the reason for the effective costing is that the bridge is being financed out of dedicated funds on which there is virtually no interest paid, as compared to the ferries which are amortised over 50 years. If you extended the cost of the bridge using the same formulation, you would find that the ferries are significantly cheaper.

The Hon. Barbara Wiese: My remarks related to the tenders received and were not related to an assessment of the project using one method or the other.

Mr INGERSON: That is an incredible answer because most of our questions have been about the cost of the project. The Minister stated that it was a cost-effective way of getting passengers from one side of the river to the other side. If the Minister uses dedicated funds out of the Highway Fund on which no interest is paid because those funds are made available to the Government each year as compared to having to borrow funds for the payment of ferries over, say, 50 years, an interest component applies in the second case and not in the first case. The costing suggested by the Minister is an absolute sham, which is why we have been continually pressing the Government so that we can ascertain true comparisons. We want to know the comparative costs using the same criteria. We think the situation is a sham and I would like the Minister to explain that it is not a sham.

The Hon. Barbara Wiese: I have made it perfectly clear over the past few months in providing a whole range of figures, consultants' reports and documents that set out clearly the costing arrangements for the various options available to us to improve access to Hindmarsh Island. I have made all these documents available. The reports of consultants are freely available and everyone has been able to get their accountants, lawyers and everyone else to go through those costings and work out the position for themselves. There has not been any sensible argument put up by anyone to my knowledge against the costing proposals that have been put forward. There has been no argument that stacks up to suggest that this is not a reasonable proposition. I will ask Mr Ledo, who has been involved in the tendering process and who has a detailed knowledge of previous costings, to add to my remarks.

Mr Ledo: The problem in understanding the basic situation is that we are trying to compare a capital cost and up-front expenditure on the bridge with a cost that is an annual cost in the form of operating a ferry. The source of funds does not come into that comparison in any shape or form. Procedures exist for carrying this out—simple economic procedures—and they are spelt out in Treasury guidelines that the various departments use throughout the service. In this instance Treasury has been closely associated all the way with this matter.

We have a choice of spending about \$6.4 million as estimated by us on a bridge with a small annual cost for maintenance or spending \$400 000 per annum for operating the ferry. That \$400 000 included the wages of the people operating it, refurbishing costs that have to be undertaken every six or seven years when the ferry is taken to Morgan and refurbished, fuel costs and all those things. In making these comparisons it is standard procedure to try to equate money that is to be spent in some years time with the money that is being spent now by the application of what is called a discount rate. The discount rate that has been used in Government circles for some time is 7 per cent, which means that money you have in hand now is different in value from money that you will have to spend in 10 or 20 years. It is simple arithmetic based on simple economic principles.

The source of the funds is quite irrelevant. It is the case of making sure that, in this application of the discount rate, in effect the purchasing power of the money is recognised: that you are much better off if you are given \$100 now than if you are given \$10 a year for the next 10 years. By the application of the discount rate, that \$100 which can be invested is much better in your pocket than just getting \$10 a year.

These procedures have been followed and it is quite clear that, at a 7 per cent discount rate, the difference between the \$6.4 million up-front and the \$400 000 a year was in the order of about \$1 million. As the Minister has implied, the actual tendered prices are somewhat less. So, we are now in a situation where Treasury has said the 7 per cent discount rate may be a bit high: if it was at 5.65 per cent it would mean a break-even point. So there has not been any shonky business in terms of the fund out of which the money comes.

Mr INGERSON: That answer assumes that the State is in a liquid state and there are no borrowings involved. I find it quite amazing that we do not calculate into these sorts of investments the cost of borrowings because that in essence is a pretty fundamental requirement of Government to borrow those funds. If you extrapolated that over the period of the ferries I would suspect that that \$6.4 million would run very close to \$50 million in 20 years if it was properly costed out. Last year the capital works program provided \$4.1 million for the commencement of the bridge in 1992, which was to be completed in 1993. The Government itself has been responsible for a delay of 10 months in commencing the construction of the bridge. Why is the Minister not prepared to respect the findings of the Environment, Resources and Development Committee, which were to delay the construction of the bridge in order to reassess the merits of the bridge in financial, social, tourism and environmental terms? Why does she now consider it is so urgent to let the tenders and commence construction of the bridge within the next month?

The Hon. Barbara Wiese: The fact is that the Government has now had the opportunity to study the report of the Environment, Resources and Development Committee.

Mr INGERSON: You couldn't have read it too well.

The Hon. Barbara Wiese: I read it very well. I read every single word personally, and I have also had advice on it from relevant parties about particular recommendations. My conclusion is that there is no new information or recommendation in that report that should lead me to altering the recommendation that has been made to Cabinet previously: that the bridge project should be proceeded with. We have had the opportunity to review all the issues that were contained in that report. We have assessed the various propositions that were suggested in that report and the financial situation remains the same: this is a better proposition.

On the question of whether or not there should be tolls, I have indicated that, first, there is no legislative power currently for a toll to be levied for users, whether they be residents or non-residents, in order to recoup some of the funds for the bridge. I must say that the suggestion that non-residents would be the only people to pay a toll is an inverted form of logic, when, if you were looking at it strictly rationally, you might say that the people who benefit most are residents and therefore they ought to pay. I doubt that the Hon. Dean Brown would be very keen on such a proposition because I am sure his constituents would kick up merry hell if they thought that residents in that local area would have to pay every time they accessed their own properties or homes. It is not my intention to recommend to the Government that we should introduce tolls in order to recoup some of the funds. If you stop and think about it a little and just have a look at what would be a reasonable proposition if you were going to introduce a toll, something like \$1 is about the going rate I suppose for something like that, and you would need about 10 000 cars a weekend to actually make any sort of impact on the cost of the bridge at all: 500 000 cars a year.

For those who have raised environmental issues as their key opposition to the building of this bridge, I am sure that would be a proposition they would be very distressed to hear about. So, I do not believe that is the way to go, either.

As to the environmental issues that have been raised by the committee, and particularly the recommendation that there ought to be a full environmental management plan for the island, that is something which the Government has in hand and which formed part of the environmental impact statement conditions: that such an environmental management plan should be put in place. The Department of Environment and Land Management has that in hand and I understand that it will be complete by the time the bridge is built.

As for future development on the island and the recommendation that there should be careful assessment, that too is in hand. There is a supplementary development plan that covers the island at the moment. There are strict conditions to be abided by, and they will be. So, there is no new information that that report provides that would lead me to make a different recommendation to the Government.

As to the question about why it should take place now, the fact is that we started a tendering process before the committee began its deliberations. We have some timing issues to be taken into consideration with respect to the tendering process, and it is my intention that we should not be penalised by breaking the undertakings that are given through that tender process.

Mr INGERSON: I note that in the department's capital works budget this year the bridge to Hindmarsh Island is the department's third most expensive outlay. The cost of the bridge of \$5 million is exceeded only by roadworks on the Salisbury Highway at a cost of \$9 million and roadworks on the South Road-Sturt Road triangle at Darlington at a cost of \$7 million. The bridge has never been considered as a priority by the department and has never been featured in the department's longer-term proposed schedule of works. What other projects deemed by the department to be more urgent have been pushed back to ensure that \$5 million can be found this year for the bridge? Have these funds for the bridge in fact come from the Government's capital works budget or from the dedicated budget of the department as I mentioned earlier?

The Hon. Barbara Wiese: The funding for this project is coming from the highways fund. The list of projects that we find in the capital works budget is related much more to a cash-flow situation—how much money is available to undertake a range of projects in any one year—than it is necessarily to priorities.

Mr HAMILTON: The Minister would be aware that Football Park is in the electorate of Albert Park. Traffic management over the years that I have been the local member has been of high priority, as far as I and my constituents have been concerned. I would like to place on record on behalf of my constituents my appreciation for the amount of work the Department of Road Transport has carried out in the electorate. Is it the intention of the Government (through the department) to complete West Lakes Boulevard from SABCO to the Port Road? It has been suggested to me by a number of constituents that any expansion in the accommodation of patrons of Football Park, particularly for AFL games, could increase the problems in the area.

There are from time to time bottlenecks at the Port Road/West Lakes Boulevard intersection, and it is believed by many constituents that the widening of West Lakes

Boulevard from SABCO to the Port Road is not only necessary but critical to the long-term benefits not only for local residents but to create a better image for intrastate and interstate tourists, and it would also be critical in terms of any proposal for international events to be held in and around Football Park, for example, our failed bid for the Commonwealth Games.

What medium or long-term commitment is this Government prepared to give to the widening of that roadway, and will the Minister provide to the Committee the traffic flow figures currently along West Lakes Boulevard and the projections to the year 2000?

The Hon. Barbara Wiese: As to the last question about the traffic figures, that is something I will need to take on notice and provide at a later time. I will ask Mr Payze to comment on the general issue of whether that road will be upgraded.

Mr Payze: The simple answer is that that project is not included on the department's five year advance works program at this time. It is recognised that the capacity of that link does not match the capacity of West Lakes Boulevard over other portions of it and therefore should in that respect be seen as being deficient. To meet the day to day commuter-type response, one would argue that its priority is not very high. We recognise that at the intersection of Port Road and West Lakes Boulevard there are times when there is congestion, but one could not expect to build a road network that would accommodate the sort of discharge from Football Park on finals days or after Crows games.

We must balance those one-off peak demands with the everyday response to the road network. So, in terms of commuter traffic, we do not see it as an immediate priority. However, over the years we have been purchasing properties on an owner approach basis, which will enable the Government to meet a requirement and which will not prejudice any option for widening at the appropriate time.

Mr HAMILTON: As a supplementary question, I thank the Minister and Mr Payze for that response, because it is very important for those local businesses, of which he would be aware, that currently occupy land that belongs to the DRT, and for those residents who occupy those properties. But I look forward to the response because constituents, quite properly so, are concerned about Football Park crowds.

In relation to page 162 of the Program Estimates, referring to the planned construction of a number of arterial bikeways, I noted with interest on the weekend that the Liberal Party has released its policy on cycling. The Leader of the Opposition's media release points to what he calls 'Labor's decade of neglect', and states that a Liberal Government would significantly improve safety on roads for cyclists. Does the Minister have any comment to make on the Liberal Party's cycling policy, and will the Minister address the problems of a linear park and what is being done in that area in terms of cycling, because it is a complex area in terms of the number of people who use it?

The Hon. Barbara Wiese: First, with respect to the Liberal Party's policy on cycling, I indicated at the weekend when that was launched that I welcomed the Liberal Party's belated interest in cycling issues. To my knowledge it has never had any sort of policy on cycling in the past. I also indicated in my comment that plagiarism is alive and well in the Liberal Party, because the policy that was launched by the Liberal Party last weekend did a very good job in picking the eyes out of a cycling review document that has been prepared

for the Government in developing the next stage of our own cycling policy.

It picks the eyes out of only one of a number of documents that are being worked on currently by the Government. So, far from showing vision, as was suggested by those in the Liberal Party who launched that policy on the weekend, it has really demonstrated that they have no original ideas and must draw on the ideas of others. As I indicated, that review of cycling development in South Australia is a document currently with community organisations for consultation, and is one of a number of things that we are currently in the process of achieving. The other issues we are looking at are a review of the current best practice taking place both interstate and overseas, and a survey of bicycle use in Adelaide, including trip patterns and attitudes to cycling. The work being done in all three of those areas will be drawn together in order to produce a new South Australian strategy. Our approach will be based on all that material, not just one snapshot from one study. We have a comprehensive program of review under way but, during the past 10 years we have also been involved in many ways in improving facilities and safety for cyclists.

We have been working with local government over the years in providing grants. During the past 12 months of the order of \$300 000 was provided for individual councils that were developing cycling facilities. We have introduced a range of legislative and safety measures: the introduction of compulsory wearing of helmets, for example, it has been estimated has reduced severe head injuries by something like 45 per cent. I introduced a package of legislation earlier this year that was designed to improve road safety for cyclists, and that has been well received and is now in the process of implementation.

There is a network of bikeways or cycle paths on arterial roads, and a number of bikeways are being constructed around the metropolitan area as part of a broad network. Many of the things that the Liberal Party was talking about we are already doing, and some of the other ideas were plucked from our own document. However, I welcome the Liberal Party's interest in this matter. It is good that at least on some things we can agree. However, I would argue that the Government's approach is more comprehensive. We are looking at the needs of cyclists in a broader way. When our policy document is launched later, it will be seen that it has a much more comprehensive approach. I understand that the cycleway through the linear park has been completed.

Mr HAMILTON: My question was directed to the use of linear park, because it is a controversial issue. Cyclists, joggers, walkers—people like me—use that facility. I understand that the use of linear park will quadruple in the next 10 years; hence my concern about cycling and how that will be addressed. Whilst I was in Perth last weekend looking at the Liberal Party's outrageous industrial policy, I noticed that pedestrians have right of way on the bikeways. That was the reason for my question: how will that component be addressed?

The Hon. Barbara Wiese: I am aware of the conflicting use that the member for Albert Park raises. I understand that the councils which are responsible for the pathway through the linear park are looking at some of those issues. There is a problem with some sections of the cycleway relating to lighting and other issues. Those things are being attended to, but it is largely a local government matter.

In the package of legislative measures to which I referred, one of the provisions is to enable councils to identify areas

where shared use of footpaths, for example, can be accommodated. I hope that with such measures being introduced some of these areas of conflict between the needs of pedestrians and cyclists can be overcome. I suspect that whatever rules we make we shall never satisfactorily deal with these problems because it is an inherent conflict in that cyclists and pedestrians are looking to do different things on bikeways. I am not sure how we can deal with those problems, but we are attempting, through some of the measures to which I have referred, to start addressing them.

Mr HAMILTON: There was a working party looking at the linear park last year and that is why I asked about the culmination of those discussions. As one who uses the linear park quite often, I am concerned about the dangers inherent in the use of that facility, because people have been injured. I understand that there has been one fatality in the linear park, so the matter of speed and so on has to be resolved. I will not labour the point.

The Hon. Barbara Wiese: That working party did not report to me. I cannot recall to whom it was reporting, but I will make inquiries and provide some information.

Mr HAMILTON: My final question relates to the controversial speed zoning of 40 km/h. In moving around my electorate, not one person has approached me in support of the 40 km/h speed limit, and as regards trialing not one person has come to me in support of or opposition to that proposal. Frankly, I think it is a non-event in my electorate. What is the status of the Unley local area speed limit trial and is there any intention of introducing similar speed restrictions in other areas, in particular in Albert Park?

The Hon. Barbara Wiese: The 40 km/h speed trial in Unley was the result of mounting pressure in that area for something to be done about traffic on local streets. I presume it has something to do with the simple grid pattern of streets in that area and the fact that it is relatively close to the metropolitan area with quite heavy traffic on arterial roads during peak times which has led to a number of motorists using local streets as a throughway. As a result of concerns expressed by local residents who had been badgering their local council and their local member for something to be done about reducing speed limits to make the place safer, it was decided that a trial should be undertaken.

It was not the first trial of its kind in Australia; they have taken place in other parts of this country. However, this trial had some different aspects to it. One was that some enforcement measures were undertaken during the trial—low level enforcement at some times and high level enforcement at others—to get an idea of how people would respond. As a result of the trial, it was found that reducing the speed limit on its own was not likely to be effective in reducing speed in local streets. Such a measure, combined with other physical design techniques, such as speed humps, chicanes, and so on, and a low level of enforcement, is more likely to be the sort of combination that will be effective in reducing speeds in local streets.

The interesting thing about the Unley trial is that residents who were surveyed during the trial admitted at the end that they felt that speeds had not been reduced significantly, but they wanted that measure to remain in place. The recommendation that was made to me by the working party that headed this trial was that we should continue the trial in Unley so that we could gather more information; that we should encourage a broad community debate about whether a 40 km/h speed limit in built-up areas is desirable for the future; and that

certain other issues be given further research priority. That is the approach that we are adopting.

The Department of Road Transport is producing a discussion paper which will be released in October to local councils and interested community groups. I want to generate a broad discussion about this throughout the metropolitan area to determine whether or not there is support for the introduction of a lower speed limit in metropolitan built-up areas.

This debate is taking place across the nation. Two States have indicated that they are reducing their built-up area speed limit to 50 km/h. It has already happened in many parts of the United States, where 25 mph is very common. It has occurred in Europe where in some cities the speed limit is 30 km/h. So, there is an international discussion taking place in cities that are trying to deal with traffic problems in built-up areas. It is inevitable that there will be such a debate in South Australia; we are hoping it can be an informed, instructive discussion based on the information we collected through the Unley trial and, based on the information that we receive, the Government will make a decision about whether or not we will move in this direction.

Mr MEIER: I would like to come back to questioning on the bikeways and cycling in South Australia. It was interesting to hear the Minister respond to the question by the member for Albert Park; it reminded me that an election must be getting closer, given the way the Minister was stating what she felt the Government was doing when in fact I know that many cyclists are disappointed with what the Government has done over the past decade.

I wonder whether the Minister agrees with the findings of the recent review into cycling in South Australia when it states:

Essentially nothing has been happening in South Australia in terms of the 4E programs set out in the 1982 Adelaide Bike Plan.

It states further:

Education appears to have gone backwards. . . there is little happening in a positive manner and enforcement. . . encouragement appears to have been limited. . . and engineering facilities have been determined in a fairly *ad hoc* manner.

As funds for the State Bicycle Committee have remained at \$250 000 for a number of years, what is the funding allocation to the committee this year?

The Hon. Barbara Wiese: I do not agree entirely with the comments that were made in the consultant's report; in fact, I take the view that they were over-generous in their criticism of the Government with respect to measures that have been taken by us in this area. There was not sufficient acknowledgment of some of the achievements that the Government has undertaken. I will indicate that there has probably been more activity in recent years than there was in the first part of the decade with respect to development for cyclists, and I would have hoped that there might be appropriate acknowledgment that the performance in this area has been increasing and improving.

To support the claims that I am making, it is important to acknowledge that in some of the work that is being done across Government, for example, in the Metropolitan Planning Review work and the 2020 Vision statement, the needs of cyclists were very much incorporated in our vision for the future. In producing plans for future new road works, the Department of Road Transport incorporates the needs of cyclists as a matter of course wherever they can be accommodated.

So, considerable work has already been done to accommodate the needs of cyclists in a planning and road development sense and in the many other ways which I outlined earlier and which I will not go through again. I believe that the report was unduly critical of the Government and that our performance, certainly in recent years, has been a lot better than we are given credit for. Policies for the future will be even better as a result of the work that is currently under way through those planning documents that I talked about.

As to the allocations for the State Bicycle Committee, the allocation for 1993-94 will be \$817 000, which represents quite a significant increase. I should add that that amount of money includes administration for the State Bicycle Committee, subsidies to local government and the arterial bikeway development.

Mr MEIER: Last year in the Estimates Committee the former Minister stated that stage 2 of the westside bikeway to Glenelg would be completed that year. I notice on page 162 of the Program Estimates in this year's 1993-94 specific targets that it provides for the construction of stage 2 of the westside bikeway to Glenelg. Why was the work not done last year?

The Hon. Barbara Wiese: I will probably have to seek a more detailed report about this, but certainly there was a need for negotiation with local government on matters relating to the route of the bikeway, etc. I know that as recently as some time during the past fortnight people from the cycling unit have met with the Glenelg council to finalise details relating to the bikeway located in the Glenelg council area, so some of that negotiation work has not yet been completed. However, I believe that it is close to completion, and that work will soon commence.

Mr MEIER: My next question relates partly to the question that the member for Mitchell asked in relation to private contractors. The Minister indicated that 15 per cent of the work was allocated to private contractors in the past 12 months. Could she indicate what percentage was allocated to councils, recognising that in the previous year the breakdown was 15 per cent to private contractors, 2 per cent to councils and to the department 83 per cent? Also, are there any proposals for the Government to put out to tender additional activities this year, because the Minister would be aware that the Federal Government requires the Department of Road Transport to put to tender all Federal road works, and will the State Government's policy change along that line, too?

The Hon. Barbara Wiese: With respect to the first question about how much work was provided for councils, I do not have that information but I will provide it at a later time. With respect to tendering out, Mr Payze will respond.

Mr Payze: The issue of how works are undertaken by the Department of Road Transport has been changing over the years. Certainly, back in the 1960s and 1970s local government was supplied with grants and provided the basis of undertaking arterial road construction for the department. Over the years that has diminished, and now it is fair to say that, other than some specific rural arterial projects, very little is done in terms of specific grants to councils.

Contracting is a separate issue. Local government is not prohibited from tendering for any works by public tender. However, it is fair to say that in recent years I cannot recall any council, other than the District Council of Kadina, ever winning a contract to undertake works on a public tender basis.

However, the department, through its own resources, has been putting in to tender against the private sector and in fact

has been winning a number of those contracts in recent times. As to whether or not any further work or any greater proportion of work is likely to go out to public tender than has occurred in the past, the issue of national roads legislation is to change following the expiry of the current legislation as at 31 December this year. It is expected, although we have not seen the form of the new legislation, that the National Highway Act that will replace it will include the necessity for specific maintenance works to go out to public tender, and that is an extension of the rules that govern Federal road funding at the moment, where I believe it is only specific construction works in excess of \$2 million that are required to go out to public tender. So, there could be some changes to the rules in respect of Federal road funding.

As to the issue of whether we go out to more contract type works for State funding, I do not see any basic reason for changing the existing practice.

Mr MEIER: On 28 June this year, I raised with the Minister a problem with the Maitland-Ardrossan road and the resealing thereof by a private Victorian contractor called Inroads owned by BP Oil. In my correspondence to the Minister I pointed out that an accident had occurred because of the poor quality sealing and the loose rubble on the road. It was very lucky that the driver of that car was not seriously injured.

I asked for details as to who was responsible. In the Minister's answer to me on 19 August, she said:

It has not been conclusively determined that the application of the reseal for the road was at fault.

She then goes on to indicate that the cost of the repair work, which was actually redoing the whole of the road—about 10 kilometres, if my memory serves me correctly—was borne by the contractor. Whether it was the fault of DRT or the contractor, no-one knows.

I certainly have some concern if this type of thing has occurred around the State—and it was reported to me that other incidents had occurred where there had been poor application of resealing—as to who determines the correct mixture. Who determines the way it is to be applied and, in the long term, will the Department of Road Transport be subject to legal action if the subcontractor is made to bear the costs of resealing, when in fact blame has not been apportioned?

The Hon. Barbara Wiese: With respect to the issue relating to the standard of road making, there are Australian standards by which the department and contractors work when they are constructing roads. I will ask Mr Payze to elaborate on that and on some of the legal issues and other matters relating to problems that arise from time to time with contracts of this sort.

Mr Payze: The materials used to undertake bituminous surface treatment are supplied in accordance with either an Australian standard or a departmental standard. The aggregate, that is, the stone put on the surface, is supplied in accordance with a State standard. The design of the application rates, that is, the design of the treatment itself in respect of how much bitumen and how much stone, is determined through a design process that is a nationally accepted process, produced through technical work under the auspices of the Australian Road Research Board or the Austroads organisation, and that is clearly a departmental responsibility.

So, the works that are undertaken by contract, which is actually to apply the bitumen and the stone, are performed in accordance with contract documentations and specifications

put together by my department and are tendered for in terms of contract works.

If, indeed, there is a failure, in the sense of the performance of that surface treatment, it can only be a post-mortem evaluation to determine whether that failure is as a result of the workmanship undertaken by a contractor or in fact the materials that have been supplied to that contractor to perform that work.

I am not exactly familiar with why that particular surface treatment failed on that road, other than to say that over the past 12 months we have had some failures that have been very complex in terms of a post-mortem evaluation to try to determine the cause and effect relationship. We suspect it has something to do with the bitumen, yet the bitumen itself meets all Australian standard requirements. We just do not know whether we have to change the Australian standard to produce a bitumen that performs in the field better than the ones that have been produced through the refining process in Australia in recent times.

I cannot give you an answer to the specific question. I can only say that we are investigating, to the best of our ability, whether the bitumen and the rheology of the bitumen provides the sort of performance we are expecting in the field and whether we have to tighten up the specification. In fact, there are moves afoot in other States to tighten up the bitumen specification.

Mr MEIER: Who picks up the bill for that?

Mr Payze: If it is a failure on the part of a contractor to undertake that work in accordance with that specification, then there are processes within contract law to recover those damages. If it cannot be proven then, quite clearly, it is on the State to accept those losses.

Mrs HUTCHISON: Given the fact that resources are scarce, which I realise, what does the department intend to spend on rural arterial roads in the 1993-94 year?

The Hon. Barbara Wiese: This year the department intends to spend approximately \$47.8 million on rural arterial roads. These funds will be spent on a number of matters, including specific projects, \$9.6 million; general maintenance, \$19 million; reseals and rehabilitations, \$9 million; pavement marking, \$1.9 million; land acquisition, \$100 000; roadside development and landscaping, a sum of \$300 000; minor road works, \$1.3 million; ferries, \$4.8 million; safety related road works, \$600 000; material stocks \$300 000; maintenance of bridges, \$900 000, making a total of \$47.8 million.

Included in the \$9.6 million for specific projects is expenditure of \$1.41 million on unsealed rural arterial roads. The department's unsealed rural arterial roads strategy seeks to provide an equitable level of accessibility for people in rural areas who are often disadvantaged by location. This is achieved through overcoming flooding and drainage problems and correcting hazardous road alignment and extending the seal. These improvements, everyone would agree, are a positive way of providing social justice to rural communities.

During the current financial year money will be spent on the following road projects: Kimba to Cleve, \$200 000; Elliston to Lock, \$200 000; Andamooka to Roxby Downs, \$250 000; Hawker to Orroroo, \$150 000; Port Wakefield to Auburn, \$100 000; Spalding to Burra, \$310 000; and Burra to Renmark, \$200 000. In addition, the department will spend approximately \$33 million on national highways in the rural area and approximately \$11 million on rural local roads.

Mrs HUTCHISON: When is it expected that the Roxby Downs to Andamooka road will be completed?

The Hon. Barbara Wiese: The project has a total value of \$4.8 million and we have spent about \$1.3 million. At the rate of expenditure thus far, it is likely to be about four or five years before the road is completed.

Mrs HUTCHISON: As to the duplication of Port Wakefield Road, which I travel frequently, I am looking forward to its completion, but when will the duplication between Two Wells and Port Wakefield be completed and how much is the overall cost of that duplication?

Mr Hamilton interjecting:

The Hon. Barbara Wiese: A number of members seem to have a keen interest in this road. The member for Stuart travels on that road so many times a year that it is not funny, and having a good quality road for her and many of her constituents is important. The road is also extremely important to the member for Albert Park, who walks that road at least once a year and he, too, needs a good road surface. We are certainly doing our best to get on with this project and to complete it as quickly as possible. The duplication of the highway is being undertaken in three separate sections. The Two Wells to Dublin section duplication has been completed at a cost of about \$15.5 million. Duplication to Wild Horse Plains is the second section and the contract for roadworks commenced in December last year. Portion of the project is complete and now open to traffic. The remainder will be completed by Christmas this year and the estimated cost of this section is \$13 million.

For the Wild Horse Plains to Port Wakefield section a crushed rock contract has been completed and a roadworks and bridge works contract is expected to be let in March next year for a period of 18 months and the estimated cost of that section of road is \$11.5 million and the total cost of the project is \$40 million.

Mrs HUTCHISON: The expected completion date is 18 months after the contract is let?

The Hon. Barbara Wiese: Yes.

Mrs HUTCHISON: As to the Sturt Highway, I noticed from the capital works program that works are continuing on that recently declared national highway. What improvements have been made to date on that section of highway?

The Hon. Barbara Wiese: As a consequence of the One Nation statement, upgrading of the Sturt Highway to national highway standard commenced during the last financial year and much work is already completed. The Gawler to Nuriootpa section included reconstruction and widening of about 12 kilometres between Gawler and Daveyston; Nuriootpa to Accommodation Hill included construction of a new climbing lane up Accommodation Hill towards Truro; further works along the sections include bypasses of Sheoak Log and Daveyston; and various passing lanes between Gawler and Renmark.

It should be noted that as the Sturt Highway is a major corridor for road freight between Adelaide and Sydney and has been carrying significantly more commercial vehicles during the past few years, these works will certainly be of significant advantage to such people who are using these roads in greater frequency. There should be a much greater increase in road safety for both commercial vehicles and private motorists using those roads.

Mr INGERSON: On 26 August, the Premier announced that the Department of Road Transport would be created by the amalgamation of the Department of Road Transport, the Department of Marine and Harbors, the STA and the Office of Transport Policy Planning. The next day the Minister in the Legislative Council confessed that no decision had been

made on what form the department would take. She said she hoped it would be resolved in the next few weeks.

Is the STA to remain a statutory authority responsible for policy and operations or just operations? Is the Department of Marine and Harbors to be absorbed into the Department of Transport or become a statutory authority and, if it is to become a statutory authority, will it have a purely commercial focus or will it continue to be responsible for a range of community service functions? Is the Office of Transport Policy Planning to be absorbed into the department and is the Department of Road Transport to become a division of the department?

The Hon. Barbara Wiese: As I indicated when the question was asked of me recently in Parliament, the decision to create a Department of Transport will require much work to determine exactly what the structure should be. That work will proceed over the next few months to determine what the component parts and the reporting arrangements should be. A review of any necessary legislative change will also be part of that review.

Work has already commenced in the transport portfolio and, unlike some other departments where a merger is taking place, there has probably been more work undertaken within this portfolio in the past 12 months in bringing about a greater coordination of activity than in some other areas of Government. The process of creating a new department should not be as difficult as it may be in other areas of Government where the respective responsibilities of constituent parts are not as well matched.

I am not in a position to give detail now about some of the issues that the honourable member has questioned. They will form part of the review to which I have referred and which is proceeding now. By the end of the year, but hopefully long before that, we will have a clear idea about the most appropriate structure for the department in the future. If legislative changes are required they can be put into place next year and, as the honourable member knows, the overall timetable for the Government in achieving the changes in all these new departments is to have everything tied up by the middle of next year.

Mr INGERSON: As the Director of Transport, will Mr Payze retain his position as CEO of road transport or is a new CEO to be appointed? Will he continue to be based in the Department of Road Transport at Walkerville?

The Hon. Barbara Wiese: Mr Payze will retain his position as CEO: Commissioner of Highways is the appropriate title and, at least at this stage, he will be retaining his spot at Walkerville.

Mr INGERSON: I noted in the *Gazette* the other day that a new five year contract had been developed. Have there been any other changes to the package as it relates to the CEO?

The Hon. Barbara Wiese: There have been no changes to the contract. Mr Payze's previous contract as Commissioner of Highways was due to expire now in any case, so his contract has been renewed, and I understand that the salary arrangement is the same. He just has more work to do now. So we are getting greater productivity: it is a boon for the taxpayer.

Mr INGERSON: Is the new Department of Transport to have a secretariat or other form of executive and policy support? What is the estimated number of people to be employed in the new department, and what is the estimated cost of such an initiative? What savings, if any, have so far been identified arising from the decision to restructure the Transport Department and agencies, and where are the

savings to be made? Do these savings involve any reduction of staff and, if so, how many?

The Hon. Barbara Wiese: It is too soon to give clear answers to those questions. The review to which I referred and which takes place over the coming few months will determine the final shape of the organisation and will determine whether staff savings can be achieved and whether that will result in other savings. Considerable reforms are already taking place within the various parts of the portfolio in the existing departments. Programs of reform have been under way for a number of years. Those measures that have been set in train are achieving a considerable improvement in productivity and savings, as well as a better delivery of service to the community. Those measures will continue and will be very helpful in moving to the next phase of the creation of a single organisation.

Mr INGERSON: The Premier announced in his statement in March that he anticipated that public servants would reduce in number by something like 3 000 by the end of 1995. What number of targeted separation packages were allocated to the Department of Transport to achieve in that period in line with the 3 000 projected by the Premier in his statement?

The Hon. Barbara Wiese: No target was set for the Department of Road Transport as part of the statement that was made by the Premier, but I can indicate that phase 1 of the TSP scheme has resulted in 27 employees accepting offers of separation packages; phase 2, as at the end of August, has almost been completed with 12 of 13 accepting offers.

Mr INGERSON: So you did not have any targets?

The Hon. Barbara Wiese: No.

Mr INGERSON: Was it just a pipe dream exercise?

The Hon. Barbara Wiese: I do not view it as a pipe dream exercise at all. It is the view of the Government that we will be able to achieve the targets that were set earlier in the year by the due date, which is the middle of the next year.

Mr HOLLOWAY: I note that on page 158 of the Auditor-General's Report reference is made to an increase of almost \$1 million in the claims made on the Government Workers Rehabilitation and Compensation Fund by the Department of Road Transport. What are the reasons for this increase, and what improvements have been made in the areas of occupational health and safety in the department to address that issue?

The Hon. Barbara Wiese: The figure that appears in the documentation is misleading to some extent because, in fact, during the last financial year the number of new claims overall for this department dropped by almost 9 per cent and lost time due to injuries fell by almost 15 per cent. The figures were up on those of last year because the costs associated with claims rose significantly and this was largely due to one particular claim for the death of an employee whilst on annual leave which was attributed to stress.

Also, quite some considerable encouragement has been given by outside organisations to people to lodge claims. So, there are a number of things to take into account, but certainly that one particular claim that was made for this department has somewhat skewed the figures for this year.

With respect to developments in this area, a relaunch of the profile of occupational health and safety in the department occurred during the course of the year with a corporate performance target being set and action plans being incorporated into the corporate strategic planning framework. Individual priority-based safety programs have been devel-

oped for key areas within the department and resources have been allocated accordingly. We would hope that the improvement in the overall numbers of new claims and time lost due to injury will continue to decrease during the course of this coming year.

Mr HOLLOWAY: I am aware that there has been a lot of activity on Cross Road in recent months. What work will be undertaken through the entire project, and what is the date of completion of that work?

The Hon. Barbara Wiese: I know that the member for Mitchell has a keen interest in this and has certainly approached me on numerous occasions about Cross Road. Also, my predecessor has received many inquiries from him. Cross Road is obviously a main arterial road in Adelaide, and numerous complaints have been lodged over recent years about the road surface and the increasing traffic along that road.

The Government has taken the decision to upgrade Cross Road in a number of stages. The first stage addresses problems associated with improving various intersections, and work has begun initially on the Winston Avenue intersection, which I think is within the honourable member's electorate. Duthy Street, Unley Road and Goodwood Road intersections are also being upgraded. That represents the first stage. There will also be a maintenance reseal of the existing rough surface along the road, and then the first stage of the longer-term mid-block widening of Cross Road will involve the replacement of overhead power lines with underground power.

The existing avenue of trees, which I know are near and dear to the hearts of local residents, will be replaced with advanced growth trees over a period of about four years along the length of Cross Road in preparation for the eventual widening. The acquisition program is well under way, and the last few properties are being acquired now.

Issues such as parking and cost sharing arrangements remain to be resolved with two councils. As I said, the construction commenced on the Winston Avenue-Cross Road intersection in about April of this year, and the first stage of those works to which I refer will take about three years with the other work following as funds permit. I have already given an undertaking that the mid-block widening, when it occurs, will occur from the South Road end.

Mr HOLLOWAY: I know that work is also being undertaken between the River Torrens and Anzac Highway on South Road. When will this project be completed and what will be its cost? Further, what will be done in relation to connecting that road with the Salisbury Highway? Will the completion of the upgrading of South Road relate to the linking with the Salisbury Highway?

The Hon. Barbara Wiese: As everyone in this room would be aware, South Road is a key north-south corridor, and the upgrading that is currently under way is part of a broader program of improving our network of arterial roads around the metropolitan area. Currently, the section being widened between Anzac Highway and the River Torrens, the full length of the roadway, is taking place in stages. The proposed widening will provide an important level of service and safety benefits by the provision of a wide median and an improved riding surface. Peak period delays will be reduced and the major intersections will be widened.

The first stage is Anzac Highway to Richmond Road, which is expected to be completed by December this year. The second stage, Richmond Road to Burbridge Road, is expected to be completed by January 1995, and the final stage

between Burbridge Road and the River Torrens will be completed in 1996. Quite considerable disruption is caused by roadworks of this sort, particularly on such a major road, but the department is taking care to keep the disruption to a minimum for local businesses, along that roadway in particular. Total construction costs for the project are \$13 million and, following the upgrading of this section of South Road, the department also proposes to widen and upgrade the section between Port Road and Torrens Road, which will result in a similar high standard road being provided over the whole length of this important north-south arterial route.

The Salisbury Highway project involves the construction of a new four-lane divided road linking South Road to Port Wakefield Road at its junction with Salisbury Highway and incorporating a grade separation at Port Wakefield Road. Pre-construction work involving land acquisition and service relocation is already proceeding. The first roadworks contract between Grand Junction Road and Rafferty Street is being undertaken by the department and is expected to be completed in June next year. Specifications are being prepared for the Rafferty Street to Port Wakefield Road section and at grade works between Port Wakefield Road and the overpass at the intersection of Salisbury Highway and Port Wakefield Road.

The total estimated field cost for the project is \$35 million. It should be completed by February 1996 and allowances have been made in the design for corrections to both the Montague Road extension and the Gillman Highway. However, commencement date for the construction of these connections is not yet known and will be dependent on the availability of funds.

Mr MEIER: I have a supplementary question to the member for Mitchell's question, if that is possible, about the overpass on Salisbury Highway and Port Wakefield Road. Being a person who uses that road regularly, I have been very disturbed to see that the earthworks for the overpass project from the west to the east such that it would appear that only two lanes will be able to travel northward towards Globe Derby Park, and I just hope that that is an apparition on my part and that those earthworks will be taken back so that in the future, if three lanes are required further north, it will simply be a matter of constructing an extra lane and we would not need to reconstruct part of the overpass.

Mr Payze: I believe that the three lanes that are continuous along Port Wakefield Road will remain, so what we see at the moment is a restricted space for traffic control. It may be better that I brief the honourable member afterwards in terms of the detailed design of that interchange.

Mr MEIER: Thank you. While on roads, I allude to an article in the *Yorke Peninsula Country Times* this week about the Kadina-Wallaroo road reconstruction. I was a little disturbed to read in that article that the Department of Road Transport Regional Manager from Crystal Brook said that his department was waiting on the 1993-94 allocation of road funding and that it was impossible to set a starting date for that road at this stage. I am concerned because I note that it was 31 March 1992 when the first plans were put before the public, and now we read 18 months later that there is still no proposed starting date, yet we are into that financial year. What can the Minister answer as to the funds, which I presume would come from the Federal Government but would be administered by the State Government to get this road under way?

Mr Payze: That project was originally conceived to be funded through the Federal Government's national arterial program and, as I have already stated, there will be changes to the Federal road funding arrangements concluding this calendar year, with a new Act commencing next year to apply only to national highways, the component parts of the national arterial program coming back to the States as untied grants. As a direct result of that, we have had to review the priority of that project, funded now from State sources. The program has a crushing contract concluding this financial year (1993-94) with the roadworks commencing next financial year.

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

Mr MEIER: I should like to ask a supplementary question relating to the answer given by Mr Payze prior to the lunch break. He said that the program has a crushing contract concluding in this financial year with the roadworks commencing in the next financial year. That is of real concern to me as this project would appear to be one year behind schedule. Can the schedule be relooked at and perhaps the finances in order to get an earlier start?

The Hon. Barbara Wiese: This relates to funding. I cannot see any grounds on which the situation will change in the next 12 months to enable that program to be brought forward.

Mr MEIER: My final question relates to the movement of wide vehicles, particularly agricultural-type vehicles such as widelines, harvesters and the like. It has been brought to my attention from time to time that dealers have great difficulty in being able to shift these machines to field days and similar events because they have to apply for a permit from the police station, and apparently some of the vehicles are such that the police have difficulty in issuing permits. Far be it from me to speak out of school, but I suggest that many dealers simply have to bypass the regulations in order to get their equipment to the appropriate field day and they are possibly transgressing the law in doing so. This compares with farmers who in most cases are allowed to take their machines within a 40 km radius of their farms. That is to be applauded because it allows farmers who have adjoining farms to move their equipment without the necessity of applying for a permit. What is the Government doing to address this problem? Are there any plans to make the permit system more flexible or perhaps to use a computer-based system whereby permits could be issued in an instant via a telephone call or a fax?

The Hon. Barbara Wiese: The issuing of permits by fax is already done to some extent now. I am not sure to what extent the network extends to all police stations, but it is undertaken as a practice now. I acknowledge that the first issue raised is an idiosyncrasy in the current arrangements whereby farm equipment can be taken on roads without permits, but not equipment that is mounted on trucks. I acknowledge that is a problem, but it is being examined nationally as part of the review of the arrangements that we are trying to make uniform in Australia. I hope that out of those current reviews at national level we might get a more sensible policy with respect to the issuing of permits.

Mr MEIER: As a supplementary comment, I always shudder a little when I hear about national reviews, because I think that South Australia has some peculiarly South Australian characteristics. For example, we make our own arrangements regarding axle loadings. I hope that the

Minister will keep South Australian interests to the fore rather than go along with national interests.

The Hon. Barbara Wiese: We have been keeping South Australian interests to the fore in the reviews that have taken place thus far, and I think we have had quite considerable success in balancing out the extremes in some areas of regulation from one State to another. It means that when you are trying to reach a uniform agreement on anything where there are great disparities in current practice compromise is essential. With all of these changes we have been trying to achieve the least amount of compromise to preserve the best parts of South Australian practice whilst at the same time meeting the requirement to bring about uniform regulations across the nation, because ultimately that has to be in the interests of all.

Mr HAMILTON: My question is in two parts. One relates to speed zoning and the other to accident statistics. Why has the Minister approved the introduction of higher speed zones into the metropolitan area? The Minister will be aware of the controversy in my electorate, particularly along Military Road and West Lakes Boulevard, and the impact overall in other parts of the metropolitan area. The Minister will also be aware that during the introduction of this proposal there were a number of accidents along Military Road. Why does the Department of Road Transport not report more regularly on fatalities instead of casualties in road accident statistics? I think they are both linked. The Minister once commented that I should cut down a forest, make paper and write to her. Will the Minister respond to those two questions?

The Hon. Barbara Wiese: The department established a working party some time ago, comprised of representatives from the Royal Automobile Association, the Local Government Association and the Department of Road Transport, to examine speed zoning on arterial roads in the metropolitan area, because a feeling was being expressed, particularly by the RAA, that on some roadways it would be safe to travel at speeds higher than 60 km/h. There was quite an extensive review of roads around the metropolitan area. Initially 13 dual carriageway roads were detailed for study. As a result of the review, 12 of those roads were chosen to be rezoned to 70 km/h on some stretches. Military Road and West Lakes Boulevard were amongst those 12. They have now been in operation since February/March this year.

Speeds have been monitored during that time, and we have noted an overall average speed increase of about 2 km/h on those roads. The speed at which 85 per cent of road users travel increased by about 1.73 km/h, so there has not been an enormous change in driver behaviour with the rezoning of those roads. Drivers were already driving at speeds that they considered to be safe for those stretches of roads which happened to coincide pretty much with the 70 km/h zoning.

So, although those results that we have achieved through monitoring thus far must be considered preliminary, so far it seems to have been a success. By and large it has been popular with people. There will be further monitoring of driver behaviour over the next few months, and we can make some longer-term decisions and perhaps also examine other roads in the metropolitan area for similar treatment.

With respect to accident statistics, road fatality data which we read about regularly are not a particularly good indicator of road safety, although they seem to be the sort of information that the media like to provide for the public. A better indicator of what is happening on the roads is the information we collect concerning casualties. There are about 9 000

casualties a year on our roads, and the information is processed each year by the Office of Road Safety. That information is provided in fairly raw data form from police accident reports, and it is then matched and enhanced. It then emerges approximately three months later in a form that can be easily digested.

Because it is three months down the track from the events we are reporting, it does not have the immediacy for media reporting that people in the media like and therefore it does not achieve the same sort of publicity as road deaths, which can be instantly reported. That is unfortunate, because it is a much better measure of what is happening on the roads and it also gives us a much better idea of what road accidents are costing us, because many of those people who are injured on the roads become a cost to the community with long-term health care requirements.

Mr HAMILTON: My second question relates to page 163 of the Program Estimates. Under 1993-94 specific targets/objectives, it refers to the implementation of a procedure to provide for the registration suspension of vehicles owned by organisations in default of fines relating to the use of motor vehicles. Will the Minister flesh that out a little more for us?

The Hon. Barbara Wiese: I call on Mr Frisby to respond to this question.

Mr Frisby: The cancellation of a driver's licence for a fine default has been developed and implemented in consultation with the Court Services Department, and the first notices are due to be sent next week. As far as the cancellation of vehicle registrations is concerned, that part of the fines enforcement procedure has not been developed at this stage.

Mr HAMILTON: As a supplementary question: what is the likely timetable for that initiative?

Mr Frisby: About six months, we believe, at this stage.

Mr HAMILTON: My final question relates to the same 1993-94 specific targets/objectives, where the following appears:

Determine the feasibility of a facilities management arrangement with Vicroads to manage the South Australian vehicles securities register database as part of an initiative to create a national register of encumbered vehicles.

If my memory serves me correctly, I understand there are some problems in this area. I cannot bring them quickly to mind, but I have brought a number of cases to the Minister's attention in the past; I would have to dig them out. Will the Minister flesh this out a little more so that the Committee and South Australians can understand the thrust, the approach and the reasons why we are lining up with Vicroads to introduce this database?

Mr Frisby: I am not aware of major difficulties with the vehicle security register; in fact, the activities of the register are very sound, to the extent that South Australia has not had a claim where we have been required to pay out on the basis of a certificate being given that a vehicle was not encumbered when in fact it was.

Regarding the proposal that is currently under consideration that Vicroads may be an option to manage the vehicle security register database for South Australia, one of the key considerations in pursuing that option is that that would enable a much more efficient exchange of data between the various jurisdictions as a move is made towards implementing access to national data so that vehicle security registers in Australia would be able to reflect the position of encumbrances on vehicles on a national basis rather than, as they

currently are, just to have access to the records held by individual jurisdictions.

Mr HAMILTON: As a supplementary question, what, if any, are the anticipated cost and manpower savings of such a project?

Mr Frisby: The project is still at a feasibility stage at this time, so no final costings of that nature would be available. One of the significant benefits is that which I have already mentioned: it is a step towards a national system. It would also provide access to the expertise that is available in Vicroads, which has just recently completed a major upgrade of its vehicle security register system.

Mr INGERSON: In March 1989 Cabinet directed that the Highways Act 1926-75 be replaced with new legislation to be named the Principal Roads Act. Audit last year indicated that it was expected that a Bill would be submitted to Cabinet in the near future, following a further review by a number of external parties. Has the Bill to replace the Highways Act been submitted to Cabinet; if not, why not; and has the Minister set a timetable in the next four year term for introduction of the legislation to Parliament?

The Hon. Barbara Wiese: A discussion paper and draft Bill have been prepared for the creation of the Principal Roads Act and they are now being circulated to relevant parties for consultation, principally local government. Once we have the feedback from those relevant bodies about the provisions contained in the Bill, it can be firmed up, taken to Cabinet and put through the usual process for introduction to Parliament.

Mr INGERSON: So there is a rough chance that in the next four years we will get one?

The Hon. Barbara Wiese: There is a very good chance that in the autumn session next year we will have one.

Mr INGERSON: As Minister of Tourism you were very keen to see the South Coast Road on Kangaroo Island sealed. When you subsequently became Minister of Transport Development many people, including myself, considered the sealing of this road would now become a priority.

Why is there no funding for the South Coast Road in the department's capital works program this year? And why is this important tourist road, as you would be very aware, not even listed at the back of the capital works program as a possible capital works project over the next four years after 1993-94?

The Hon. Barbara Wiese: As Minister of Tourism I ensured that a good part of the tourist road grants, over which I had some direct control, were allocated each year to the South Coast Road, to demonstrate to the Department of Road Transport that as Minister of Tourism I considered this to be an important road that should be sealed in the interests of tourism, and certainly money was allocated in that way.

I note from the list of proposed tourist road grants that I have been asked to approve this year that the new Minister of Tourism also assigns the same importance to this road because some \$200 000-odd has been assigned for that program under Tourist Road Grants.

I should point out that the South Coast Road is not an arterial road for which the Department of Road Transport or the State Government is responsible. It is a local road and therefore under the control of local government. However, the State Government has recognised that it is most unlikely that the two councils on the island will be in a position ever to find the resources to seal that road. Discussion has taken place with Tourism South Australia as to how such a road

could be given greater priority and how the State might assist in bringing about an upgrading of that road.

I understand the latest state of play is that the Tourism Commission is preparing a further report on the South Coast Road. That report will contain some recommendations as to sources of funding which may be used in the future to assist with this road project. When that report is complete the Government will consider it.

Mr INGERSON: Further to that, is it not really just a problem of the Department of Transport making a decision that that road ought to be reclassified and then some money being made available? Is it not the problem that the State Government is getting in the road of making a very simple decision?

The Hon. Barbara Wiese: I do not accept that that is the decision that necessarily needs to be made. It has to be noted that there is a Local Roads Advisory Committee, which comprises representatives of local government and which makes recommendations to the Minister of Transport Development about where they, as local government bodies, believe priorities should be given in the sealing of local roads.

They simply have not brought forward the South Coast Road on Kangaroo Island as an area of priority. They have not recommended that it be reclassified, either, and I would have thought that if they felt that that was the appropriate thing to do that they would take that action. They simply have not done that. The efforts that have been made within the State Government to assist with this road are therefore, you might say, above the call of duty.

The Hon. P.B. ARNOLD: I would like to go back to the line of question raised earlier by the member for Goyder in relation to primary producers' farm machinery, equipment and vehicles on public roads.

The question I want to put relates to the standard of vehicle that is required. If we look at primary producers' trucks, we see that most of them are used for only six or eight weeks of the year, during the particular harvest time that a crop is required to be delivered from the farm to either the local silo, the local winery or a packing house. I have no argument with any restriction or requirement that is made by the department in the name of safety, so long as there is statistical evidence to back up that need. The vehicles to which I am referring are primary producers' trucks. To meet the rigid standard required by the department for vehicles travelling within South Australia and interstate the average primary producer would be over-capitalising. There would be no way that the average primary producer could maintain a vehicle that meets that requirement.

During the past vintage the department had its machine in the Riverland—I think it is called a shaker—which tests the wear and tear on various mechanical parts of a vehicle. That had the effect of virtually putting a number of the primary producers' trucks off the road. A number of those trucks will never go back on the road because the individual growers just do not have the capital to bring a vehicle up to the standard required.

Does the department actually have statistical evidence which shows that those trucks which cart wine grapes or dried fruit into the local packing house and which in the main probably travel at only 40 to 50 kilometres an hour for short journeys have been involved in serious accidents? It is my belief that those vehicles do not have a record of being involved in serious accidents. If there is evidence to support that, it is a different issue, and I would have to reassess my stance. But the reality is that the average small primary

producer cannot afford to meet the rigid standards of interstate transports.

The Hon. Barbara Wiese: I do not think we have available the statistics relating to these matters. I will obtain some further advice on that.

With respect to the general question, the honourable member seems to be suggesting that we should distinguish between the interests of a particular class of vehicle owner or driver as opposed to another group. I think that is a pretty dangerous argument to be getting into. When any Government is looking at what the requirements ought to be in this area there is obviously always an element of arbitrary judgment that is made when a standard is struck across the board.

Generally, we should be aiming not to discriminate but where possible to aim to have a fairly even application of the law. I am concerned about the sort of argument that the honourable member is putting in this area. As to the inspection of vehicles referred to earlier, the inspections are basic road safety inspections, testing the accuracy of brakes and the like which I would have thought should apply to any vehicle on the road at all. If brakes, steering and the like are not up to scratch, whether it is a farmer's or a bricklayer's vehicle, there ought to be action taken to rectify the problem if the vehicle is not adequate.

Mr MEIER: Not only brakes but there have been instances involving a chip in the windscreen or a bit of rust on the body. Picking up minor things like that is of concern.

Mr Payze: What is being implied is that inspectors employed by the Department of Road Transport are adopting a different set of inspection standards for one set of the community compared with another. I wish to refute that allegation but I have no evidence to make a claim one way or the other.

The Hon. P.B. ARNOLD: I am talking about the viability of a significant industry in South Australia, because 50 per cent of the State's economy still comes from the small primary producers. The viability of those producers is severely affected. I have no argument if there is statistical evidence that these vehicles are causing road accidents. If that evidence exists, fine but, in the absence of statistical evidence, those vehicles are used for only six or eight weeks a year and, if they are not causing accidents and are on the road for only six or eight weeks, there is a significant difference between them and commercial vehicles running 365 days a year. The cost to the industry would be much greater if growers were not able to deliver fruit in a truck worth \$8 000 or \$10 000. If they suddenly needed a truck to meet that standard at a cost of \$25 000 or \$30 000, viability is affected. Viability of most primary industries is already borderline and such an impost would make them totally non-viable.

It is not a proposition for contractors to come into the area and develop large fleets to transport the crop, because carriage is only undertaken over eight weeks and one needs to base a business on a transport operation going all the year. I would like the Minister and the department to look at the issue and see whether there might be mitigating circumstances relating to farmers' vehicles: if they are not the cause of accidents and if there is no statistical evidence to show that that is the case, perhaps this matter can be reconsidered.

The Hon. Barbara Wiese: I understand the point being made and there have been numerous occasions over the past few months while I have been Minister in this area when I have received inquiries about farm vehicles and the use of farm vehicles for limited times during the year. Some issues

are currently under examination with regard to that and some action might come out of it. We will have a closer look at the points made on this issue. Mr Payze might want to comment further.

Mr Payze: As to inspectors of the Department of Road Transport, I wish to clarify that their responsibility rests with the Acts available to them concerning the operation of vehicles and their mechanical sufficiency at all times. The rules are set for them in the Acts of Parliament in terms of their inspection. I believe they have never transgressed from that set of rules or mandate. The honourable member is asking that in establishing the rules we take into account the parameters associated with the industry. That is a political question and it is associated with whether we set minimum or maximum standards or standards in relation to which we are willing to provide an exemption. That is a complex area of the law on which I would not like to comment. I believe the department's inspectors inspect to the rules and legislation that is laid before them.

The Hon. P.B. ARNOLD: That is exactly my point, and therein lies the problem.

The CHAIRMAN: Mr Peterson has indicated he would like to ask questions.

The Hon. N.T. Peterson: My questions are related to the transport hub and its development. I see in the capital budget that the transport hub will commence work and finish next year. This will bring about considerable increase in road and rail traffic to Lefevre Peninsula and over the river crossings. Is there confidence—aside from the disruption the lives of people who live on the peninsula—that the road and rail system, particularly the river crossings, have the capacity to handle this increased volume?

The Hon. Barbara Wiese: Much work is being put into ensuring that the road system is adequate to cope with the volumes of traffic that we hope to generate by making the Port of Adelaide a busier port. Some of the major arterial road works taking place that link the Port of Adelaide with the national highway system are part of that overall plan to improve the speed with which freight can be carried through out State.

As to the locations to which the honourable member refers around the port, a proposal is now being assessed for a bridge or causeway across the Port River, which has been suggested as one means by which we could improve the flow of traffic and bypass Port Adelaide itself, so heavy vehicles could take that route and free up Port Adelaide for more pleasant pursuits. That proposal has been out for community consultation in recent times and is just about at an end and then there will be further assessment based on the feedback received. At this stage no decision has been made whether such a causeway is desirable or affordable, for that matter. As to the other issues relating to rail, already on the drawing board is a proposal to improve the rail link to the container terminal at Port Adelaide.

The construction of that rail link is soon to commence, and that will improve the speed with which rail freight can be taken from and brought to the port. That project, which has been funded under the One Nation package, is proceeding along the track that we expected it to, and should be completed within the time frames that were set down for it. The STA has engaged consultants to examine the existing rail bridges in Port Adelaide to determine whether they are capable of carrying the sort of traffic that is envisaged for the future, and once those reports are to hand proper assessments and judgments can be made as to the needs for the future. At

this stage no decisions have been made about those matters because they are still under investigation.

The Hon. N.T. Peterson: I can certainly inform the Minister that, as she well knows as she lives in the area, there is no realistic objection to another river crossing. Is there a positive attitude by this Government and by the department to that river crossing, because Port Adelaide will never develop until we take that traffic out of Port Adelaide, exactly as the Minister said? We need that crossing desperately to allow an effective movement of transport, not only for the container traffic, but traffic from other fuel and cement depots, Penrice and other industries that service on the road and rail. The disruption is caused by an insensible direction of traffic at the moment.

The Minister did not touch on the river-road crossing, which also is carrying much more traffic than it was ever designed for: that is the Birkenhead bridge, which was built in 1940. If you stand on that bridge when heavy traffic goes over it, it moves: there is no doubt about that. I understand that is an engineering principle. What is the current assessment of that river crossing by the department?

Mr Payze: As far as I am aware the bridge is structurally sound. It is a bascule span bridge and has steel arches so therefore it would spring. Our most recent inspection leads us to believe that no structural problems exist with that bridge.

Mrs HUTCHISON: At page 72 of the Estimates of Payments the figures relating to the 'Australian Land Transport Development Program' indicate a very considerable decrease in the amount of the actual expenditure last year and the proposed expenditure for 1993-94: in fact, it is under half of what was spent last year. How is that going to affect the department's road program for this year? It is a substantial decrease in funding.

The Hon. Barbara Wiese: I think I probably touched on this in my opening remarks and also a little later when I referred to the fact that Federal funding has diminished this year quite significantly. The Australian Land Transport Development program has now ceased at the Federal level and therefore funding through that program is significantly reduced in this year's budget figures. I raised the future of that program recently with the Federal Minister and he indicated that he does not expect this program to be carried on or to be renewed, but he is hopeful that at some stage in the future there may be some other program which may have some similar objectives at least in some characteristics of the program that existed previously and which may be available for future use. However, at this stage there is nothing like that, particularly not for road funding, and unfortunately that is the state of play and the State Government must do the best it can with reduced funding.

Mrs HUTCHISON: The funding is certainly reduced. If you want to take these on notice I am conscious of the time we have at the moment. At page 154 of the Program Estimates, under 'Accessibility Enhancement-Provincial Cities', the 'Capital Expenditure' column indicates an increase in the actual expenditure as against the proposed expenditure for last year, but then there is only a very minor allocation for this 1993-94 year. What are the reasons for that?

Mr Payze: The Provincial Cities and Rural Highways program was a specific program funded from the Federal Government, which terminates on 31 December. That specific allocation was for the Todd Highway on the Eyre Peninsula, and that project is also concluding.

Mrs HUTCHISON: Page 48 of the Capital Works Program indicates a proposed expenditure of \$251 000 in relation to stormwater drainage for the City of Port Pirie Council. What is the total cost of that project? Is it a staged project, and when is it due for completion? If you do not have those details here I am happy to put that on notice and you can come back with the information later.

The Hon. Barbara Wiese: I will provide that information later.

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

State Transport Authority, \$140 949 000

The CHAIRMAN: Would the Minister like to make an opening statement?

The Hon. Barbara Wiese: With the support of the Government the STA has embarked on an extensive reorganisation and self-examination in response to dramatically changed community expectations of public sector organisations. The STA is expected to provide a substantial transport service while maintaining an enterprising outlook. It wants to build on its strengths, with its core business being the provision of mass transit in the greater metropolitan area, where the STA can display its principal advantage of being able to move large numbers of people at concentrated periods on main routes. The main thrusts of this ongoing process are:

1. The decentralisation of functions to the operating depots, thereby enabling the depot managers to be more responsive to their customers' needs and the resulting reduction in the size of corporate structure.

2. The development of new core service units to operate at commercially viable rates in competition with outside providers. These core units are to operate to 'best practice' standards. This new structure, which has been progressively introduced since October 1992, is nearing completion.

3. The establishment of four industry sector enterprise bargaining agreements (EBA) and, in particular, included in Public Transport Union EBA, the provision of part-time employment for bus operators.

4. The development of additional transit link services that provide major movement of commuters along main corridors at a comparable level of speed and lower cost than the private car.

5. The STA is developing consultation mechanisms that will provide forums for regular two way communication with its customer groups. The benefits include a better understanding amongst customer groups of the STA's circumstances and plans, with customer representatives having access to the STA and so provide it with a better understanding of their needs.

6. The STA is working with the private sector (taxi and private bus operators) as well as with local government to promote complementary services. The successful Hallett Cove Transit Taxi and the Happy Valley Hub link service are examples of other service providers joining with the STA to provide a better transport solution.

The Government has agreed to a complete review of all transport services, and each sector of the metropolitan area will be subject to changes based on community and customer input. The changes in March in the north-western suburbs were extensive, and the introduction of the new services to

take place in November in the southern and northern sectors, together with changes to Hills services, will be followed by improvements to other areas. Despite a significant decrease in fare revenue during 1992-93 (amounting to \$3 million), primarily due to the recession, the net cost of operations in 1992-93 decreased by \$4 million, from \$139 million to \$135 million.

A significant factor in this reduction was one-off accounting reductions relating to labour and material provisions being reduced to their actuarial reviewed levels. I will briefly compare the accounting result, which complies with accrual accounting standards and the cash draw on Consolidated Account. The budget draw was \$152 million compared with the actual draw of \$144 million, which was required to meet the accounting deficit plus the cash for the provisions accounts.

The \$144 million was the only amount required as there were no borrowings for capital works, due to a lower capital works program and borrowings direct from SAFA for buses and trains. The budgeted figure for 'recurrent' of \$131.5 million was an amount set to be achieved if the capital program was fully utilised. It would have required recurrent savings of some \$11 million, which would have been an overambitious target and, as my predecessor explained at these hearings last year, the net draw was the critical target, and that would be achieved. It has been, and the balance between recurrent and capital has been as predicted.

The initiatives that the STA has embarked upon and intends to implement will result in a more efficient organisation that is more responsive in today's environment. I would like to thank the employees of the STA for their cooperation and willingness to contribute to and move with the many changes which have taken place and which undoubtedly will continue in the future.

Departmental Advisers:

Mr J. Brown, General Manager, Chairman.
Mr W. Fairlie, Manager, Corporate Treasury.
Mr K. Bengel, Director, Strategic Services.
Mr D. Willis, Manager, Funding Policy.
Mr B. Crouch, Manager, Market Assessment.

Mr INGERSON: Patronage is the principal reason for the STA's existence. In view of the fact that last year the STA forecast that annual patronage would increase by 100 000 from 52.8 million to 52.9 million, how does the Minister account for the fact that patronage did not increase last year but actually fell by 3.7 million to 49.1 million? Why is the STA forecasting a further loss of 800 000 passengers this financial year?

The Hon. Barbara Wiese: I have answered questions like this in Parliament during the past couple of weeks. A number of matters can contribute to the situation that currently stands. As I think I have indicated before, there has been a declining patronage for STA services during the past 10 years. The STA is not alone in being in this situation: it is the sort of thing that is happening all over Australia and around the world. The society in which we live is changing. We have a very good road network; we have a city in which it is very easy to get around; people have tended to want to use their cars rather than using the public transport system. Lifestyles and work patterns are changing, and all these things have some impact on what forms of transport people use.

In addition to that, levels of unemployment in our community during the past few years have had an impact on

the use of public transport. Generally, people who are in paid employment make up the vast majority of our public transport users. With unemployment at the sorts of levels we have experienced, obviously that has had an effect on patronage. It also must be taken into consideration that the figures that appear during the past two years include of the order of 1 million in patronage figures for last year, which were attributed to the change in the free travel for students. That accounts for about 1 million of the 3.7 million that appeared in last year's figures.

That was a blip in the statistical picture, if you like, because that situation has now passed. It existed for only a couple of years and has now gone, because that service was withdrawn from young people since a small number abused the privilege. The fact is, however, and this is the good news in the story, that with the changes of service that the STA is introducing, particularly the introduction of transit link services around the metropolitan area, we are bringing people back to public transport. That over time will play a significant role in turning around the fortunes of the STA.

The fact is that in some areas where transit link services have been introduced—and I use one particular service as an example, the Elizabeth to city transit link service—something like 26 per cent of the people using that service are first time users of public transport. What we are achieving with these new services, because we are providing the sort of service that people want (that is, rapid, frequent service at times of the day when they want it), is bringing people to use public transport for the first time.

As we introduce further transit link services of this kind throughout the metropolitan area we can expect to arrest even further the decline in patronage. It is interesting to note that in the first half of this year the decline in patronage was only 2 per cent compared with the same period last year. During the whole of last year it was about 7 per cent. In the first six months of this year we are starting to see the improvements that these new services can bring, and we have introduced them to a portion only of the metropolitan area. By the end of this year, when we have covered the whole of the southern suburbs and introduced new services in the north as well as a couple of new services in the Adelaide Hills, we should see even further improvements in next year's results. That is good news for the public transport system, and I would expect that we will see a turnaround in fortunes.

One new piece of information, of which I was unaware, is that patronage for August this year was 5.1 per cent higher than for August 1992. That is an indication of the changes that are taking place and how the improved services are impacting on the public.

Mr INGERSON: In essence, you are saying that if we have a 4.5 million drop in patronage in 12 months we are going all right. If you are gracious and take 1 million for schoolchildren, that is a 3.5 million patronage loss by the end of next year. You had 3.7 million last year and you have 800 000 projected for this year and yet you say that the system is all right. That is incredible. Perhaps you should look at what is happening in Brisbane and Perth, because in both instances patronage is going up. Their public transport system is showing an increase in patronage. Is the decision by the STA this year 'to review the operational practices associated with bus service delivery, particularly in the inner suburban areas' an admission that the STA is losing most of its passengers in the inner suburban area, particularly since the introduction of the transit link services?

The Hon. Barbara Wiese: I will answer that question in a moment, but I should like to make a further comment about the claim that the honourable member makes about patronage in other places. Looking at the figures for patronage to date in other States, there has been a 6 per cent reduction in bus services in New South Wales; a 13.8 per cent reduction in Victoria; and a 4 per cent reduction in Perth. Using figures provided by the Commonwealth Government, in the past two years in Australia public transport journeys have fallen by 13 per cent. We are talking not about a situation which is isolated to South Australia or this particular public transport system, but about a phenomenon which exists across Australia and in various parts of the world. As people's work patterns and way of living change, so their transport needs change as well.

We anticipate that we will achieve improved results with the gradual introduction of the services to which I referred earlier. The record thus far shows that we are right in the claims that we make. When we have covered the whole of the metropolitan area, we will see even further improvements. It may be that the projection that we made earlier of a further reduction of 800 000 in patronage during the coming financial year will end up being a better figure. The indications that we have so far lead to the conclusion that we are likely to have a much better result than that projection.

The services being introduced now, by their nature, are concentrating on providing rapid, frequent services from outlying suburbs into the city and between various shopping and community centres within the metropolitan area. We acknowledge that a short-term impact of the introduction of some of these services is a reduction in service for some inner metropolitan suburbs. However, that is not likely to be the case for very much longer, because the next phase of work in the reorganisation of services in the metropolitan area is taking account of the impact that these new services are having on the inner metropolitan area. Steps will be taken progressively to improve the links in that part of the metropolitan area as well, so there will be better coverage shortly.

Mr INGERSON: As you have claimed that the introduction of the transit link services will arrest the decline in STA passenger numbers, what are the passenger forecasts in both number and percentage terms for the conventional train, bus and tram services, and what are the passenger forecasts in both number and percentage terms for each of the transit link services introduced to date and foreshadowed?

The Hon. Barbara Wiese: In terms of the forecasts, we will have to take that on notice and provide the information later.

Mr INGERSON: As a supplementary, are the Government's plans for the STA confined to arresting the fall in passenger numbers or do they embrace initiatives to reverse the fall in patronage which has seen the STA lose 18.4 million passengers, or 27.3 per cent patronage, over the past 10 years; what are the initiatives to change that; or is the Government purely and simply looking at arresting that decline?

The Hon. Barbara Wiese: We hope that with the reorganisation of services, as I have already tried to explain, we will arrest the decline in the short term, but over time we would hope to see growth in public transport numbers. I do not have the projections here, but I will provide that information at a later time.

The whole point of reorganising the public transport system is not because people enjoy changing rosters but because we are trying to encourage people back to using the

public transport system. We have found, with the introduction of transit link services in various parts of the metropolitan area, that we have been able to encourage people back to the public transport system. I have already indicated that on the Elizabeth to city line 26 per cent of the people travelling are first-time travellers on public transport. We are finding similar results in other parts of the metropolitan area. It proves that if we provide the sort of service that people want—rapid, efficient, frequent and at times of the day when most people travel—we will get results that will lead to a growth in use.

That is our aim, and over time we will introduce these services, with the next wave of introduction occurring in November in the southern suburbs and the Adelaide Hills, with some changes in the western suburbs and a couple of changes in the north. Some other changes will also follow from there in improving the services from the northern suburbs even further. I should indicate that last week's figures, for example, show that the number of boardings made on each of the transit link services TL2, TL3 and TL4 was the highest recorded so far on these services. So, every week is bringing about a changed situation, since these new services have come on stream, and they are showing the sort of results that you say we should be delivering, and we are.

Mr HAMILTON: I wish to enter the debate on public transport, because I have just come back from Western Australia and, as a preamble to my question, it was very interesting to note the promises made by the Liberal Party in Western Australia and Victoria about public transport. In Western Australia, in particular, railway men are absolutely incensed about the promises made leading up to the Western Australian election in February. They are calling Kireath (the Minister) an outrageous liar, who made promises to railway men about the upgrading of workshops and immediately after the election closed it down. So, unfortunately, railways workers have learnt their lesson in terms of the promises made by conservative Governments, as indeed they have learnt from what has taken place in Victoria. I fear what will happen to the public transport system in South Australia if there is a change of Government. I will have much more to say about that in the debate in another place.

What is the present situation regarding fare evasion and what steps have been implemented to reduce it? The Minister would be aware of my understanding of and involvement in the railway industry for over 25 years. It is a matter of concern and speculation in the community as to what is the real situation in relation to fare evasion and what steps are being taken to overcome the problems of fare evasion on public transport. Has it increased or decreased?

The Hon. Barbara Wiese: I can give some indication of what is happening with fare evasion. The field supervisors employed by the STA who carry out regular ticket inspections estimate the overall fare evasion on buses, trams and trains at about 1 per cent, or about \$500 000 per annum. Fare evasion on buses is of the order of about .3 per cent. Fare evasion on trains is higher and varies depending on the time of day. It varies from peak periods, when it is about 3 per cent, to off-peak periods, when it is about 6 per cent. It is evident that, on some occasions during the off-peak period particularly at night or when passengers travel from suburban station to suburban station on selected services, we experience a level of fare evasion that sometimes goes up to about 20 per cent.

However, it should be remembered that we are talking about very low numbers in some of these cases, particularly

on night services. You might have 20 per cent fare evasion, but you might be talking about only six or eight people. To put the rail issue into context with the overall system, the level of fare evasion on buses, at about .3 per cent when compared with rail, produces an overall level of about 1 per cent, as I stated.

We are doing a number of things to try to arrest this sort of behaviour. First, we have revenue protection groups which are going out into the system and which are having a presence on trains and talking with people who are practising this fare evasion about why they behave in this way and what they are doing, trying to educate people about their responsibilities in using public transport. By having this increased presence on trains, we have been able to reduce fare evasion very significantly.

On the Gawler line, where this practice was first implemented, we reduced fare evasion from 6 per cent to about 3 per cent, and there has been a lot of positive feedback from other public transport users who very much resent the fact that they are paying and others are not. That has led to great cooperation from the public.

Our telephone information centre is receiving information which gives our fare evasion officers leads as to where they should go next to blitz the system and pick up the activities that we want to try to stamp out. In addition to that, we are introducing better systems to enable the transit infringement notices to be issued more effectively; we are gathering better information about people's habits so that action can be taken; and, more particularly, we are introducing some new systems which will help to control this sort of activity.

I announced some time ago that we would be installing automatic ticket barriers at the Adelaide Railway Station. In addition to that, we will also be installing ticket vending machines on trains so that, with those two measures in particular, there will no longer be any reason why someone on a train should not have a ticket, because ticket vending machines will be there, and anyone passing through the Adelaide Railway Station will have to produce a ticket to get in or out. These measures will soon be in place and will add to the measures that already are in progress.

With respect to the ticket vending machines, I am very pleased to be able to announce today that a South Australian company has just been successful in winning the contract to manufacture and supply the new ticket vending machines that we will be installing on trains. A South Australian company named CAMMS Systems Pty Ltd, which is based at Hilton, will provide 130 ticket vending machines for STA railcars. The contract is worth about \$800 000 to that company. Most of the work on the production machines will take place in Adelaide, including the assembly and final manufacturing of the units. They have been successful in competition with other vending machine suppliers, after extensive trials of a number of machines.

Some important modifications have been made to the machines that they supplied in the first place, and that will enable us to link the vending machines to on-board Crouzet ticket validators, and the validator will be able to directly encode and print the tickets. Within three months, those machines will commence being installed on the railcars. The automatic ticket barriers at Adelaide Railway Station will also be installed at about the end of the year or in January next year, so that much of the problem that has emerged in the past will be overcome.

In addition to that, with respect to the rail system generally, we are developing a whole new approach to the delivery

of rail services in the metropolitan area in an effort to revitalise the rail system. It is quite clear that what we need in rail is a faster, more frequent service that is safe and secure, with fewer stops for people. It has to be customer driven.

So, we will be extending the STA's transit link concept to rail in the very near future. We have four major lines in the metropolitan area, and on those corridors where rail exists we want rail to be the major mode of transport, with complementary bus services feeding the rail services.

Therefore, a reorganisation of the rail system will entail providing high speed travel at peak times and with fewer stops. We would want to have services running every 10 minutes during peak hours, every 20 to 30 minutes during off-peak hours, and we would have services operating with one car, or a maximum of two cars, at a time, and that will also have the spin-off of reducing the risk of graffiti and vandalism because it will be more controllable with only one or two carriages running at a time.

During peak services trains will stop only at principal stations. As I said, other stations at which trains will not stop will be serviced by buses feeding into the principal stations. The other stations will be open at other times of the day and will be used in off-peak periods.

The CHAIRMAN: I hope Dudley Park is a principal station.

The Hon. Barbara Wiese: I will take that into account. By combining these services with the automatic barrier gates, automatic ticket vending machines, secure car parking at stations, electronic timetable information, closed-circuit television security arrangements (which will be built into these stations), with the stations staffed by customer liaison people and an encouragement for private enterprise to develop commercial operations at principal stations we will have a complete revamp of our rail system. Hopefully we can encourage many more people back to rail and to use the public transport system.

There has been some consultation with unions and councils about this matter thus far, but we now want to extend the consultation further into the community with a view to implementing such new services early next year.

Mr HAMILTON: I take it that these ticket vending machines have been tested to be vandal proof and have undergone rigorous testing?

The Hon. Barbara Wiese: That was certainly a key part of the trialing of the systems because that was one of the problems that emerged in the early stages. Many of the machines that were tested were very susceptible to vandalism. Some of the modifications were brought about by STA employees themselves making suggestions about ways in which these machines could be improved in order to make them vandal proof. We certainly believe that these are the best we can provide. I do not suppose anything is 100 per cent vandal proof, but they are as good as they can be.

Mr HAMILTON: My next question relates to the TL2 transit link. Since entering Parliament (14 years ago yesterday) I have argued intensely with various Transport Ministers about the need for a rapid transit system down West Lakes Boulevard, the Port Road and into the city. I am glad to say that this Government and the STA finally agreed to that particular proposal.

The TL2 transit link has met with very favourable response from constituents, particularly in the West Lakes area. From the West Lakes Mall there are only two stops to the city: the Albert Park railway station and Woodville Road.

Apart from a few hiccups it has been met with a favourable response.

First, how successful has that TL2 been since its introduction, and has there been an increase in patronage from that area? Secondly—as an aside to what I believe to be an increased patronage, there is a need for more bus shelters—has the Minister, the STA and the appropriate authorities ever considered involving private enterprise in providing bus shelters? As I understand it, seating and bus shelters are provided by private enterprise in Western Australia.

One is well aware of the request, particularly from elderly people, for bus shelters and seats. I would hope the Minister would, if she has not already done so, give favourable consideration to this proposal. I suspect there is a large waiting list for bus shelters and, indeed, seats, and I believe that private enterprise may be able to play a role in providing seating and advertising on seating and bus shelters, as applies not only in other States but I understand in other countries.

The Hon. Barbara Wiese: I will ask Mr Brown to respond to the second part of the question. With respect to the TL2 service, which travels from West Lakes to the city via Port Road, last week the average number of boardings per day for that service was 1 323, which was the highest yet recorded. So, it is a very successful service. It is very popular, as you say, and certainly the feed-back we get is very positive. There is also another bus, the TL5, which travels from West Lakes to the city via Henley Beach Road and which had an average boarding for last week per day of 1 144, which is also a very good result. These services are being well used and we are getting very good messages from people who use them regularly. As to bus shelters, I will ask Mr Brown to respond.

Mr Brown: The STA is not responsible for the erection of bus shelters. That is a responsibility of the councils.

Mr HAMILTON: But you work in conjunction with them.

Mr Brown: However, the authority is working in conjunction with local councils to enable private enterprise to provide adequate shelters and seating at nominated locations agreed with the councils in terms of their planning regulations, etc. Private enterprise has already demonstrated their intentions by putting modern shelters at many of the transit link bus stops throughout the Adelaide metropolitan area.

In some cases the STA will assist with funding where these shelters are actually installed at interchanges, and Arndale is a typical example of that. Arndale interchange opened last week, with very modern seating and bus shelters, and that was a project between council, the STA, the Westfield shopping organisation and the suppliers of the shelters themselves. That is the policy that we are adopting right throughout metropolitan Adelaide.

Mr HAMILTON: Is it the intention of the STA to work in conjunction with the councils to advertise this fact because I suspect that many business houses in the community are not aware of that fact?

Mr Brown: Yes, it is working with the local councils and with developers generally on this particular concept. It has only been in vogue, in this particular format, for the past 18 months or so, but wherever we get the opportunity we promote the concept and we actually encourage the councils to participate with private enterprise.

Mr HAMILTON: I am very pleased to hear that. Finally, in relation to crime prevention and security initiatives, can the Minister elaborate on the crime prevention security initiatives

that the STA has implemented? Also, can the Minister elaborate, as part of her response, on the STA's graffiti removal program; the cost of removal and vandalism in 1992-93, compared to the previous financial year; and the number of prosecutions in 1992-93 compared to 1991-92?

Some years ago the member for Stuart, the member for Fisher and I attended an international conference in Melbourne and we were very impressed by what had taken place in New York. The Minister will be aware of my interest in the program at Gosnells, Western Australia, and the related legislation in respect of graffiti and vandalism in South Australia. Much of that was brought back from that city. I am interested in those aspects of our war on these practices and the crime prevention and security initiatives undertaken by the STA.

The Hon. Barbara Wiese: This area is of considerable concern to the STA because, unless we have a secure and safe system, we cannot encourage people to use it. Much energy and money has been put into crime prevention and graffiti and vandalism programs. For example, in the past 12 months graffiti and vandalism in the public transport system cost \$1 million—money that could be much better spent on the delivery of services if we can eradicate the practice.

A number of matters have been set in train by the STA to try to come to terms with such anti-social behaviour. This is not something peculiar to South Australia and is happening everywhere else in the world to varying degrees, and programs to stamp out this sort of thing are working with differing success in various places. As to what we have been doing here, for example, we have got community groups to participate in the Adopt a Station program and we now have 26 metropolitan railway stations adopted by community groups. The scheme involves the community taking care of a railway station through graffiti removal, tree planting, landscaping and general clean-up working with the STA. We work with FACS on various juvenile offender programs and they are run in conjunction with FACS. We have young people performing clean-up duties as part of that program.

The STA Transit Squad has also been active in gathering intelligence about behaviour patterns of people in the system doing the wrong thing. They are going out in to the community into community groups, they are going to schools and giving talks to schools and they are forming associations with young people, for example, they have started a football team in the northern suburbs with young people who have been offending in the system and that is leading to much better relationships. We have implemented a 24-hour graffiti hotline for members of the public and STA staff—

Mr HAMILTON: What is the number?

Mr Brown: It is 218 2400.

The Hon. Barbara Wiese: We have been installing cameras in buses and trains as members would have seen in media reports in the past 24 hours and we hope we will start to get on top of this problem. Work is being undertaken in depots to improve security, to remove graffiti and our aim is to try to remove graffiti within 24 hours, wherever it appears. In some areas we are slowly starting to get on top of the problem but it is a broad community social problem. The STA cannot handle it alone but it is doing a good job and is starting to have an impact. As I indicated earlier, the cost of anti-graffiti work and vandalism for the 12 months ended June 1993 was \$1 014 372, which was slightly less than the previous year when we spent \$1 148 000.

Mr HAMILTON: Is there a comparison as to prosecutions?

The Hon. Barbara Wiese: In 1992-93 there were 2 115 and the year before there were 1 504 prosecutions launched in the Magistrates Court and the Children's Court for breaches of the STA Act and other relevant legislation.

Mr MEIER: As to the purchase of buses and railcars, how many of the 307 MAN buses has the STA received to date and how many will it take delivery of this year? How many of the 50 new 3000 class rail cars have been received to date?

The Hon. Barbara Wiese: As to the new bus program, we let a contract to MAN Automotive in 1991 for the supply of 307 standard length buses and 35 have now been delivered. The contract extends until 1998 and we will have a delivery rate of about one bus a week over that time. As to the new railcar project, 50 new diesel-electric railcars are being constructed. The contract is progressing on schedule and the first railcar was delivered in April last year. A total of 14 railcars have been delivered and placed into service as at the end of August this year.

Mr MEIER: The Minister indicated that one bus a week would be delivered, but how many railcars will be coming per week?

The Hon. Barbara Wiese: They do not deliver railcars so quickly, but we expect 10 a year.

Mr MEIER: When the order for new buses was placed on 2 April 1991, the former Minister of Transport, Mr Blevins, estimated the cost of the contract would be \$76 million. In the capital works budget this year the estimate of the total cost is now \$119 million, an increase of \$43 million. As this increase represents a 56 per cent increase in the cost of the buses in just three years and as the Minister indicated that the order is not due to be completed until 1999, will the Minister explain in detail why costs have increased and the amount of the increase? What is the anticipated total cost in June 1999?

The Hon. Barbara Wiese: I understand that the cost of the project has not increased, but I will have to provide a later response to explain the disparity in the figures.

Mr MEIER: I will await the Minister's explanation. Will the Minister explain in detail those areas where costs have increased and the amount of the increase in the purchase of the 50 new railcars? In 1989 the estimated cost was \$143 million, yet in this year's capital works budget reveals that the cost has increased to \$160 million.

The Hon. Barbara Wiese: The current best estimate total cost of the project is \$121 million, which is well under the initial estimates. I am advised that when Cabinet approval was given for this proposal approval was given for \$159 million. The current best estimate for the total cost of the project is now \$121 million, which is significantly less. If there is a disparity in the figures, then there is certainly a good explanation for that, but I do not have the information here and I will provide it by the appropriate date.

Mr MEIER: In the past year there has been a significant change in the recording of the STA non-current assets. With respect to buses, purchased assets have increased by \$21.5 million, from \$36.87 million to \$58.439 million, while leased assets have fallen by \$12.9 million from \$49.9 million to \$36.9 million. In respect of railcars, purchased assets have increased by \$21.3 million, from \$26.8 million to \$48.1 million, while leased assets have remained unchanged at \$44.3 million. Can the Minister explain these changes? Have bus assets previously leased been converted to purchased assets, and if so why was the same conversion not made in respect to railcars, or has the STA resolved to

purchase and not lease all its new MAN buses and new 3000-class railcars?

Mr Bengier: The leased assets have expired and have been converted into purchased assets because they are no longer subject to a financing arrangement. The railcars have always been subject to lease. The new ones have not been leased: they have just been subject to a borrowing arrangement.

Mr MEIER: Can you explain the difference between a borrowing and a lease arrangement? When I purchase a car leasing and borrowing means the same: that I do not have the money on hand. If the STA is now purchasing its new buses, what is the source of funds and what sort of interest rate are you paying? Why is this option more attractive than the cost associated with leasing?

Mr Bengier: The leasing of assets is not as attractive as it was, so the department is entering just a straight borrowing agreement through SAFA for those assets.

Mr MEIER: I still did not get an answer to my question.

The CHAIRMAN: Yes, the difference between lease and borrowing, not just in financial terms but in technical terms.

Mr Bengier: There is just a straight borrowing between the financier and the borrower, which in this case is the STA. There is a number of parties involved with the financing leasing transactions, such as the borrower, the intermediary and then the purchaser.

Mr MEIER: And the interest rates would be SAFA rates.

Mr Bengier: Yes, at the moment SAFA is providing funds at 6.5 per cent through the borrowing arrangements.

Mr HOLLOWAY: Page 173 of the Program Estimates refers to an extension of bus services. What plans are there for service changes in 1993-94 for all modes of transport, and how is the public going to be informed of these changes? A number of constituents in my electorate who travel along South Road to the city, especially on the 720 route, have asked me whether the services, which currently terminate in the vicinity of Victoria Square and which I gather have done so since before the Government took over these services from private operators many years ago, could be extended through the city.

The Hon. Barbara Wiese: I am advised that those services will be extended through the city, as your constituents would like to see. As to the first question about new services coming on line in 1993-94, I have answered part of that question already. To be more specific, an example of those services is that a new bus-train interchange is being created at Smithfield and stage 1 of that project at Smithfield station, about 500 metres from the proposed Munno Para District Centre, has now been completed, having been constructed by the Munno Para council with the Australian Government's assistance.

On 5 July the STA extended selected services to the interchange from the city to Elizabeth Downs, and from Elizabeth station to Craigmare. In relation to the Adelaide Hills, particularly those services using Mount Barker Road, it is intended to introduce new timetables with revised running times on the City-to-Aldgate services as from 15 August this year following a suggestion by employees for the implementation of faster running times. This will not change the frequency of service but will improve the quality of service. The City-to-Aldgate transit link is a new service, which will be introduced at a relatively low operating cost. It is anticipated that the service will attract an additional 100 000 passengers per annum to public transport, and that is coming on line in November of this year.

I have already indicated that, in the southern suburbs, there will be a complete reorganisation of services, including three new transit links as part of that arrangement, as well as a number of other modifications that I will not go into now but I can provide that information if it is necessary. That also includes improvements in interpeak frequencies in the outer southern suburbs and modifications to the night and Sunday network in the outer south.

In the western suburbs a number of changes will be made to bus routes, and they are currently in the consultation phase, but it is hoped that they can be introduced some time in the first half of this financial year. In the north and north-eastern suburbs work has commenced on a review of the network, and this includes the modelling of a number of options for changes to the network, different ways of operating the Gawler train service along the lines that I outlined earlier, new transit link bus services designed to link centres and improve travel time and access, changes to local bus routes to complement the transit link train and bus services, improved access to Elizabeth Centre in line with the plans for the future that are outlined in the 20-20 Vision statement, and a number of other services.

Special services were put on during the course of the Royal Show this year which were extremely successful, particularly ones coming from the Modbury interchange. A full range of services will be in place during the course of the Grand Prix coming up later in the year, and also arrangements will be made with the promoters of special events during the course of the year which enable us to provide particular services for particular events when that is necessary.

Another transit service which will come from the city to Elizabeth via Salisbury, Ingle Farm and the Paradise interchange, commences in November. So a range of very important new extensions of services is being created during the course of this financial year, and the department anticipates that they will have a very significant impact on the patronage of public transport.

In addition to that, in order to ensure that this is so, a comprehensive promotional campaign will be developed to ensure that the service changes to the southern, western, northern and Mount Barker areas are communicated in an informative and user friendly way, utilising as long a lead time as possible. It will be a campaign based on a mix of radio, press and targeted direct mail. It will be supported by a four week series of mini-documentaries on prime time television. The campaign theme 'Driving you into the future' that was launched at the Royal Show will be the thrust of that campaign. So, we hope to start pushing public transport and the things we can do for people.

Mr HOLLOWAY: My next question concerns the Tonsley Interchange proposal, which is of some interest to my electorate. The Minister made it clear that this proposal was dependent on Federal funding. What is the current state of play as far as the Commonwealth is concerned?

The Hon. Barbara Wiese: We applied for Federal funding under the ALTD program in December last year and were informed some time later that all the funds for that program had been committed. We were then awaiting the outcome of this year's budget process to see whether there would be a continuation of that fund. We have now been told that there is not a fund like this in this year's budget, although there are programs under the auspices of the Minister responsible for urban development at the national level, and funds through the Better Cities program and lines of that sort,

which may be appropriate to draw upon for public transport initiatives.

In addition to that, the most recent discussions I have had with Federal Minister Collins indicate that he is hoping that he may be able to resurrect within his own portfolio some sort of program that would meet some of the criteria the old ALTD fund met. If that is the case, projects such as the Tonsley Interchange may be suitable candidates for funding. Whether that will happen within the course of this financial year I do not know at this stage, but if we are unable to achieve Federal funding for this project, the STA will need to consider other options as to how the services can be best organised in that part of the metropolitan area.

Mr HOLLOWAY: My final question concerns the creation of an alternative to subways at railway stations, by ramps. There is one at Edwardstown and another currently under construction at Woodlands Park. They are much appreciated by commuters, particularly the elderly, who do not like using the subways, especially in the evenings. What further plans are there for the construction of such ramps by the STA?

Mr Brown: It is the State Transport Authority's policy to close all subways where there is an alternative means of access to the railway station. That has been brought about for security reasons, to protect our customers. As funds become available we will be replacing subways with ramps.

Mr INGERSON: Is it correct that in the past three weeks 23 of the 28 part-time bus drivers employed by the STA have had bus accidents; how many drivers or passengers experienced injuries; and what have been the repair costs?

Mr Brown: It is incorrect to suggest that 23 of the 28 bus accidents have been caused by part-time drivers. I do not have the precise details at my fingertips. This allegation has been made to me by others, I have investigated it, and I will provide the information for the committee.

Mr INGERSON: Is it correct that the initial agreement between the STA and union representatives required part-timers to have two years' training before being allowed to drive on the O'Bahn busway; and has this agreement now been amended to provide that part-timers will need only 50 hours' driving time before being allowed to operate on the O'Bahn system?

Mr Brown: I will take that question on notice.

Mr INGERSON: How many bus operators are employed by the STA; of this number, how many are employed on a part-time casual basis; and how many part-time drivers does the STA plan to employ by the end of the financial year?

The Hon. Barbara Wiese: I will take those questions on notice.

Mr Brown: The STA does not employ part-time casual drivers.

Mr INGERSON: Part-time or casual?

Mr Brown: The authority does not engage casual drivers.

Mrs HUTCHISON: I refer to page 173 of the Program Estimates, 'Specific Targets/Objectives.' There has been a lot of talk in the past about the performance of bus, tram and train reliability and punctuality. I am sure that the Minister is aware of that. What measures has the STA taken to improve performance in those areas?

The Hon. Barbara Wiese: While the STA is still monitoring traditional financial and technical efficiency standards, there is now greater emphasis on developing and monitoring service delivery standards related to customer needs. In effect, the authority makes a commitment to its customers and the public when it publishes its service

timetables. In the delivery of this commitment the STA should meet realistic customer requirements in respect of a number of matters, in particular, reliability, punctuality, cleanliness of the fleet and infrastructure, customer comfort and providing clear up-to-date information on services.

To achieve this, a communications network, comprising a three-tier committee structure, has been established to monitor the services and identify trends and recommend appropriate action. The three committees are the monitoring committee, which recommends to the authority service delivery objectives that will improve the quality of service provided and monitor those objectives; the reliability committee, which provides specialist advice and assistance to the General Manager to ensure that service delivery objectives are met; and work site forums, which focus depots, section and work site attention on service delivery issues. Since August of last year we have been collecting and collating information which enables the performance of the service to be monitored, so the information we have available to us now is more reliable than it used to be.

The following service objectives for rail services have now been adopted. As regards punctuality, we are looking for 95 per cent of our services to be not more than three minutes late, 100 per cent to be not more than five minutes late, and we are expecting 100 per cent reliability.

As an indication of the way that the system is working, this information is provided to the STA every day so that it can be monitored on a daily basis. Information on what occurred on the previous day's services must be available every day by 11 a.m., and preferably before that.

Looking at yesterday's figures, or up to 9 a.m. this morning, the first criterion of a nought to three-minute performance shows that on all lines in the a.m. peak time we ran 100 per cent on time. The figure for the p.m. peak time was 95.12 per cent, and all day we had an average of 94.96 per cent. On the nought to 5-minute measure, it was 100 per cent again for the a.m. peak time, 99.19 per cent for the p.m. peak time and 98.64 per cent all day.

These figures come across my desk every day and they also come across the General Manager's desk every day. I am very pleased to see that often during the course of the week some of these tables that relate to the four lines that we operate—Belair, Gawler, Outer Harbor and Noarlunga—show a full 100 per cent check list every day at peak times, morning and night, and all day on some of those services. The STA is extremely efficient in the service that it is running and it is keeping to the sort of performance targets that it has set itself.

With respect to bus services, yesterday's figures show that (and it is reasonable to choose any day like this, because the operation of services is pretty reliable in that respect), of the 7 981 service trips operated throughout the day, a total of 52, or .65 per cent, experienced service disruptions. So, that is not a bad sort of record, and it is the sort of thing that happens pretty regularly every day of the week. So, some of the press that the public transport system gets is pretty unfair, particularly with respect to disruptions and problems, because it relates to a very tiny proportion of the services that are run each day.

Mrs HUTCHISON: Regardless of what the member for Bragg says, I think there will probably be an increased demand for these services. Regarding the acronym PETS (Public Enquiry Timetable System), which is another one of the objectives, will the Minister elaborate on the proposed new system and, in particular, say when it will be commis-

sioned and what advantages it will have for commuters as a whole?

The Hon. Barbara Wiese: The Public Enquiry Timetable System is designed to provide telephone information operators at the other end of our information lines with the necessary information to answer all the inquires relating to the STA's bus, tram and train services in a timely and accurate way, thereby improving the delivery of service to customers. Due to the complexity of the software being developed, the implementation will not occur until early 1994. However, this system will provide maps on the screen for the operator so that if you, the customer, ring and say, 'I want to go from Henley Beach to Burnside to visit Auntie Flo; can you please tell me how I can get there, at what times of the day and what connections I need?', that operator will be able to tell you immediately the timetable of the services; the connections; which bus stop is closest to your home and which is closest to Auntie Flo's at the other end; and how far you need to walk from your house to the bus stop and from the bus stop to Auntie Flo's at the other end.

In other words, it is a very extensive, complex, complete service that we will be able to offer to our customers when it comes on line. The technology is world class and, when it and a number of the other software packages that are being produced by the STA were displayed at an international Public Transport Congress exhibition in Sydney some months ago, a lot of interest was shown in them by representatives of public transport systems from around the world. We are certainly hoping that we will be able to sell this product to other public transport authorities once we have it up and running here.

The television program *Beyond 2000* was very interested in this program, and recently filmed a segment for that television show, which has been shown in other parts of Australia. Unfortunately, it was not shown in Adelaide that night because they had a football commitment which prevented that program going to air. That is a shame, because the STA has developed really world class, innovative computer software, and we hope it will meet with much success here and in the other places where it can be implemented.

Mrs HUTCHISON: My final question relates to what is called the complementary service concepts. What are they, what are their objectives, have there been any attempts to implement them and, if so, where and is it intended to broaden that?

The Hon. Barbara Wiese: The STA is certainly interested in pursuing the concept of complementary services, and by that I mean working with the private sector and local government in the development of services which will be complementary to the main service which is offered by the State Transport Authority. Considerable work has already been done in this area. We have been talking with local government authorities for some time about the idea of councils providing feeder services which will link with STA services, for example.

Some councils are more interested in this concept than others. We have had a trial program running with the Happy Valley council which has met with some success. It has run into a few problems along the way, but some of those things are being sorted out. We have also had a trial transit taxi service which has been run with sections of the South Australian taxi industry, providing a feeder service for commuters leaving the train at Hallett Cove, involving a door to door service to their homes at a subsidised cost. That trial,

which has been running for a year or so, has demonstrated that we can provide such a service at about half the cost of the provision of a bus service, so that the development of services of this kind is really the way to go. Of course, we could also undertake that sort of work with private bus companies.

There have been a number of moves into this area, and we want to see more of that sort of work developed. The STA is currently working with other organisations on further options for the development of complementary services, and hopefully some of those will come into place in the not too distant future as well.

It will be important, in the development of a comprehensive transport system across the metropolitan area, for us to gain the involvement and interest of the sort of bodies that I have talked about so that we can provide the range of services that people need.

The STA, which concentrates on mass transit services, is largely using large buses. There are other organisations that might provide minibus services or a variation of forms of public transport which will very well complement the services that we can provide, and we want to see more of that happening. That certainly will be an important thrust in the next wave of the development of services in Adelaide.

Mrs HUTCHISON: And a much more cost effective way.

The Hon. Barbara Wiese: It will certainly be a much more cost effective way of delivering services, and that is another important reason to encourage this development.

Mr INGERSON: Is it correct that the STA board has reversed an approval granted on 23 September 1992 to install RDAV video surveillance cameras at all 81 stations and that it now plans to isolate 38 stations without the benefit of such cameras? Will this decision, coupled with the announcement today that the STA plans to concentrate on express rail services, increase speculation that the STA, and consequently the Government, has a hidden agenda to close down small railway stations?

The Hon. Barbara Wiese: I will ask Mr Brown to comment, since he is Chairman of the STA board, with respect to the particular decisions that have been taken. I can say that the announcements made today, which will lead to a revitalisation of the Adelaide rail system with a system of principal stations being a focus for the delivery of services during peak times, is not intended to bring about the closure of other stations. We want to keep those stations open and to be used at other times of the day, and that is the path we are taking with the development of those rail services. As to the question about board decisions, I will hand over to Mr Brown.

Mr Brown: First, I have to comment, as Chairman of the authority, that private business carried out by the board of the authority is confidential and, therefore, I find it unusual that such information is available. However, the question has been asked, so I will respond.

Tenders were called in two parts for the RDAV system: stage 1 for X number of stations; and stage 2 for the remainder, which are the 38 stations to which I think Mr Ingerson is referring. I cannot give you the precise numbers. The Cabinet paper gave approval for calling tenders and was subject to further planning studies, which would determine the final number of stations that would be subject to the installation of equipment to cater for the RDAV (Railcar Drivers' Advisory TV) system.

That planning work has proceeded concurrently with the calling of tenders and the analyses of those tenders. The

information that the Minister released today—the new blueprint or vision for the operation of rail—was the result of that particular planning work. It became quite clear that the RDAV system would be best installed, in the first instance, at those stations which have been called today the ‘principal’ stations.

A recommendation has not yet been put to the Government about the future of the RDAV system, so it would be improper of me to give confidential information at this stage to the Committee. However, I am happy to do so later if that is a requirement of the Committee. The Government is the right forum for releasing the details of the recommendation of the State Transport Authority.

Mr INGERSON: We, as a parliamentary committee, would like that information and request the Minister that when it is available it be sent to the Committee as a matter of course. Can you guarantee that no railway station will close as a result of the restructuring, particularly in line with the fact that the previous Minister stated in 1991 that 20 stations on the northern line may be closed?

The Hon. Barbara Wiese: I can indicate that it is not the intention of the Government in introducing the services that I have outlined today that that would involve the closure of those stations. I am not in a position to make promises about what will happen 10 or 20 years hence, because I may not be here. However, I can indicate that it is not a part of the package of measures that will be implemented in this phase of the redevelopment of rail services in metropolitan Adelaide. I also indicate that further consultation will take place with councils and other relevant bodies before the proposal can actually be firmed up in any case.

Mr INGERSON: In 1991-92 STATIS (State Transport Authority Information Systems) recorded a substantial loss of \$469 000 for the STA, after generating expenses of \$647 000 and an income of \$178 000. Can the Minister explain the function, status and financial performance of the STATIS organisation with the STA over the past year, and in that explanation advise the Committee, if it is wholly owned, whether the management reports to the board, what contracts have been signed, and how many contracts have been paid for?

The Hon. Barbara Wiese: First, I indicate that this organisation is not a separate body in its own right; it is a business unit within the State Transport Authority. It reports to the General Manager during the course of its business. With respect to the cost of this unit, it is inaccurate to suggest that it has made a loss on its operations, because the labour costs involved in running this business unit are actually a cost allocation against the business unit. In other words, the staff, whose costs are allocated to that unit, would be working within the organisation in any case, whether they were doing this work or assigned to other tasks.

The group of people that is working on commercialising and marketing software systems has already met with much success in the development of this intellectual property. I talked a little bit about the PETS system and another system developed by the STA is Matrix, a software program. Its major benefits are to provide savings in vehicle fleet size, to optimise operational staff and reduce staffing needs. It uses a ‘what if’ scenario to investigate the feasibility of providing new or modified services and so is able to provide accurate costs of a range of options when they come forward. Therefore, it provides the STA with the opportunity to be more customer responsive.

This system is regarded as state of the art technology, being at least equivalent to the best similar product in the world. It is applicable to both large and small public transport operations. The Statis organisation has already been successful in negotiating with various other public transport systems in selling the technologies that have been developed. It has already been sold in Australia to Darwin, Launceston, Burnie and Hobart in Tasmania, and to a private bus operator in Victoria.

A contract was signed during February this year with the Grampian Regional Transport Authority in Aberdeen, Scotland, to purchase the Austric Crew and Roster Software Package and it is now acting as our agent in the United Kingdom and we hope that further business will come from that. A European agent was appointed in May this year. Currently, we are introducing the system into a depot in Paris for evaluation and we are awaiting outcome of trials in Clermont-Ferrand in central France.

We have submitted a tender to provide the system in Perth and negotiations are being held in Belgium, Marseilles, France, to two cities in the United Kingdom and one in New Zealand. If we are successful in achieving business in all or some of those areas there will be significant revenue coming back to the STA through the development of this work. One has to appreciate that, with the development of any intellectual property of this sort, there has to be an investment in research and development and it will be some time before we see the pay-off.

We are now starting to see some of that return coming back to the STA and, as I indicated earlier, when some of the products were demonstrated at the UITP exhibition in Sydney in May this year, before representatives of 76 countries, we received promising inquiries from many nations around the world and we are certainly hoping that the marketing work that we can do through conferences of this sort will lead to much new business and, therefore, revenue for the STA.

Mr INGERSON: I did not hear the Minister advise how many contracts had actually been paid for.

The Hon. Barbara Wiese: All contracts have been paid for.

Mr INGERSON: Perhaps I misunderstood. I thought all these contracts were out to tender.

The Hon. Barbara Wiese: There are some contracts for which we have tendered. Contracts have been paid for.

Mr INGERSON: What are the salaries and conditions of employment for people involved in the Statis group; what overseas travel, by whom and at what cost has it been undertaken since 1991; and what is proposed in the forthcoming year in regard to Statis? Does the Minister or the board approve these expenses and why did Mr Gleeson resign earlier this year?

The Hon. Barbara Wiese: With respect to staffing issues and travel costs, I will take those questions on notice.

Mr Brown: Mr Gleeson retired because he was 58 and saw the green pastures outside. He decided to retire early. Statis reports on a day-to-day basis to the General Manager. The business plan and those types of activities are controlled by a subcommittee of the authority chaired by a member of the authority. Statis was set up only as a business unit after the STA realised, after developing the software systems for its own use, the potential for sales to other public transport organisations throughout the world. It was not the other way round, as the question implied. The STA requires these people to continually develop transportation software systems to help us become more efficient and cost-effective. That is

the major undertaking or project for the people comprising the Statis team. When they have time they deal with these other inquiries to supplement income for the STA.

Mr HAMILTON: As to the trial of closed circuit television and cameras on trains, can the Minister elaborate on this initiative? When was it introduced, what is the anticipated cost and is it proposed that these closed circuit television cameras will be expanded into other forms of public transport as well as railway stations and major interchange depots throughout the metropolitan area?

The Hon. Barbara Wiese: A firm of consultants, Connell Wagner, was appointed in 1992 to investigate the feasibility of installing closed circuit television on Adelaide trains, to expedite the operation and provide estimates on a number of options. They reported in July 1992 and, following the report, tenders were called for the supply and installation of railcar driver assistance video systems as referred to earlier by Mr Brown. The tender analysis is now complete and the contract is expected to be let soon for the installation of the RDAV system. Closed circuit television monitors will be installed in all railcars, except the old Red Hens, and cameras will be placed on platforms at selected stations, including Adelaide. The authority has included a sum of \$2.3 million in its capital works budget for this financial year for the installation of these closed circuit televisions in trains and the estimated cost for the project is about \$4.2 million, with completion of stage 1 expected in early 1995.

Mr HAMILTON: I refer to the completion of manufacturing of buses at the Press Metal Corporation at Royal Park. How many buses have been built at this particular establishment in the last 12 months? How many are to be built in the next financial year, and what is the value to South Australia, and indeed to Australia, in terms of the manufacturing of these buses in the Albert Park electorate? How many private buses are also built at this particular establishment, and indeed the number of workers engaged at that plant?

The Hon. Barbara Wiese: I will have to take most of those questions on notice. The only information I can provide at this stage is that local content for the contract to build our buses is approximately half the cost of each bus, but of course local content means Australian made as opposed to Royal Park made. I am not sure how much of the work is actually being done at Royal Park, but I will certainly make inquiries and provide answers to the questions the honourable member has asked.

Mr HAMILTON: Will the Government guarantee the future of the Grange railway line for the next four years? I know the Minister, and indeed Mr Brown, may laugh, but I can assure the Minister that if there is any attempt to close that line or indeed reduce the number of services, she will not only incur the wrath of the member for Henley Beach but also the wrath of the member for Albert Park and I suspect others. The closure of that service is rumoured every year Minister, and that is the reason I raise it—it is like the member for Albert Park; it keeps bobbing up. Seriously, people are concerned and I want to place that concern on the record and seek your response.

The Hon. Barbara Wiese: It is a bit of a perennial, as is the rumoured closure of the Outer Harbor line which seems to come up regularly as well. There is no plan to close the Grange line in the foreseeable future. I am not able to project forever, but the fact that the recent reorganisation of services in parts of the western suburbs was designed to better utilise the Grange line is an indication that the STA wants to encourage better use of that line, and the better the patronage

the more likely it is to be retained. So, we must all do as much as we can to encourage people in that local area to use the facility they have available to them. If they do, they can be assured that the service will be maintained.

Mr HAMILTON: So, in the foreseeable future that line is guaranteed?

The Hon. Barbara Wiese: That is right.

Mr MEIER: Can the Minister detail the state of progress on discussions that have been held between the STA representatives of the public transport union and employees of the tram depot on the introduction of driver-only trams?

Mr Brown: There was an undertaking given by the Minister's predecessor to the unions that one-man-tram operation would not occur with the present set-up of the trams; that is the single unit type trams that we have at the moment. However, if the tram system is expanded to incorporate what we call articulated trams, the whole matter is open for review, and that is an agreement between the parties.

Mr MEIER: Does the Government have a date or timetable when driver-only trams may be introduced? As a person who uses the trams occasionally, I often wonder what the so-called conductor does on trams because they do not seem to check whether people have tickets; they do not give out tickets. I have noticed occasionally there has almost been room for someone to come in to have a word with some people to perhaps tone down their behaviour a bit, but they do not seem to do that either. I cannot work out why the driver-only trams are not in already.

The Hon. Barbara Wiese: It seems that the member is identifying an area where there may be deficiencies to be taken up by the STA. At this stage, no timetable or date has been set for the introduction of driver-only trams.

Mr Brown: Could the member of the Committee advise me personally when he comes across the particular discrepancies in the service he has described? I would appreciate that very much because it is totally against the philosophy and the customer focus that the authority has launched itself into over the recent years, so please feed me that information directly and I will certainly take action.

Mr MEIER: Thank you. I note that an objective for 1993-94 is to restructure the Transit Squad and to further improve its efficiency and cost effectiveness. Does this mean that the Minister has resolved that the STA continue to share responsibility for the operation of the Transit Squad with the police or does the Minister, after some nine months of discussion, still plan to transfer full responsibility for the Transit Squad to the police?

The Hon. Barbara Wiese: An in-principle agreement has been reached between the South Australian police and the STA for the transit police to be under the control of the Commissioner of Police. There is a proposed start-up date for that to be formalised, but I should indicate that that is subject to the satisfactory negotiation of a memorandum of understanding between the two parties. This memorandum of understanding will, in effect, be formalising what has been the practice for about the last 12 months. During that time the police inspector in charge of the Transit Squad has been responsible entirely for the policing decisions that are made with respect to the work of the Transit Squad. So, we will be formalising a practice that has been in place now for about a year, and the final details on negotiating that memorandum of understanding are taking place at the moment. I hope they will be completed very soon.

Mr MEIER: Can I take it that, therefore, greater efficiencies and greater cost savings are envisaged from your continuing look at the Transit Squad operations?

The Hon. Barbara Wiese: I am not sure that we would be talking about greater savings in this area: we are talking about a managerial arrangement largely. We may be talking about a transfer of cost from the STA's budget to the police budget, but the cost overall is not likely to change significantly unless there is a significant change in the way the Transit Squad is deployed. I do not expect that to be the case. The intention is that the Transit Squad will comprise a dedicated group of officers who work on the public transport system, so it will be operating in the way that it has essentially been operating for the last 12 months.

Mrs HUTCHISON: With regard to the 1 per cent challenge, the Aboriginal employment within the department, has the department met that challenge? If the Minister does not have the details I am happy for this to be taken on notice. I would like to know in which areas the Aboriginal employees work; are there any Aboriginal bus drivers; and, if not, could consideration be given to having some trained in those positions? It would probably do a lot to assist in certain areas of offending, and so on.

The Hon. Barbara Wiese: Some of those questions we will need to take on notice, as we do not have the specific employment details, but Mr Brown would like to provide some information about a program that is currently under way.

Mr Brown: We do have a program set up with the agreement of Mr Nayder to engage and train Aboriginal people on per way maintenance and construction work. That is proceeding with much success at the moment. We do have Aboriginal people driving buses, and we will obtain the figures for the honourable member.

Mr HAMILTON: I note that the Minister and the STA are consulting with consumer groups. The complaints one frequently hears are about access to timetables for STA services and identification of the destination of buses and trains. Is that matter being addressed in those forums?

The Hon. Barbara Wiese: We established a consumer forum earlier this year for the STA to concentrate initially on the needs of disabled and elderly people. Users and representatives of organisations are represented on that forum, which has met and has been quite successful thus far. It is now intended to expand the scope of the consumer forum to establish groups in regional locations to concentrate specifically on the needs of particular locations in the metropolitan area, which will help to highlight some of the issues that the member for Albert Park raises about local concerns that need to be taken up by the STA. That will be possible through these localised consumer groups to be established progressively.

In addition, there are some 650 locations where licensed ticket vendors have timetables on display, which means that the provision of timetable information is currently more extensive than it has ever been throughout the metropolitan area. Bulk supplies of tickets and timetables are provided to post offices and other locations. We are addressing that problem and, hopefully, with the help of these regional forums and any other feedback that we can get from people such as you (and community organisations), we will be able to improve the distribution of that information even further.

Mr HAMILTON: If members of the public wish to become involved in those community forums, whom should they contact within the STA?

The Hon. Barbara Wiese: We will be advertising for registrations of interest for representation on those regional forums, so I will provide information for the honourable member as to when the advertisements will appear and what the process will be.

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

Marine and Harbors, \$8 100 000.

Departmental Advisers:

Mr H. Bachmann, Chief Executive Officer.

Mr M. Harrison, Acting Manager, Corporate Accounting Services.

Mr A. Herath, Director, Corporate Services.

Mr I. Pascoe, Director, Port of Adelaide.

Capt. B. Buchanan, Director, Regional Ports.

Capt. J. Page, Director, Marine Safety.

The CHAIRMAN: I will ask the Minister if she would like to make an opening statement.

The Hon. Barbara Wiese: I am pleased to comment on the annual progress of a success story that commenced in 1989-90 and which, by the completion of 1992-93, was showing significant positive budget impact through productivity gains and improvements in customer service. Notwithstanding the poor quality grain season last year and the relatively depressed economy, non-containerised trade increased through South Australian ports by around 500 000 tonnes, a 3 per cent increase. Container trade increased by 26 per cent last year with the likelihood of continuing improved trade growth through Outer Harbor, Port Adelaide.

In relation to finances, since 1989-90 the department improved its overall financial position by \$9.5 million. On a turnover of around \$55 million, this is a substantial improvement. In 1992-93, commercial performance improved by \$3.7 million on 1991-92, before abnormal and extraordinary items. Significant financial performance improvements were also made in the non-commercial and semi-commercial areas, particularly with regard to the *Island Seaway*. Occupational health and safety risk preventive and rehabilitation initiatives are also paying off, with significant reductions in lost time, injury and workers compensation payments in 1992-93.

Of major importance to continuing performance improvement is the renegotiated financial charter for the department. In recognition of high debt levels in comparison with interstate competitors, a significant level of debt was retired to bring the department's cost structure and consequential service pricing more into line with that of its competitors.

For 1993-94, as in 1992-93, the Government is separately funding the net cost of semi-commercial and non-commercial services, which enables the department to demonstrate to its commercial customers that our objectives are to foster the development of increased trade through South Australian ports by providing competitively priced commercial services.

Mr INGERSON: Will the Minister confirm that when the department, with the approval of Cabinet, resumed the lease of the container terminal from Conaust, the net cost to taxpayers was \$3.6 million?

The Hon. Barbara Wiese: I can confirm that that was the net expenditure with respect to the resumption of the lease.

Mr INGERSON: As a supplementary, in addition to this sum, is it correct that the department agreed to take over long-service leave liabilities amounting to \$385 000 and annual leave liabilities of \$296 000 as a result of its decision to install new operators at the container terminal?

The Hon. Barbara Wiese: Yes, that is correct; and that is in accordance with long-standing commercial practice when a situation like this occurs.

Mr INGERSON: In essence, the purchase cost to that extent was \$4.281 million. In addition to the long-service leave and annual leave entitlements taken over by the department when the lease was resumed, did the department take over any other employee entitlements, such as superannuation, and, if so, what is the current value of those payments?

The Hon. Barbara Wiese: No superannuation was taken over when the lease was resumed.

Mr INGERSON: As a supplementary, how much was paid directly to Conaust and/or its parent company, P&O, in compensation for the Government's decision compulsorily to resume its lease at the terminal?

The Hon. Barbara Wiese: As I have indicated previously when this question has been asked of me, when the resumption of the lease took place there was an agreement between the parties, at the request of Conaust, that the amount involved should remain confidential. That was a clause in the agreement that was signed at the time. In view of that, I am not at liberty to disclose the amount of the compensation payment.

Mr INGERSON: As a supplementary, I have been advised today that the Government sought the confidentiality clause, not P&O or Conaust. It seems that perhaps the Government is covering up the cost, not the two private sector organisations concerned.

The Hon. Barbara Wiese: I understand that Conaust asked for the confidentiality clause and that the negotiators on behalf of the Government agreed to it. Therefore, it was inserted as a clause in the agreement.

Mr INGERSON: What was the direct cost of the department's involvement in the decision to resume the lease; what were the indirect costs, including costs associated with interstate and overseas trips; and what was the gross cost to taxpayers of the Government's decision to resume the lease at the container terminal from Conaust?

The Hon. Barbara Wiese: I shall be happy to provide as much information as possible under the agreement that was signed between Conaust and the Government. I am sure that the information relating to the cost of overseas trips and matters of that sort will be available, but I believe that some of the information that has been requested will not be able to be provided, because it is subject to the agreement to which I have referred. However, I will provide what I can.

Mr HAMILTON: In 1991 the Government undertook major repairs to a portion of the stepped revetments on the West Lakes banks—the Minister laughs, and I understand why—specifically in the area of Nareeda Way. What are the Government's intentions with respect to other sections of the revetments which are showing signs of distress, in particular, in the area of Beeston Way?

Only yesterday my secretary faxed to the Minister's office a letter from a constituent who alleged that he had been injured as a result of a fall on that revetment work. Therefore, the matter is of considerable interest and concern to me and, I suggest, to the Minister. Whilst I understand the Minister's levity in the first place because of my harassment of her and

her department, I think she understands the light-hearted part of my question and the very serious latter part.

The Hon. Barbara Wiese: I do take this matter very seriously. The member for Albert Park has been very diligent in representing the interests of his constituents on this matter. Since I became Minister of Transport Development I have had numerous contacts from the local member passing on the views and concerns of people whose houses surround the West Lakes area with respect to the repair works that are required to the West Lakes revetment.

This matter goes back a very long way, and I will not retrace all the history of it. Suffice to say, the revetment work around the lake that was undertaken when the West Lakes project was first established has not lasted as long as it was designed to take, and the Government now has the responsibility of trying to resolve these issues. Some preliminary work was undertaken in 1991 at Nareeda Way at West Lakes where some of the most urgent work was necessary. Since that time there have been some minimal repairs in other parts of the lake area.

Meanwhile, the department established a major study to identify the options for repair and the respective costs so that the Government would be in a position to make some judgments about it. A number of reports have emerged as a result. This year I have been able to provide in the budget \$545 000 which will now be put towards completing about half of the most urgent work required at West Lakes. It is estimated that the most urgent work required amounts to about \$1 million. In a two-year program we hope to achieve a resolution of that issue.

The first stage of the work will be to replace 300 metres of stepped revetment at Beeston Way, which is identified as the most urgent area; repairs to 50 metres of vertical wall revetment; and modifications to the inlet gate machinery. Following that, in the next financial year, the work will continue in Beeston Way, and 40 metres will be replaced in McDonald Grove as part of next year's budget program.

If we can continue to find the funding to put towards these projects within perhaps three years we should be pretty much on top of the first priority work which has been identified. We will then be in a position to monitor the rate of deterioration in other parts of that 8-kilometre section that is the subject of study. This amount has been made available in this budget, and I am sure that the honourable member will be diligent in informing his constituents that that work is about to commence.

Some off-site work is taking place almost immediately and the work on site will commence after the summer season is over, because the level of water in the lake will have to be reduced a little, and we do not want to interrupt summer sports; so we will commence the work on site once that summer season is finished.

Mr HAMILTON: The Minister touched briefly on the inlet and outlet gates on the southern and northern ends respectively. What are the conditions of those inlet and outlet gates; what moneys, if any, will be spent on upgrading the condition of those gates; and what is condition of the inlet pipe from the sea through the sand dunes into the lake? Is it blocked up and is insufficient water coming through, as alleged by some people? That statement is made by some people, but I understand it is not the case. I want to get that on the record. What is the quality of the water in the West Lakes area, and how is it monitored?

The Hon. Barbara Wiese: I will have to provide answers to some of those questions later. I remember reading

something very recently about the pipe outlet to which the honourable member referred and the suggestions that have been made locally that it is somehow blocked. My understanding from the information I have read recently is that that is not so: it is operating appropriately. As to the water quality issues, I understand that, in the past, water quality samples have been taken from specific locations at regular intervals by the Engineering and Water Supply Department and analysed by that department's laboratories. The results have then been made available for use by the Department of Marine and Harbors.

Generally, the waters of the lake are satisfactory for primary contact water sports, except for periods following stormwater inflow. As predicted by the original West Lakes Pollution Committee, there are occasions following heavy stormwater intake when the quality of water deteriorates in the vicinity of the drain outlets for short periods of up to three days. I understand that Woodville council has erected suitable warning signs at various locations around the lake to warn people of this and, in addition to that, Cabinet has approved the engaging of a contractor to develop a mathematical model, under the joint management of the Department of Marine and Harbors and the Engineering and Water Supply Department, to work on management of water quality issues.

Mr Hamilton interjecting:

The Hon. Barbara Wiese: Yes, it is. I understand that recently that study has been, or is in the process of being, expanded to include the other parts of the Port River itself and will include interests that the multifunction polis project has in water quality issues in the area as well. I am not able to answer the honourable member's questions about the inlet gates, but I will seek some information about that.

Mr HAMILTON: I want to put on record that there is a proposed development for a recycling plant at the intersection of Old Port Road and Tapleys Hill Road at Seaton. The Tonkin consultant report shows that water from that plant will go into a drain that runs down the middle of the Old Port Road and into the West Lakes waterway. I have indicated in the House my strong opposition to such a proposal, given that one cannot be sure as to what soluble pollutants will filter into the West Lakes waterway. I understand that the Department of Marine and Harbors has already sought additional information from the proponents and has made (I further understand) a submission to the Planning Commission. What is the likely timetabling, and when is a response anticipated in relation to the questions that have been posed by the recent submission by the Department of Marine and Harbors in relation to this matter of that polluted water that may find its way into the West Lakes waterway?

The Hon. Barbara Wiese: I am not in a position to give an answer to that. It is a matter for the Planning Commission to determine how and when it will respond to the Department of Marine and Harbors' submission, but I can confirm that the department has raised questions concerning the possible impact on the West Lakes waterway, following the provision of information that has raised the sort of concerns that have been expressed in the community.

In making a submission seeking information about these issues, the department has indicated that it is making this request from a relative position of ignorance on matters relating to environmental issues. Nevertheless, it wants to be assured that the concerns that have been raised locally are being addressed properly as part of the planning process because, obviously, the organisation that has responsibility for managing the water quality in West Lakes, the department

wants to be sure that action will not be taken that will jeopardise the quality of water at West Lakes. So, along with other residents in that area who have made similar submissions, as I understand it, as part of the planning process, we should be advised of the effects of this proposed development before any decisions are taken by the Planning Commission.

Mr HAMILTON: By way of supplementary information if the Minister is not already aware of it: the West Lakes waterway development won a world-wide prize in France as to its very nature and, as the Minister would be well aware, millions of dollars, if not close to \$1 billion, has probably been invested by my constituents and other people in and around that waterway. It is of major concern to people not only in the Royal Park and Hendon areas but also to the residents of West Lakes and Semaphore Park, as well as to those who use that waterway for recreation and sporting pursuits, including national and international events. The Minister would understand that, but I want to place on record my major concerns and fears. I believe they are real fears about the pollutants that could find their way into the waterway if this proposal went ahead.

The Hon. Barbara Wiese: I understand the concerns that have been expressed. I should indicate as well that, from a Government perspective (and I am sure that the honourable member, as the local member, would agree), we want to encourage recycling plants around the metropolitan area as well, but we certainly do not want to do that at the expense of the local environment. So, these facilities must be able to work properly and comfortably alongside the communities that host them, and local communities must be assured that no environmental danger is being brought about by the location of such facilities in metropolitan suburbs. The concerns being raised are very reasonable and I am sure will be properly addressed as part of the planning process.

The Hon. P.B. ARNOLD: Is South Australia the only State that still retains the Department of Marine and Harbors as such, where the operations of the ports are held within a departmental structure rather than a statutory authority, and is it the intention, in view of the move in other States, ultimately to convert the department into a statutory authority?

The Hon. Barbara Wiese: My understanding is that the South Australian Department of Marine and Harbors is now the only departmental structure administering ports in Australian States. The honourable member may be aware of an Industry Commission report which was brought down sometime ago and which indicated that it would be desirable for port authorities to be structured on commercial lines and to be statutory authorities or separate from the normal Government process.

In view of the recommendations of that Industry Commission, and because the Government also wants the ports in South Australia to be operated in the most commercially appropriate way, we had already embarked upon a process of achieving some of the goals that are amongst the principles laid down by the Industry Commission and in other Commonwealth reports relating to Government business enterprises. That process began in 1990.

There has been a gradual shift in the way that the Department of Marine and Harbors does business. Many of the improvements that have taken place in the commercial enterprise of the ports in South Australia have been brought about by the sort of measures that I have referred to. To add to that, in April of this year, I took to Cabinet a submission which was endorsed by it and which agrees in principle that

the Department of Marine and Harbors should be properly constituted as a commercial entity with a clear statement of its role, functions and requirements and the requirements of Government; that it be an organisation with an appropriate financial charter to enable DMH to operate on a commercially viable basis; that it be given sufficient flexibility and opportunities to develop a commercially oriented work force; and that a proposal should be developed for appropriate institutional and financial arrangements to implement a structure based on the sort of principles I have just outlined.

Since that time work has been undertaken to achieve some of those objectives. Prior to the commencement of this financial year, agreement was reached with Treasury on the implementation of a new financial charter, which has relieved the department of a significant amount of debt that it was previously carrying. There is an arrangement whereby it will pay an appropriate level of the equivalent of company tax and a dividend to Government, so that it is increasingly working on proper commercial lines.

As to the appropriate institutional structure, that is still a matter of discussion and, with the formation of a Department of Transport, that will be one of the issues that will be considered within that department's framework. No decisions have yet been made as to whether the department should become a statutory authority or otherwise, but certainly there is nothing within the framework that has been outlined that would prevent such a structure for the department, if the Government believed that that was the appropriate way to go. But the general principles of having an organisation that runs on commercial lines is one which the Government endorses and which we will be pursuing.

The Hon. P.B. ARNOLD: I am well aware of the Industry Commission report. It would appear that the Minister is agreeing with the objectives and the intent of the department's becoming an authority but for some reason seems to be prepared to go only to a halfway house, which is neither completely one nor the other. It is giving the department more autonomy and flexibility than most other departments but by the same token not giving it the real flexibility and autonomy of an authority, and I wonder why.

As part of the Premier's recent public sector reform statement, he stated:

A Department of Transport is to be created involving the amalgamation of the State Transport Authority, the Department of Road Transport and the Department of Marine and Harbors.

It seems to be arriving at a point where it is not one or the other.

The Hon. Barbara Wiese: If you listened to the latter part of the remarks I made in response to your previous question you would have heard me say that a final decision about the structure that is most appropriate for this organisation has not yet been made, but that the framework of a Department of Transport does not necessarily mean that a statutory authority is precluded.

It would be possible, within the framework we are talking about, for the Department of Marine and Harbors to become a statutory authority, if that is what the Government believes is appropriate. That is something which is still under review and decisions will be made on that during the course of the next few months as part of that broader review I referred to earlier in the day about what is an appropriate structure for the department as a whole.

In the meantime, as I indicated, all the appropriate steps are being taken to move this organisation in the direction of being a fully-fledged commercially operating enterprise of

Government so that, when the final decision is made about what is the appropriate institutional framework, the department will be very well placed to fit within that structure and continue operating in a commercially oriented way.

The Hon. P.B. ARNOLD: There is a view held that because of the very specialised nature of ports and port management, if the department is to be part of a super department, it must be competitive with the other ports in Australia. We are probably the farthest port away from any markets, as far as the Australian ports are concerned. When one looks at Fremantle, Melbourne, Sydney and Brisbane, one sees that we have that extra distance to travel, no matter which way you look at it, and therefore we have to be even more competitive than those that have already changed to a single operation with just one objective in mind: to be competitive, not only on the Australian scene but on the world scene. How is the port of Adelaide in particular competing on a unit cost basis with, say, the ports of Melbourne, Sydney and Fremantle?

The Hon. Barbara Wiese: I would like to make one more point about the institutional framework question for the Department of Marine and Harbors. Where a super Department of Transport has been created in Queensland, it includes port functions and it has been achieved by having the port operations of the organisation created as a statutory authority within the broad department framework and the port operations themselves are constituted as a statutory authority with all of the flexibility that that provides to a commercial operation, and the planning functions of port operations form part of the work of the Department of Transport.

Although there have been no decisions taken by the Government about what the appropriate structure is for South Australia, it is possible to have a statutory authority working within the broader framework of a super department, if that is the sort of structure that you want to have. I understand it works effectively in Queensland and it may work effectively in other places. South Australia is still looking at those issues and decisions will be made in the near future.

As to the competitive performance of Adelaide with other ports, it needs to be noted in comparing costs between ports that it is a rather difficult thing to do and caution needs to be shown in making such comparisons between ports. Significant differences exist in the principles underlying charges adopted by one State and another; the structure of charges varies; who levies the charges varies and who pays the charges varies from State to State.

The actual charges, even for the same vessel, cannot be compared easily because of the influence of a varied range of factors, including cargo volumes, both loaded and discharged; weather and sea conditions; pre-arrangement of services; unforeseen delays, for example, industrial disputes, and so forth. The department has made an attempt to compare port costs on a theoretical basis using three actual vessels each servicing a different trade route to get some sort of idea about comparative costs, assuming identical port and service conditions apply.

The sorts of figures that have come out of that study must be treated with some caution. Stevedoring charges have not been included in the study because of the negotiable character and confidentiality of those charges, but it would appear that the Port of Adelaide charges could be a little higher than some of its competitors in that area, although there is now pressure on interstate terminals to increase their rates as present rates are less than cost.

In general, there are two groups of charges that apply in Australian ports. Charges of the first group, including pilotage, towage, charges for navigation aids and berth occupancy, moorings and garbage removal, etc. are debited to ships' interests. The second group consists of charges for cargo-related services, for example, cargo service charges or wharfage and other connected charges, and charges in that group are debited to cargo interests and importers and exporters.

The result of all port charges levied as at September 1993 has been put together. A comparison of Adelaide with Melbourne, Sydney Harbor, Botany Bay, Brisbane and Fremantle shows that for charges debited to container ships the Port of Adelaide is one of the cheapest in Australia. For charges debited to cargo, Adelaide is in most cases more expensive than any other Australian port. In both ship and cargo charges—if they are combined—then Port of Adelaide prices are in the middle of the range of interstate competitors.

These charges to cargo largely reflect the differences in charging methods rather than a lack of efficient pricing. South Australian shippers remain concerned about the relatively high levels of charges applied to cargo moving through the Port of Adelaide but there have been significant changes during the past 12 months as to our port pricing policies and many of the charges for which we are responsible have come down significantly. We hope we will be able to improve the pricing situation even further as we bring about greater efficiencies.

Mr Bachmann: The area of difference in charges seems to be in the container terminal rate and, as the Minister said, the rate in Adelaide is about \$50 per container more than in the Eastern States. The container terminal operator here is aware of that and their intelligence suggests that terminal operators in Sydney and Melbourne will be increasing their rate in the not too distant future to about what the current Adelaide container terminal rate per container is now. The balance will be back in favour of being fairly equal as to the container terminal lifting rates. As the Minister said the rest of the charges that the department puts on are relatively average in Australia but we do have a problem with the towage charge which is another private enterprise charge because the throughput in the number of ships makes the per ship charge higher in South Australia, particularly at the Port of Adelaide, because of the high capital costs of running tugs. That is another area of concern to the department, that the cost of towage per ship is as high as it is compared with the larger States where more ships utilise tug services.

The Hon. P.B. ARNOLD: I appreciate the problems that the Port of Adelaide has, because of its position in the total Australian context. The only thing an exporter is interested in is the bottom line. If an exporter can export for a few cents cheaper by railing through to Melbourne and exporting that way, that is what will happen, especially when in most of the primary industries with which we are involved a few cents can often make the difference between a profit and loss. How long has the hybrid operation in Queensland been operating under a part departmental and part statutory authority system? How long has it been going and has it been going long enough to be proved effective?

The Hon. Barbara Wiese: The Department of Transport in Queensland was created when the Labor Government came into power, so it would be about three years since it was established. The Port of Brisbane had been a statutory authority for some time before that.

The arrangement in Queensland has been in operation now for a few years, so there is some experience to draw on there, and we will certainly be drawing on it in determining what is an appropriate structure for South Australia. Some of the regulatory role that was previously performed by the port authority became a responsibility of the Department of Transport. You can see the logic in taking away some of that responsibility from an organisation which is trying to set itself up as a purely commercial enterprise.

The Hon. P.B. ARNOLD: Regulatory control would always be in the hands of Parliament and the Government in any case.

The Hon. Barbara Wiese: Certainly it would be in the hands of Parliament and the Government, but a decision has to be made about the administration of that regulation and which body is most appropriately placed to deliver the responsibility. It could be argued that, if you have an enterprise which is established to operate commercially, it should not be ground down with the responsibility of regulation. In fact, there may well be some conflict in some of those responsibilities depending on the nature of the enterprise, so they are among the sorts of issues that have to be thought through in determining what is an appropriate structure for the future.

Mr HOLLOWAY: The members opposite had a lot to say earlier about the previous operator of the container terminal. Rather than dwelling on the past as they usually do, what has the new operator, Sealand, achieved since January 1993? What are the indications in relation to what will be achieved in the future with the new operator?

The Hon. Barbara Wiese: Sealand began its operations in Adelaide on 5 January this year, so it is a fairly short time since it commenced operations. During the period of its operation calls from 73 vessels have been received at the terminal exchanging some 27 725 containers. During the first six months of its operation the company has spent its time renegotiating existing terminal contracts with shipping lines, reviewing the cost structure of the terminal operation and reviewing the operation of the terminal and the suitability of terminal equipment. It would have to be admitted that Sealand has probably not yet directly contributed to generating new business for the terminal but, as I say, it has only been there for a few months, and it has had a number of issues to resolve during that time.

It has worked well and jointly with the Department of Marine and Harbors to retain certain existing business which was considered to be potentially sensitive, and the company has also instigated changes in labour arrangements within the terminal which it believes will ultimately lower the total labour costs for its operation. In August it employed 10 stevedore trainees, including two female trainees who are the first women to work on South Australian wharves, I understand. These 10 new employees are the first new employees on the wharf since the 1960s. So, I think that already, in that respect, they have made quite a significant impact by their presence in South Australia. The training program under which these people have been employed is quite an innovative one, and we certainly hope that the lower labour and operating costs that Sealand talks about will enhance the competitiveness of Adelaide's container terminal.

In the next six months the company will be accelerating its work with the Department of Marine and Harbors in a number of joint marketing initiatives to continue the growth of business through the terminal. A detailed joint business development plan has been drafted and will be the basis of

marketing activities that will be undertaken to improve business through the port. I am very pleased to say also that, in August of this year, the company signed a memorandum of intent to enter into a long-term agreement to continue the operation of the Adelaide container terminal. You might recall that when it first took over operations it was on a two-year basis to be reviewed. After this period of time, in understanding the market and being involved in running the container terminal, it believes that it would like to have a long-term involvement in this State, so the signing of this memorandum of intent is indeed very good news for South Australia, and it is very good for us to have such a well respected international player involved in the container terminal operations in South Australia. We are certainly hoping that the predictions that we have made for business growth through the port of Adelaide will be achieved as a result of the joint work that we can do with that company.

Mr HOLLOWAY: Speaking about the increase in trade and so on through the port, I note that on page 412 of financial paper number 1 reference is made to a record level rise of 26 per cent in container trade over the previous year. What are the reasons for this increase, and what are the projections for the future? What is happening to other areas of trade?

The Hon. Barbara Wiese: The increase in trade through the port resulted from improved services and levels of trade through Adelaide with three major regions: first, with Japan-Korea where we now have an increase in services during the year from two calls per month to three calls per month; secondly, with South-East Asia with the introduction of a new fortnightly shipping service; and, thirdly, with New Zealand with the establishment of three-monthly services. The total container movements through the container terminal for the 1992-93 year were 54 000-odd 20-foot equivalents. This was 26 per cent more than last year, as you have indicated, and we had something like a 57 per cent increase in the number of vessels calling at the container terminal during the same financial period. Export trade rose by 29 per cent over the previous year, whereas inputs of loaded containers rose by 23 per cent. So, there has been quite a significant improvement in performance. The container trades, however, are amongst the most volatile and competitive of any port trade in South Australia, and will continue to be the subject of market pressures as shipping lines, in particular, seek to improve their profitability. So, we must continue to work very hard to maintain the improvements that we have already achieved. However, we believe that there are still many opportunities that exist for South Australia to improve its position, and our objective of growing container throughput in the joint business marketing program that I referred to earlier will achieve growth to 65 000 to 70 000 containers per annum from this financial year through to the next, and we believe that we can achieve that by capturing further South Australian cargoes which are currently being shipped through other Australian ports, particularly Melbourne, and also by developing cargoes originating from or destined for interstate through Adelaide by targeting specific business sectors.

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

Mr HOLLOWAY: My last question relates to page 193 under 'Support services'. On that page reference is made to the fact that the Department of Marine and Harbors was showing a continuing improvement in lost time from work related injuries. Where have those improvements been made?

The Hon. Barbara Wiese: Performance during the past financial year improved significantly over the previous financial year, exceeding the targets that were set in most areas. Expenditure was down by 35 per cent; new claims per 100 employees were down by 37 per cent; days lost from new claims were down by 66 per cent; total days lost per 100 employees were down by 25 per cent; and work injuries per 100 employees were reduced by 36 per cent. So, there has been a very significant improvement in the performance of the department. The top five causes of injury recorded during the past year were: body stressing, that is, strain injury, which represented about 35 per cent of the total cost; contact with chemicals and other substances, which represented 25 per cent; and falls, hitting objects with part of the body, exposure to sound and pressure making up the remainder.

The results of exposure to mentally stressing situations ranked tenth out of 11 categories, at a cost of \$3 800, which represented a 95 per cent reduction on last year, which is very encouraging. Targets have been set for the current financial year as a consequence of a number of preventive programs that have been put in place. These included a general strain injury control program, as well as a separate risk assessment study of mooring operations, leading to the development of new procedures and various other matters. The department's voluntary health and fitness program continued to improve, and there are members sitting here at the table who are part of the Corporate Cup team, and various other parts of the voluntary health program, who are doing a sterling job in raising the stocks of the organisation.

All this activity is contributing to early intervention mechanisms that have assisted in achieving the minimal stress claims to which I referred. So, it is a real success story this year.

Mr MEIER: The Premier in his economic statement last February announced that the Government had agreed in principle to sell all grain bulk loading facilities as a package, with the final decision on actual sale being subject to further detailed work by DMH on the net financial and economic implications. As members would be aware, South Australia remains the only State in Australia whose port authority owns and operates the final loading or conveyor links between the ship and the grain storage and handling facilities. Who is conducting the assessment to determine the financial and economic implications of the sale of these facilities and what progress has been made in that regard?

The Hon. Barbara Wiese: The process was commenced within the Department of Marine and Harbors. An initial financial analysis has been undertaken in-house. The results of that financial analysis are now being considered by Treasury and, depending on the outcome of the discussions that take place, we will make a decision as to whether we can proceed to sell the bulk loading plants or whether we need additional support from outside consultants, say, in determining what is the next step. I would have to say that we are still some distance from being in a position to make a decision about whether or not it is in the department's and the Government's interests to sell the bulk loading plants. Nevertheless, considerable work has been done and is proceeding.

Mr MEIER: Supplementary to that, I am surprised to hear the Minister say that she is still considering whether the sale of the bulk loading facilities is in the best interests of the Department of Marine and Harbors, since the Premier announced that the Government had agreed in principle to

sell all grain in bulk. If the Government should reverse its decision it would be an about face.

The Hon. Barbara Wiese: The decision was an in principle decision, but it was clearly stated that it would only proceed if it was in the interests of the department and the State for this to occur. That was a part of the decision that was made by Cabinet, and it was recognised at the time that a complete financial analysis would need to be undertaken to determine whether this was to our advantage. That is in train, and we will see the results of that. In the meantime, we have had expressions of interest from at least three parties who may be interested in discussing this proposition, although at this stage the detail involved in those expressions of interest is very superficial, as you would expect, because they do not know, until we have conducted our financial analysis, exactly what is involved.

Mr MEIER: What is the department's assessment of the value of all the grain loading facilities, or is that still in the assessment stage? And in reference to the statement in the commentary section of the regional port services, what is the extent of the 'significant impact' that the sale of the bulk handling plants would have on the expenditure of regional ports?

The Hon. Barbara Wiese: To take up the first question, I am not in a position at this stage to indicate what costings are involved in this process because, as I said, we are still working on those. As far as the regional impact of any sale is concerned, that too is being quantified as part of this study. But the major issue at stake regionally, presumably, would be in the area of staffing impact, and what would occur there, both for the department's operations and its staffing levels, what might happen if a new purchaser were to take over the bulk loading plants and what staffing arrangements would subsequently be made.

Mr MEIER: As a supplementary, when will the assessment be completed for the proposed or non-proposed sale?

The Hon. Barbara Wiese: It is difficult to say at this point, but we hope to have a much clearer idea of where we are heading by late this year.

Mr MEIER: As the department gained \$563 000 last year from the sale of land and buildings, which I believe it \$63 000 more than was estimated, what is the explanation for the fact that the department has not recorded any receipts against this line this year? I refer to page 79 of the Estimates of Payments and Receipts.

The Hon. Barbara Wiese: I am advised that the figure of \$800 000 which appears in the papers, was shown alongside the wrong line. There has actually been \$810 000 worth of asset sales in that area.

Mr MEIER: As a supplementary, is the Minister saying that on page 79, under 'Sale of land and buildings', where it has '1992-93, Estimate \$500 000, Actual \$563 040, 1993-94, Estimate—', that should be \$810 000?

The Hon. Barbara Wiese: 'Sundries' should be a dash and the other line should have \$810 000 alongside it.

Mr MEIER: Last year what happened to the receipts for land and buildings; were they used to reduce the department's debt or were they transferred into general revenue?

The Hon. Barbara Wiese: They were used to discharge debt.

Mrs HUTCHISON: My first question relates to statements made in the Premier's budget speech where he referred to the figure of 3 000 targeted separation packages which it was anticipated would be achieved by June 1994. How many of these have occurred in the Department of Marine and

Harbors and what is the longer term position with regard to the department in this matter?

The Hon. Barbara Wiese: Since the department began a major restructuring of its operations in 1990 and became the first of the Government agencies to make use of voluntary separation packages, the total work force has been reduced by 38 per cent over the past three years. A total of 23 positions was also declared surplus in May this year—nine weekly paid and 14 GME Act positions—and a further 16 positions were declared surplus in early September, bringing the total to 39. So far two employees have accepted TSPs and they departed before the end of the last financial year. Eleven have accepted TSPs and departed between 1 July and 31 August, bringing total acceptances to 13. As at 31 August, five TSPs were in progress with two expected departures in September. Another three are awaiting finalisation of workers compensation claims before offers can be made. In addition, there will be a further round of offers to a border group of the work force with a further 16 positions to be declared surplus. Further letters inviting expressions of interest are expected to be sent out in mid-September. The average TSP cost for the 13 who have departed to date is \$34 212.

Mrs HUTCHISON: My second question relates to the audited financial statement for the department which indicated an improved commercial operating profit of about \$500 000 on last year. Realising the significant restructuring that the department has undergone over the past few years, a better result might have been expected. What is the position and what is the expected profit for 1993-94?

The Hon. Barbara Wiese: The department achieved a significant improvement in commercial performance, as reflected by the increased commercial profit before abnormal and extraordinary items, of \$3.7 million during the past financial year. This was achieved with increased income of about \$2 million, despite the depressed economy and the massive damage to grain crops which occurred in the middle of the year. Increased shipments of grain, gypsum and fertiliser and other commodities have mainly been responsible for the improved performance. As I indicated earlier, there has been a 26 per cent increase in the number of containers shipped out of Outer Harbor. A net decrease in expenditure of \$1.6 million also contributed to the increased commercial profit, although a major portion of this reduction was due to lower rates of interest on the department's debt level, and that, of course, resulted in lower financial charges.

The 1992-93 expenditure levels indicate that commercial interest expenses accounted for 39 per cent of commercial operating expenditure after abnormal but before extraordinary items of expenditure.

In addition to financing charges, salary and wages costs were lower, due to the declining numbers of employees leaving during the year, and that led to a decrease in lump sum payments that were required to be made. Expenditure reductions for financing charges and salaries and wages were partly offset by increases in superannuation and insurance costs.

Profit for 1993-94 is expected to be about \$6.7 million due mainly to the containment of costs and the slight reduction in expected income. This, combined with greatly reduced financing charges due to the new financial charter debt reduction, will allow DMH to pay Treasury a dividend and a tax equivalent charge as well as allow for the repayment of more debt from the department's loan account. Also, during the period to which I have referred, commercial income increased by about \$3 million with community services

income remaining steady. That provides an overview of the way that these figures were determined.

Mrs HUTCHISON: A major improvement for the coming year.

The Hon. Barbara Wiese: Indeed.

Mrs HUTCHISON: My third question has some local implications. I believe that the department is expecting to spend approximately \$1.3 million on the upgrading of navigation aids during 1993-94. What is the purpose of that project and what is occurring with regard to the lighthouses in the northern end of Spencer Gulf—for example, Point Lowly.

The Hon. Barbara Wiese: I am sure that we can provide some information about that. With respect to the upgrading of navigation aids, a program was embarked upon in November 1989 to convert approximately 200 gas-lit navigation aids to solar power. That work has been proceeding over five years. It commenced with the upgrading of the department's dredge *Andrew Wilson*. The conversion to solar power was deemed necessary because of the very high costs involved in maintaining the old system and because occupational health and safety issues were also involved. The total project was estimated in 1989 to be worth about \$5 million, and the upgrading of the vessel and conversion of Port Adelaide, Inner Harbor, was completed in 1990-91. Port Adelaide, Outer Harbor, Kangaroo Island and Port Bonython were converted the following year. Wallaroo and Thevenard were completed in 1992-93 with some repair work at Thevenard carrying over into 1993-94.

It is proposed to convert Port Lincoln, Franklin Harbor and most of Port Pirie in the current financial year. To date, 109 beacons have been refurbished and converted to solar power. We are spending \$1.3 million in this current financial year on the project that I outlined. I am advised that the light that was located at Point Lowly was removed by AMSA, the National Maritime Safety Authority, and it is its intention to sell the lighthouse. It is currently talking with the local council and others about that, and I do not think there is much more to report.

Mrs HUTCHISON: I understood that a tender was to be called for the disposal of that lighthouse.

The Hon. Barbara Wiese: That could be right; I am not sure of the detail of that.

The Hon. P.B. ARNOLD: I would like to move back to the questions I was asking briefly before the break in relation to the future of the Department of Marine and Harbors and the people in the department. With the creation of the Department of Transport, and if the Minister moves in the direction of turning the department into a statutory authority or a semi-statutory authority, what will be the role of the existing Chief Executive Officer in that structure? Will there be a role for the existing chief executive?

The Hon. Barbara Wiese: That is among the issues that have to be worked through over the next few months as to how you would structure these organisations and what the classifications and levels would be for all the individuals who are involved in any revamped organisation, whatever shape or form it takes. To some extent, what happens to individuals depends on the shape and nature of the organisation, as I said earlier. They are the issues that will be worked through over the next few months, with a view to having a clearer idea about the whole picture by about the end of the year, with any legislative changes that are required taking place next year in order to meet the deadline of the end of June 1994 that this reform package requires.

The Hon. P.B. ARNOLD: I take it from that that the future of people like the Chief Executive Officer at this stage is somewhat in limbo, because the decisions have not yet been made.

The Hon. Barbara Wiese: I would not put it quite like that: as the Chief Executive Officer says, he is still here. The fact is that all those positions remain as they are until a new structure is determined. Whatever the structure of the ports operation side of a new department, there will have to be someone in charge of it, so that I suppose that is one given. What happens to individuals and what they choose to do is another matter, and all those things will be taken into account at the appropriate time.

The Hon. P.B. ARNOLD: I take it that with the new structure all the senior positions will be up for grabs.

The Hon. Barbara Wiese: They may be, they may be not; it depends very much on the work that will be done over the next few months.

The Hon. P.B. ARNOLD: What plans does the Government have to improve facilities and turn-around times for ships in the port of Thevenard? It is mentioned on page 185 of the Program Estimates and page 75 of the capital works program, but on page 75 it comes under that section which is referred to as possible future capital projects where it talks about upgrading Thevenard's bulk loading plant. As a possible future capital project it is somewhat in the never-never. Are there any real plans for the upgrading of the facilities at Thevenard and the turn-around times—the efficiencies of getting ships in and out quickly?

The Hon. Barbara Wiese: Over the past few years there have been a number of occasions when requests have come for upgrading Thevenard port, including suggestions that the port itself should be deepened, but I think it is also acknowledged that the Department of Marine and Harbors, which is now operating on a commercial basis, must pay proper attention to whether or not there will be a commercial return for any investment of this sort in any port around the State. My understanding of the commercial availability of such an investment at the moment is that it simply does not stack up. I think that most of the people who use the port recognise that there would have to be a significant improvement in throughput at that port before it would become a commercially viable measure to provide that further investment.

The Hon. P.B. ARNOLD: I refer to page 188 of the Program Estimates, in particular, Kangaroo Island ferry support services. It refers to the services that are provided: Kangaroo Island Sealink and Eastern Cove Traders and the vessels they are operating, the *Philanderer III*, *Island Navigator* and *Valerie Jane*. It goes on to state:

The Government sponsored service is the *Island Seaway*, which is privately owned and privately operated.

It finishes by stating:

The *Island Seaway* service is heavily subsidised.

On the other side of that page, where it refers to the cost of the *Island Seaway* service, it is broken down into various parts: in 1992-93, of the \$7.2 million cost it comprised so much. With that service, a greater proportion of the trade of which is being taken by the *Philanderer*, *Island Navigator* and *Valerie Jane*, where is the major loss incurred for which the Government has to subsidise the owners and operators of the *Island Seaway*? Is it in the fact that the vessel has that comparatively long route from Port Adelaide to Kingscote, as compared with the short operation between Cape Jervis and Penneshaw which the private operators on that short link

seem to be able to manage and operate profitably? Could someone give me an indication as to where the major loss in the operation of the *Island Seaway* occurs?

If the Government is committed to contributing \$5 million annually to subsidise that service, would it be feasible to put in the necessary facilities at Cape Jervis and Penneshaw to enable a vessel of that size to operate on that short distance, and would that give the vessel the opportunity of becoming more profitable and thus dramatically cutting down on the subsidy that the State Government has to provide on an ongoing annual basis?

The Hon. Barbara Wiese: Certainly, the fact that the *Island Seaway* travels longer distances and that the Kangaroo Island *Sealink* operation has been successful in making inroads into obtaining an increasing proportion of the cargo carried between the mainland and Kangaroo Island has had an impact on the subsidy that the Government provides to keep the *Island Seaway* going. However, I think it should be noted that the subsidy levels provided by the Government to the *Island Seaway* over the period since 1989-90 have been reduced absolutely.

So, even though this subsidy is required it is reducing, and the two year agreement that we have with the current operators of the *Island Seaway* which has brought in a performance based contract arrangement for the life of this two year contract is also bringing about a reduction in operating costs.

We have indicated to the current operators that there will be a review of their contract next year because it is the aim of the Government to get that subsidy payment down. We expect them to perform better and, if they do not perform to certain standards, they will incur penalties. When this two year period with this sort of arrangement being in place is over, and we have had the opportunity to review that, we can consider whether we should continue on with such an arrangement.

I must say that when my predecessor called for registrations of interest for the operation of the *Island Seaway* before this new contract was signed—and he called for registrations of interest not only for operating this operation but also alternatives—there was an enormous outcry from people on Kangaroo Island who wanted to retain this service. So, there are a number of things that must be taken into consideration by the Government in determining what the future for a freight and passenger service is for Kangaroo Island. I ask Captain Buchanan to add to the remarks I have made.

Capt. Buchanan: Operating the vessel from Cape Jervis was looked at in a preliminary way a couple of years ago. It would be very expensive to develop the port facilities there sufficient to handle the *Island Seaway*. It would soon be a problem considering the very high cost of road transport from Adelaide to Cape Jervis. So, the operation would not be any cheaper; in fact, it is liable to be more expensive.

Mr HAMILTON: Page 187 of the Program Estimates, under the heading '1993-94 Specific Targets/Objectives', states:

Continue training for State personnel engaged in oil pollution clean-up operations.

I understand this comes under the Minister's jurisdiction. What is the state of preparedness of these personnel and the number of oil spills that have occurred in South Australia in the past 12 months, and what actions, if any, have been taken against those companies that have been responsible for oil spills?

The Hon. Barbara Wiese: Captain John Page is the Chairman of the South Australian committee for the national plan which deals with oil spills in this State should they occur. You would recall that there was a significant oil spill at Port Bonython last year which required the provisions of the national plan to come into operation for a proper clean-up operation. I would like to ask Captain Page, who has been involved with the national review of the national plan and subsequent reviews in South Australia on our own preparedness for such situations, to provide an update on what has been happening.

Capt. Page: On 11 June this year the State, in conjunction with other States, the Commonwealth and the oil industry entered into an agreement whereby we would be prepared jointly to respond to any oil spill that could occur in Australia. The preparedness will go to the stage whereby we would be able to respond to some of the big spills, that is, over 1 000 tonnes that have been occurring overseas.

The Australian Maritime Safety Authority is currently in the process of increasing the levy on overseas shipping, as well as on other vessels that use Australian ports, to enable it to fund the purchase of additional equipment to respond to these spills. In addition to that there is an increase in training for personnel in all States as well as the oil industry, and that is proceeding now.

Earlier this year we have had a number of training programs in Port Pirie as well as Port Adelaide, and a number of our personnel have also been sent interstate to participate in training programs. There is a joint effort proceeding now between the State, the Commonwealth and the oil industry to respond to the bigger spills should they occur anywhere in Australia.

Mr HAMILTON: Can the Minister advise the number of spills in the past 12 months and the actions taken by the department to recover costs against those companies found responsible for those oil spills, if they apply.

Capt. Page: In the past 12 months there have been approximately four spills. The largest spill was at Port Bonython when 296 tonnes was spilt. The cause of the accident and the pollution incident were investigated. The Crown Solicitor's office found that no-one was at fault and was not able to prosecute anyone.

In addition to that, there were approximately three oil spills at Port Stanvac. These spills were of a small nature and it was, in most cases, not possible to prosecute people for those spills. In one case there was a possibility of our prosecuting, but the spill was so small that it was not advisable to proceed.

The Hon. Barbara Wiese: It should be noted that the cost of the clean-up in these circumstances is borne by the insurers of the ships concerned.

Mr HAMILTON: My second question is almost parochial. What does the Government intend to do in relation to the repairs and maintenance of the damage caused to the Semaphore jetty by storms? Is it the intention to repair all the damage occasioned by that storm, or does the Government intend to shorten the length of that jetty? What is the situation?

The Hon. Barbara Wiese: The most recent storm damage that affected Semaphore jetty removed about 30 metres from the length of the jetty and the cost of restoring that section is enormous and amounts to about \$350 000 or \$400 000, which would be beyond the capacity of the funding that we have available for that purpose. However, we have lodged an insurance claim with the idea of obtaining costs through that

mechanism which might enable us to restore the lost piece of jetty.

If that claim is not successful, the next best thing we can achieve is to make the remaining length of jetty safe by upgrading it to a satisfactory level and proceed from there. Even without the lost 30 metres restored, Semaphore jetty is still the longest jetty on the metropolitan coastline. Whether we will be able to reinstate the lost 30 metres will be totally dependent upon the outcome of the insurance claim. Work has already commenced on repairing the damage to the jetty, and you probably noticed in the media last Friday that a departmental truck went through some of the jetty planks when it was involved in the repair operation. There are now more repairs to be undertaken. That is being rectified as part of the current project and we will certainly have the most important repairs of the jetty undertaken before the forthcoming summer season when the majority of people want to use the facility.

Mr HAMILTON: What is the state of repair or disrepair of jetties in South Australia?

The Hon. Barbara Wiese: Jetties in South Australia are in a varying state of repair and disrepair. Many jetties around our coastline were built at a time when they were needed for commercial purposes and these days they are no longer used for those purposes. The commercial justification for spending money to upgrade them is not as clear as it previously was, but there is great value in many of those jetties along the coastline for tourism and recreation purposes and in economic terms that also has a value that must be considered.

For some time the department has not had sufficient resources to devote to the maintenance work required for all our jetty facilities, but a survey has been undertaken of most jetties around the State to try to get some notion of what work is required to bring them up to a reasonable standard of repair. This work was undertaken as a preliminary step to negotiations now taking place with local government about whether local government would be prepared to take over responsibility for the care and maintenance of jetties in future as part of the package of responsibilities that would be transferred along with money derived from the fuel excise.

Local government would not be asked to pick up responsibility with no resources: resources would go with that, and that package of measures is now being negotiated but the outcome is not yet known. I hope it will be known in the near future and we hope that it will be possible for local government to take on that responsibility around the State.

Mr HAMILTON: What is the financial benefit to South Australia in terms of shipping through the Outer Harbor terminal? Is there any likelihood of container export through that terminal increasing in the foreseeable future? If so, what can we look forward to in terms of additional links from Asia and other parts of the world bringing increased benefits to South Australia through increased throughput?

The Hon. Barbara Wiese: I probably responded to that question earlier when I indicated that joint marketing work is already under way between DMH and Sealand, the new operators of the Adelaide Container Terminal, to increase the number of vessels calling at the Port of Adelaide. One of the key objectives of the whole transport hub concept is to attract a named day weekly shipping service from Singapore that would have a significant effect on boosting the amount of trade that could flow through the Port of Adelaide.

As part of the objectives of the transport hub project our aim is to at least double the throughput of containers through the port by the end of the decade. Over the past two years we

have seen an increase from about 32 000 20-foot equivalents (TEUs) up to 50 000 TEUs. The objective is to increase that to about 70 000 TEUs by the end of 1994. If we can achieve the sort of growth achieved thus far, since these accelerated efforts have commenced, we should be able to meet those targets. We had a 26 per cent increase in cargo in the past financial year, a 57 per cent increase in the number of vessels calling at the terminal, and we hope that we can meet the targets set and see not only increased wealth for the State but increased jobs as a result of that added activity.

Mr HAMILTON: How much money did you earn?

The Hon. Barbara Wiese: Direct revenue to DMH through the additional trade last year amounted to \$1.2 million, and there are other spin-off benefits that come to other sectors of the economy as a result of that increased activity.

Mr MEIER: As to the proposal by Gulflink to construct and operate a ferry service between Wallaroo and Cowell, it appears that the Department of Road Transport has offered positive and practical assistance to the proponents, Gulflink Proprietors, but the Department of Marine and Harbors, which is also responsible to the Minister, has almost been frustrating the project, as it has been put to me. What offer has been made by DMH about port charges and is this offer consistent with the Government's stated objectives to promote regional development in South Australia?

The Hon. Barbara Wiese: From the information that I have been given about this matter I would refute the claims that have been made by the proponents of Gulflink that the Department of Marine and Harbors is frustrating its efforts to get this project up and running. I am aware of the claims that have been made because they were contained in some correspondence received by me recently. I also know that they have written to other people in the Wallaroo area: no doubt the honourable member himself received correspondence along these lines. It is not true to suggest that the department or the Government is in any way frustrating the efforts of these people. The various agencies of Government with which they have had to deal, as I understand it, have provided quite considerable support, and in the area of marine and harbors my understanding is that there were various informal discussions which took place between the then Minister of Marine and the directors of Gulflink regarding various aspects of their proposal. They talked about the level of port charges that might be likely to apply to this project and the Minister at the time indicated that any submissions made in respect of these matters would be carefully considered by the department.

In September last year a submission relating to port charges was received, and when that was considered the position put by the department at the time through the Minister was that an annual fee be established based on a valuation of the seabed and shoreside facilities to be conducted by the Valuer-General. Separately a navigation services charge would be identified, as well as payment of pilotage fees. Values would depend on valuation of the sites and the gross tonnage of the vessels to be used. It was indicated to the developer that such charges would not be likely to be high, given the low site values generally applying in country locations. Until such time as approved plans were received from the developer the department was not in a position to further progress the development of an indenture agreement. That position was put to the proponents in December last year. That is where the situation stands as far as the department is concerned. No detailed plans have yet

been received from the proponent, but as soon as they are the matters that were outlined that would form the basis of an agreement can be progressed to the next stage and there can be discussions about dollars.

My feeling is that the main obstacle standing in the way of this development is the fact that the proponents have not been able to raise the financial backing they need to proceed and this, in fact, may be the basis of the delays that have been experienced so far. It should be pointed out just as an aside that the level of the charges that would come from the Department of Marine and Harbors would be a very small proportion of the overall costs of this project and would be most unlikely to be an issue which is standing in the way of the development proceeding.

Mr MEIER: Continuing on from the Minister's answer and recognising that the operation of the ferry is estimated to generate annual revenue benefits to the State of nearly \$500 000 together with some 500 jobs in the construction phase and 70-plus jobs thereafter, I ask whether the Minister has canvassed with Treasury and the EDA the concept of deferring port charges for, say, three years. Even though the Minister has said that those charges are fairly negligible, I am sure that any help to assist this project would be greatly appreciated. Perhaps I would go one step further: has thought been given to the Department of Marine and Harbors in conjunction with the EDA providing the basic landing facilities for the ship at either end? I believe that would cost something like \$2 million to \$3 million, and by leasing it back to the owners of the ferry service over a five-year period the department would recover that total \$2 million to \$3 million in full, plus interest.

The Hon. Barbara Wiese: The latter proposition is not something that I think the department would want to entertain at this stage. It is important that the proponents should be able to demonstrate that they have financial backing to proceed with this project. It should be noted that they are putting up a fairly high risk proposition because there is an alternative to using a ferry in order to get private vehicles and commercial vehicles across to Eyre Peninsular. So, that clearly is one of the major concerns that the proponents will have to overcome in attracting the appropriate financial backing.

As to the possibility of deferring charges, my first response would be to say that the charges make up such a small component of the total that it would be surprising if that sort of assistance really was needed. However, I understand that when discussions took place with the Directors of Gulflink the department indicated that it would be prepared to defer charges for the first year of operation. So, there has been discussion along those lines.

Mr MEIER: The Harbors and Navigation Bill the Parliament passed this year provided for the Government to impose a levy on owners of motor driven boats at the time of the annual registration of the boat. Has the committee established by her to advise on the rate of the levy recommended a rate? If so, what is the rate, and how much is anticipated will be raised on an annual basis?

The Hon. Barbara Wiese: The committee that is required to be established by the legislation has not yet been established. The regulations relating to the Harbors and Navigation Act which were passed by the Parliament in the last session have not yet been finalised and I do not anticipate that they will be for some months. Until the committee has been established all the other issues that were discussed with respect to the establishment of levies, when they might apply,

at what level they would stand and so on will not be determined or implemented.

Mr HOLLOWAY: I understand that the Department of Marine and Harbors put aside \$160 000 in its 1993-94 capital estimates for the screw pile jetty at Victor Harbor. Why is that project necessary?

The Hon. Barbara Wiese: The screw pile jetty at Victor Harbor is one of those structures that requires quite a considerable amount of work. In this current financial year the department is providing \$160 000 towards the work that needs to be undertaken. At this stage it is suggested that that money might be spent on replacing connecting bolts in the piles of the screw pile jetty and replacing bracing adjacent to berths.

However, an issue has been raised with me by the local member (Hon. Dean Brown) and members of the Victor Harbor council concerning the problems that have now been experienced by the *Falie* and the *One and All*, which as part of their summer program have called at Victor Harbor to undertake various activities. Because the *One and All* last summer damaged the screw pile jetty by crashing into it, there is a problem now in allowing the berthing of such ships, because the screw pile jetty is not stable enough. So, we are now considering the possibility, instead of a complete replacement of bracing, of undertaking minimal bracing on the screw pile jetty itself and providing independent fender piles, which would isolate the jetty from any vessel berthing.

If it is possible to provide that sort of facility within the budget we have available during this financial year, we will undertake that as an alternative, which will overcome two problems that have been raised locally.

Mr HOLLOWAY: Page 415 of Financial Paper No. 1 points out that the department's commercial and community service activities are now clearly separated and that this is part of a revised financial charter being pursued for 1993-94. Will the Minister give the Committee details of what is being pursued and what has been achieved?

The Hon. Barbara Wiese: The department has just negotiated a new financial charter with Treasury, which is part of the new commercial operations of the organisation. The original financial charter under which it operated, which was approved in June 1990, required that the department's overall net draw on Consolidated Account be eliminated by the end of this past financial year. Despite significant organisational restructuring in recent years, this was not quite achieved, but the department was only \$2 million short of the targets that had been set. The department recognised very early that one of the factors that would determine whether it would operate successfully in a commercial way was the issue of pricing, and also recognised that prices at that time were too high to sustain existing trade and to gain improved trade through South Australian ports.

Based on productivity and other improvements, a strategy of more substantial service price reductions was commenced during the past financial year, and we have made significant inroads in that respect. Now there has been further negotiation to achieve a more commercially competitive cost structure, and that has resolved itself in a number of agreed parameters to be pursued for the future. First, the department will receive commercial debt relief of \$38 million. Separate funding of community service obligations will occur again this year as it did last year, so that the commercial and non-commercial operations of the organisation can be clearly seen; they are transparent. Payment of a company tax equivalent to 33¢ in the dollar based on accounting profit will

be paid. A payment of a dividend of 17¢ in the dollar based on accounting profit will be made. Residual profit will be used to repay further debt while retaining sufficient working capital to provide for business fluctuations. These new ground rules that were negotiated during the past financial year and come into operation in this financial year provide a very solid commercial foundation for the future operations of the organisation.

Mr HOLLOWAY: My next question concerns recreational boating, and I refer to page 190 of the Program Estimates, where some interesting statistics are given. It states that it is estimated that more than 90 000 persons are involved in recreational boating on a regular basis, with numbers increasing by about 7 000 annually, and also points out how motor boats registered under the Boating Act are increasing by about 2 per cent annually. Is it possible to make any estimate about what proportion of activities is centred on the River Murray and inland waters as opposed to coastal waters? What is the role of the department in terms of its policing and educational activities as related to inland waters compared with the coastal waters?

Capt. Page: On the River Murray we have three marine safety officers, one at Berri and two at Murray Bridge, out of a total of 10 marine safety officers in the State. So, approximately one third of our resources is centred on the River Murray. In addition, we have people travelling from Adelaide down to the Coorong and to the lakes area, and we patrol that area as well. Probably well in excess of a third of our resources is centred on patrolling the River Murray and associated waterways.

Mr HOLLOWAY: Given that considerable growth I referred to earlier, is it possible for you to make an estimate as to whether that growth is continuing proportionately between the Murray and coastal waters, or does one appear to be growing faster than the other?

Capt. Page: Our records tend to indicate that boating is increasing at 3 per cent a year, and it is generally across the State's waterways. We must appreciate that boats would also operate off the beaches, off the coast and also proceed up the River Murray to operate, so it is a situation where people operate in both areas.

The Hon. P.B. ARNOLD: On page 184 of the performance book reference is made to the importance of a weekly shipping link between Singapore and Adelaide as being of high priority. What is the status of this? Is it still in the discussion stage or are we likely actually to see it as a regular service on a Saturday?

Mr Bachmann: Part of our strategy is to have a regular fixed day weekly shipping service from Singapore to Adelaide. Currently, we have a regular fixed day fortnightly shipping service from Singapore to Adelaide through the ANRO consortium, and another fortnightly service is also running. Our aim is to try to have those companies coincide their fortnights, which would convert into a weekly shipping service. Besides that, we are also talking to other shipping companies with the aim of adding additional services by independent shipping services from Singapore to Adelaide. The aim is to combat some of the trade that currently goes through Melbourne because of the greater regularity of shipping through that port.

The Hon. P.B. ARNOLD: Is that a straight-out commercial operation or is any subsidy involved in trying to establish that?

Mr Bachmann: No, the establishment of shipping services is purely on a commercial basis and will depend upon the cargo carried.

The Hon. P.B. ARNOLD: On the same page I noted the report into the helicopter transfer of pilots. Does that exist at this stage in South Australia at all? Is it the intention of the department to move totally to helicopter pilot transfer?

The Hon. Barbara Wiese: I understand that some study has been undertaken of this matter and it is not a cost effective way of going about it, so it is not intended to introduce this practice in this State.

The Hon. P.B. ARNOLD: Is that means of transferring pilots on to ships used extensively in other ports?

The Hon. Barbara Wiese: Yes, it is used in other places.

Mr Bachmann: A number of factors come into this: the distance of the pilotage and the type of ship that comes in. I have landed on a huge bulk ore ship out from Port Headland where you fly out for about an hour and a half to land on the ship. There are big covers on the hold to enable landings to take place.

The Hon. P.B. ARNOLD: You do not have to go down on a winch?

Mr Bachmann: No, but I have done that as well. In this case it was through helicopter transfer. That is a quick way of getting a pilot in and out. It saves a lot of time and cost of boat travel. Some ports use it and others do not. It depends on the circumstances at each port as to whether it is cost effective.

Mr HAMILTON: What dredging programs will be carried out next financial year, and, if so, where?

The Hon. Barbara Wiese: I am advised that only small projects will be undertaken this year. A small job is to be undertaken at O'Sullivan's Beach boat ramp, for example. They are projects of that sort. I cannot give any more specific detail, but no major projects are due to be undertaken.

Mr HAMILTON: In relation to debt reduction, page 4.12 of Financial Paper No. 1 says that the Treasurer has approved a reduction in DMH debt of \$38 million effective from 1 July 1993. What is this based on compared with the much smaller debt reduction of \$2.5 million achieved in 1992-93?

The Hon. Barbara Wiese: During 1992-93 the department and Treasury agreed that the department was seriously overcapitalised and that it had a high debt to equity ratio especially when compared to its interstate competitors. During the past financial year commercial interest expenses accounted for 39 per cent of commercial operating expenses. As a result, Treasury agreed to a debt reduction of \$38 million, to take effect from 1 July this year, and that gives the department a debt to equity ratio of approximately 50 per cent.

The department has further targeted to repay debt of \$5.3 million during the year sourced from operating profit of \$3.3 million and excess capital receipts over capital expenditure of \$2 million as well as paying Treasury \$400 000 relating to Lincoln Cove receipts, bringing the total non-recurrent repayments to \$5.7 million, as indicated on page 2.46 of Financial Paper No. 1. This will complement its tax equivalent and dividend payment to the Treasury of \$3.3 million during this year to bring a total return to the State budget for the year of \$9 million.

Mr HAMILTON: On page 2.44 of Financial Paper No. 1, it is indicated that the Department of Marine and Harbors will for the first time make an estimated \$3.3 million revenue contribution. What will this contribution be used for and how does it relate to the department's operations mentioned on

page 2.28 which will require \$8.1 million funding from the Consolidated Account and \$300 000 from the State-Local Government Reform Fund.?

The Hon. Barbara Wiese: First, the department expects to earn a commercial profit of \$6.6 million this year and will therefore make a revenue contribution of \$3.3 million to the State budget. That consists of a tax equivalent charge of 33¢ in the dollar, as I indicated, and a dividend payment of 17¢ in the dollar on commercial profit. These funds will go directly into the Consolidated Account and cannot be directly related to the requirement of \$8.4 million to fund the department's community services obligations. Funding of \$8.1 million will be provided from the Consolidated Account and \$300 000 from the State-Local Government Reform Fund which will be used to finance the maintenance of the State's local jetties in anticipation of that responsibility being transferred to local government, as I outlined earlier.

Mr MEIER: Some months ago I wrote to the Minister about the Wallaroo jetty. In your answer you indicated that a new method from Queensland was being looked at that might be applicable to countering some of the problems on the Wallaroo jetty and its poor state or repair as regards planks, and so on. Have you any further information since that correspondence?

Capt. Buchanan: We have allocated \$150 000 this year specifically for decking, which will commence at the end of this year. We will start by replacing the approaches to the main jetty. One of the major problems is environmental, because the import of fertiliser goes right through the jetty into the sea. Therefore, we are looking at this material from Queensland to deck the wharf area where the ship will berth and then possibly concrete over that. That will be investigated during this year.

Mr MEIER: It is still being investigated?

Capt. Buchanan: Yes. We are not 100 per cent satisfied that the process will work on our jetties, so our engineers are still evaluating it.

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

Office of Transport Policy and Planning, \$4 823 000

Departmental Advisers:

Mr A. Gargett, Chief Executive Officer.
Mr L. Oxlade, Manager, Transport Planning.
Mr P. Tregoweth, Manager, Support Services.
Mr P. Chapman, Chief Project Officer.
Mr M. Milln, Chief Policy Adviser, Aviation.
Mr P. Skene, Manager, Research.

The CHAIRMAN: I declare the expenditure open for examination. Does the Minister wish to make an opening statement?

The Hon. Barbara Wiese: Since its formation in September 1989 the Office of Transport Policy and Planning has been an agent for change and reform. During the past four years it has worked to create an environment in which transport can operate as effectively and efficiently as possible through the introduction of innovative and creative solutions to emerging problems and the promotion of a general deregulatory policy. Following the Ministerial and portfolio changes in October 1992, an extensive review of the func-

tions of the office was undertaken and a new CEO was appointed in January 1993. The office's role has now been extended to take on a broader coverage of modal policy issues; in particular, responsibility for the transport hub was transferred to the portfolio from the Economic Development Authority as well as responsibility for both air service and airport development, ex-Tourism and DDA respectively. It is my aim that the office operate collaboratively with other agencies to advance Government policy across the transport development portfolio. These roles are now being taken up within OTTP as part of a strategic planning process commenced in March 1993.

In addition to fulfilling its primary role of providing policy support for the Minister, in 1992-93 the Office of Transport Policy and Planning maintained its focus on national transport policy, State-wide passenger and freight transport issues and aviation and metropolitan strategic transport planning in support of other Government planning and policy initiatives.

The office's contributions in 1992-93 were: representation of the State's interests in negotiations with the National Road Transport Commission in respect of its heavy vehicle charging determination; progression of work associated with the transport hub project; further representation of the State's interest in negotiations within the Commonwealth Government on the future role of Australian National; the Adelaide-Melbourne rail standardisation; the future of country branch lines; and the allocation of One Nation funds to AN's Port Augusta workshops and the Outer Harbor rail spur.

I refer also to representation of the State's interests in negotiations relating to the national bikeway strategy; co-ordination of the State Government submission to the Industry Commission inquiry into urban transport; development of integrated transport strategies jointly with other transport agencies for the planning review's metropolitan planning strategy; and subsequent area strategic plans in the northern and north-western sectors of the metropolitan area; continued efficient and cost effective management of the transport subsidy scheme and the Access Taxicab service to cater for increased demand; and initiation of the Noarlunga Centre interchange infrastructure and services study aimed at the interchange to improve its performance and operation in support of the redevelopment of the Noarlunga Regional Centre.

The only changes from 1992-93 affecting the presentation of OTTP's budget for 1993-94 is the inclusion of new receipt lines entitled 'State Local Government Reform Fund' and 'Transport Hub' respectively. The former now separately identifies the funding of subsidies provided for country bus services with a consequent reduction of \$525 000 in OTTP's appropriation from the Consolidated Account. The latter, which is matched by a new expenditure line entitled 'Transport Hub Program 3', relates to funding provided by the Economic Development Authority to OTTP.

Mr INGERSON: Why was Australian National not mentioned in the list of matters that the office proposes to address in terms of Federal-State negotiations this financial year? Is it an oversight or an indication that AN's future is no longer a priority for the Government?

The Hon. Barbara Wiese: Certainly, the future of Australian National is a keen priority for the Government. Quite a lot of time was spent during the past financial year and particularly during the past six months in negotiating with the Federal Government and with the National Rail Corporation on matters relating to the future of intrastate and interstate rail as they affect our own interests as a State.

The work that will be undertaken during the course of this current financial year will relate to matters which are still outstanding and matters which are to be developed by Australian National in particular during the course of this financial year in developing a new business plan, as requested by the Federal Government.

It is the intention of the South Australian Government and officers within OTTP to keep a close watching brief on what happens with the development of that business plan and to have input where appropriate and wherever we have the opportunity. I have assurances from the Federal Minister that we will be part of the process that is to be undertaken in developing that business plan, and good communication is taking place between relevant officers.

That work will certainly be on the agenda and there will be further discussions with the Commonwealth and the National Rail Corporation about such matters as the future of Road Railer.

Mr INGERSON: Can the Minister confirm that the Paringa line is being pulled up at present and, if so, why did she agree to this course of action? Can the Minister further elaborate on what she believes AN's plans are for the remaining broad gauge lines in South Australia, and how does the Government propose to respond to these plans in terms of the rail transfer agreement of 1975?

The Hon. Barbara Wiese: This is a bit before my time, but I understand in a letter dated 18 August 1992 the Commonwealth Minister for Land Transport sought the State's approval under the terms of the Railway Transfer Agreement to close the Alawoona to Paringa line and, following extensive correspondence about traffic on that line and two others that were contained in that correspondence, the possibility of short line operations and the restoration of the Blue Lake passenger service to Mount Gambier, the State Minister wrote to the Commonwealth in September saying that the 'Railway Transfer Agreement does not give me sufficient grounds to refuse your request'. Therefore, the three lines were gazetted for closure with effect from 12 October 1992.

The situation last year, when the Commonwealth put those proposed closures to the State Government, involved an assessment under the terms of the Rail Transfer Agreement but there were not sufficient grounds to allow the Government to insist on those lines remaining open and the closure took place.

Mr INGERSON: Are there any future plans for the remaining broad gauge lines?

The Hon. Barbara Wiese: The future of other branch lines in South Australia is dependent upon the business plan now being worked on by AN. The Federal Government has asked AN to provide a business plan to take it up to the middle of 1995. Before the recent decisions taken by the Commonwealth Government about the future of AN—decisions relating to the conversion of debt to equity and a number of other matters which ensure that AN can operate as a viable entity—it was not clear whether some lines would remain open or be closed.

The picture now is somewhat clearer and I can provide some information about what we expect will be the case with the major lines in this State about which people have expressed some concern. First, there has been concern that the Pinnaroo line would be closed, but I understand that that line will remain open. The Eyre Peninsula narrow gauge network will continue to be owned and operated by AN for the projected period. It is likely now that with more detailed

examination by AN the Murraylands and Mid-North lines which were previously under threat—and that includes the Loxton branch line—may be marginally viable and that the Mid-North lines may have a more secure future than originally expected.

It is therefore probable that the Loxton, Burra, Balaklava and Eudunda branch lines will remain open. That is the situation on the main branch lines as we understand it at this time. I point out that in the discussions that I had earlier in the year with Senator Collins about the future of AN, he gave me quite unequivocal undertakings that the promise made by the Prime Minister last year to the then Premier that the terms of the Rail Transfer Agreement would be honoured following the establishment of the National Rail Corporation, and any steps that had to take place as a result of the changes required, would be kept. That also includes an undertaking to provide the State with access to AN's analysis of individual lines if it should want to close any branch lines in the future.

So, if any such proposition is put to the State as part of the new business plan we will be able to examine for ourselves in detail the arguments that are being put forward by AN to justify any proposed closure, and that will put us in a much stronger position to determine whether we should agree or disagree with any such proposition.

Mr INGERSON: Does the Government plan to use the terms of the Rail Transfer Agreement 1975 to challenge the decision by the Federal Government to transfer the Pasmenco railway line from Broken Hill to Port Pirie from the ownership of AN to the National Rail Corporation?

The Hon. Barbara Wiese: My understanding of the situation is that we do not have the legal standing to take such action, and in fact the Commonwealth Government has advised me that it is bound legally as a party to the National Rail Corporation agreement to hand over that business to the National Rail Corporation, so it is not a matter that can be subject to legal challenge. That is regrettable because, as the honourable member would be aware, the State Government in making submissions to the Federal Government indicated that it supported the retention of the Pasmenco traffic by AN. That was certainly AN's preferred option, and it felt that it was important at that time to ensure its future viability.

With the decisions that were taken by the Federal Government to restructure the debt of AN and to provide financial resources for redundancy packages and various other measures that were part of the package that was announced some months ago, I think that the viability issue is not as strong as it was considered to be previously. I have been assured by AN that, even without the Pasmenco traffic, it can operate viably. So, that is the situation as it stands, and although we would have preferred the outcome to be different we are in a position where we have to accept that outcome.

Mr INGERSON: What are the future options for the SteamRanger service from Adelaide to Goolwa following the standardisation of the Adelaide to Melbourne railway line?

The Hon. Barbara Wiese: As I understand the situation for SteamRanger, it will certainly be cut off by the standardisation project; that is, its operations at Dry Creek will be cut off from the main line from Mount Barker to Goolwa. There have been some negotiations of recent months with SteamRanger as to what arrangements would be necessary to allow it to continue its operations. SteamRanger has suggested that it would be prepared to transfer its operations to Mount Barker should there be appropriate stabling arrangements for rail cars, etc, and other measures that would need

to be taken to enable it to set up in that location. Negotiation on those issues is still being undertaken.

I have indicated to the Federal Government that this additional expenditure is likely to be necessary as a by-product of the standardisation project, and I have received an undertaking from the Federal Minister that he will consider a proposition should we put one to him about financing that relocation cost, although I must say that at this stage he has given no assurance that he will finance such a measure, merely undertaken to give it proper consideration at the appropriate time.

Mr HAMILTON: On page 203 of the 1993-94 Program Estimates it is stated that the OTPP completed a review of passenger transport reform proposals. Will the Minister explain what plans the Government has for reforming the State's public transport system and what benefits are likely to accrue to the public at large?

The Hon. Barbara Wiese: The Government recognises the need for reform in this area, as I indicated earlier. We have undertaken a number of changes over the past few years in order to bring about the sort of reform that is necessary in delivering public transport to the community. It is important that we remove any barriers to innovation and overcome regulatory inconsistencies as well as designing services that best meet the needs of the community. The principles on which the future public transport system should be based are fairly clear.

There should be a removal of barriers to entry and the development of a wide range of more flexible innovative and personalised transport services. The State Transport Authority has provided conventional public transport services for many years, and those services have served us reasonably well, although we need to change them in the ways I outlined earlier. But it will remain the backbone of our public transport system. In addition, we must ensure that the system of public transport is broadened to incorporate other forms of public transport that will also assist the community, and some of the complementary services that I talked about earlier in the day will certainly achieve some of the improvements we need so that we can negotiate in future with private bus companies, with taxi companies, with local government and with other community organisations in making sure that transport services throughout the metropolitan area are utilised in the best possible way, and that we provide a combination of services which more closely meet the needs of the community and which can be provided in the most cost effective way.

Work is well advanced in achieving our objectives in this respect. We have had a number of public transport trials and demonstration projects. An enormous amount of research and local planning studies has been undertaken. There has also been an extensive review of the legislative and institutional framework by which public transport is and could be provided in South Australia. The form that the delivery of public transport services will take as a result of the creation of a Department of Transport is one of the issues that will be considered during the next few months.

Mr HAMILTON: As a supplementary, I listened with interest to the Minister's response. In particular, I understand there is to be an increased role for local government. It seems to me, over the many years that I have been a member of Parliament, that the number of buses that local government has available are wasted because after 5 o'clock at night they are stored away in a shed and in most cases at weekends. Is the intention to utilise this considerable fleet of vehicles to

assist with the transport needs of our community in the immediate future?

The Hon. Barbara Wiese: That is one of the issues that we want to take up with local government. The brokerage trials that have been in operation in the southern Fleurieu Peninsula and also in the Barossa Valley have been designed to pick up issues such as the poor utilisation of services that are already established in various communities. The brokerage trials have, in effect, put people in touch with each other. If a community bus has been sitting in a shed over a weekend or at particular times of the day or if a council bus is in a similar situation, there will be the opportunity to connect people who need transport with the services that are available so that they can be better utilised during the course of a week.

The State Transport Authority, for example, feels that individual councils could probably use their local community buses to provide weekend and night-time services in areas where the STA had to withdraw services last year because there were not sufficient numbers of passengers to keep those services running. However, a smaller service operating in a different way might be able to provide a service to the public which is more cost effective. They are the type of issues that we want to address in future. I think there is great scope for that. Unfortunately, at this stage only some councils are interested in talking to us about those matters. Other councils are violently opposed at this stage to becoming involved in the provision of public transport. I hope that very soon discussions with the Local Government Association can be taken a step further. In fact, I am having a meeting with representatives of the LGA at the end of this month to start that process.

Mr HAMILTON: I suspect that local government would be looking for some incentives in relation to participating, if my feelers are correct. My second question relates to page 84 of the Estimates of Payments and Receipts. I notice that there is a mention of Access Cabs. Many years ago, with the then member for Stuart and the then Minister of Transport, I was present on the day of the launch of Access Cabs. I was very pleased to see that facility made available to those less fortunate than ourselves. It has been a great boon for many people, particularly the elderly in our community.

On what basis has the Government reviewed the contract with Access Cabs for the provision of a taxi service for people with disabilities in wheelchairs? A number of people have made representations to me, seeking to have an increased number of vouchers made available to them during the year. Will the Minister address that also in her response?

The Hon. Barbara Wiese: The Access Cab service has been a very successful operation since it commenced in South Australia. Recently, the organisation submitted a business plan to me for the provision of a taxi service for people with disabilities in wheelchairs, with the key objective of eliminating the operating subsidy provided by the Government by the year 1997-98. This issue was raised in the Auditor-General's Report last year, the recommendation being that that operating subsidy should be eliminated over a period of time. The new business plan that was brought to the Government for approval included a strategy for eliminating that subsidy over a period of years. I agreed in principle to renew the contract for a five year period in May, and I am hoping that a new contract, which is currently being worked on, will be available for signature at the end of this month.

Essentially, the strategy that is being proposed for Access Cabs to eliminate the subsidy in future involves moving from the current situation, where Access Cabs assume total

responsibility for meeting the operating costs associated with maintaining the taxi fleet, to a system where it would enter into vehicle leasing arrangements with taxi driver operators, so that they would then assume the responsibility for meeting service quality conditions and standards. They would pay a fee to be part of the Access Cabs scheme and they would be responsible for direct costs for maintenance, fuel, etc.

As I said, there would be the adoption of a fee-for-service arrangement to offset the administrative costs of the SA transport subsidy scheme; the taxi fleet would over a period of time be downsized as the leasing arrangements were taken up; and a system of owner operators would be substituted. Efficiency improvements within Access Cabs management and administration would also be taken into account. So, there would be a new performance-based contract upon which we would work and, over the period of time that I talked about, the need for a Government subsidy would be removed, so that is a very good story.

As for the voucher system under the transport subsidy scheme, I, too, receive correspondence from time to time from various people who feel that the number of vouchers, which currently stands at 60 for each six month period, is insufficient for their needs. However, in the past the OTPP has undertaken surveys of the 21 000-odd people whom we have registered under this scheme about whether or not the current number of tickets is sufficient for their use. By far the vast majority of users say that the current arrangement is satisfactory and does meet their needs. The average use currently stands at about 36 to 40 vouchers every six months for the majority of users.

Only a small number of people feel that the numbers should be increased. I might say that there are circumstances where OTPP is able to exercise some flexibility in adding to the number of vouchers in particular circumstances. We try to be reasonable and compassionate about the requests that are received.

Mr HAMILTON: I thank the Minister for that because as the Minister would be aware exceptional circumstances do prevail from time to time. I have had occasion to write to the Minister, albeit unsuccessfully, for my constituents.

I refer to page 203 of the Program Estimates. What projects have been approved by the Taxi Industry Research and Development Fund in 1992-93? Has there been a review of the operation of the fund and, if so, what were its recommendations?

The Hon. Barbara Wiese: The fund was established under legislation passed in 1989. The former Minister established an advisory panel to advise him and subsequently me on proposals that are put forward from time to time for expenditure from the fund. You will recall that the fund was established with the proceeds of the sale of new taxi licences when a considerable amount of deregulation was introduced in around 1990 in the taxi industry.

The former Minister agreed that the proceeds of the sale of those taxi licences would be put in a fund which would be devoted to research and development issues relating to the taxi industry for the future. That fund has now been in operation for some 18 months or two years. It seems reasonable for this fund, and any fund which is under the auspices of Government, to be reviewed from time to time in order to ensure that it is operating effectively.

The panel commissioned a review of the fund some months ago. It is being undertaken by Dr Ian Radbone of the University of South Australia. I understand that he has received submissions from numerous people in the taxi

industry about various aspects of the operation of the fund and discussions between Dr Radbone and the panel on some of the recommendations that he might make as part of his report have commenced. I would expect that following those discussions recommendations will be made to me about ways in which the administration of the fund might be improved if, indeed, shortcomings have been identified.

Mr MEIER: Following the revelation yesterday that Cabinet has approved the injection of some \$10 million to develop the Adelaide Airport, was this initiative recommended by the Transport Hub Feasibility Study, and for what specific purposes are the funds to be used? Will all the funds be spent this financial year or are these matters yet to be resolved by consultants Maunsell Pty Ltd?

The Hon. Barbara Wiese: As indicated in this morning's newspaper, no decisions have been made as to how the Government might spend any funding. The \$10 million that the Premier referred to during the Estimates Committee a couple of days ago is essentially a notional amount of money which would be available through State Government sources to assist with the future development of Adelaide Airport if a suitable proposition were to emerge from investigations that are currently taking place about the future operations of the Adelaide Airport.

As has been stated on numerous occasions, the State Government believes that Adelaide Airport facilities must be upgraded so that we can capitalise on the value of having the airport in its present location and to assist with the development of the State. We have talked about the need for an extension of the runway and an upgrading of terminal facilities. The Federal Airports Corporation, under the investment guidelines under which it operates, says that the project as we have suggested does not meet its investment guidelines and it would not be in a position to undertake that development.

The Maunsell study, which was commissioned by the Government, is designed to look at the various options that may be available for future development and also to assess the threats and opportunities that exist for Adelaide Airport. It is important that we undertake that because considerable change is taking place in the airline industry now that may have impact on future growth potential for Adelaide Airport. Those things must be assessed. The opportunities for ways to attract investment, whether it be through Federal Government sources, FAC sources, private sector sources and so forth must be assessed and the Maunsell study is looking at all of those options right now. Certainly, no proposition has been forthcoming to date in which the Government would want to invest any resources beyond the resources for the consultancy.

Mr MEIER: As the Minister indicated, the Premier confirmed yesterday that the Government is considering options to develop the airport, including the use of private enterprise. I noticed in today's paper an article where the Premier was quoted as saying, 'Here is the State Government indicating its willingness to go further really than State Governments ought to have to.' However, I recall when the Minister was responsible for the Tourism portfolio that she set up a working party to investigate alternative means of funding the \$100 million upgrade of facilities at the airport.

That working party comprised representatives of the Commonwealth and State Governments and the Federal Airports Corporation Adelaide office, and in the Legislative Council on 19 November 1991 the Minister advised my colleague, the Hon. Diana Laidlaw, that she, 'hoped that by

February next year a report from the joint working party may identify alternative funding sources'. *Hansard* from November 1991 reports the Minister as follows:

At the moment a working party meeting with representatives of the State Government at the Federal Airport Corporations office in Adelaide is looking at alternative means of funding these upgraded facilities.

Did the joint working party referred to by the Minister in November 1991 report to her by February 1992 or since then and, if so, what were the working party's recommendations?

The CHAIRMAN: Does this question concern tourism or transport policy? It is probably out of order so a very brief answer would cover it.

Mr MEIER: I suggest that it is very much in order because it would appear—

The CHAIRMAN: Let us hear the answer.

The Hon. Barbara Wiese: First, the joint working party group that the honourable member referred to was established under the authority of the EDA or the Department of Industry, Trade and Technology as it was then called. Although some progress was made by that group at the time, since that time the Government has taken the view that the Maunsell study should be commissioned because there have been such significant changes that have taken place in the airline industry in the intervening period, and in order that we initiate the right action to pursue our goals to improve the investment at Adelaide Airport, there needs to be a proper assessment of the changes that have occurred. That is the process that we are currently going through.

Mr MEIER: It disturbs me that back in 1991 the now Minister of Transport Development, who was the then Minister of Tourism, identified that there were four issues that had been clearly stated as the State Government's priorities for development, and she went on to indicate that there would be a program of upgrading of the Adelaide Airport facilities to the tune of about \$100 million by 1998. However, yesterday we had the State Government through the Premier announcing that the State Government is investigating privatising Adelaide Airport as part of the \$100 million bid to expand its facilities as if it was a new project, but it was announced two years ago. What does the Government now hope to achieve from a further exploration of the same issue, namely private sector involvement in the Adelaide Airport, that it could not achieve back in 1991-92?

The Hon. Barbara Wiese: I think the honourable member is deliberately attempting to suggest that somehow or other there is something funny going on with all this. The fact is that the \$100 million of investment at the Adelaide Airport that was referred to back in 1991 was the amount of money, as I recall, that was being suggested by the Federal Airports Corporation itself that it would spend in its forward development program in upgrading Adelaide Airport; that that would be undertaken over a long period of time. The desire of the State Government at that time, as it is now, is that we should accelerate the development of Adelaide

Airport in order to achieve growth in tourism and in our economic development objectives. We cannot wait until the year 2000 or whenever it is that the Federal Airports Corporation wants to make its investment decisions: we want those investment decisions to be brought forward.

The Maunsell study is gathering the sort of information that we need to mount the arguments that we must put to the Federal Airports Corporation, to the Federal Government, to the private sector or whoever are the appropriate parties who may be enticed to take an interest in Adelaide Airport and to look at options for upgrading the facilities. That surely is a laudable objective and one that should be supported. Our aim is to improve the growth of the South Australian economy. In order to do that, as we have found with the development of air services and with numerous other areas of activity that we have tried to promote in South Australia, it usually requires us to do the basic ground work, to collect the information and to mount the case for why it is that there should be investment in this State because, if we do not do it, no-one else is going to be interested in doing it for us. That is the way things seem to be, and that is the work which is currently under way and which we hope will produce the results.

Mr INGERSON: As suggested earlier, can I just table the questions that relate to the functions and names of boards?

The CHAIRMAN: I take it that is an omnibus question. The Minister has agreed to consider that on notice.

The Hon. Barbara Wiese: Yes, and I will provide responses to those questions by the appropriate date.

Mrs HUTCHISON: Given the time, I will put on notice a question with regard to student and other concession reimbursement arrangements applicable to the STA provided services. Will they be extended to private bus operators in the near future? There has been some talk of this happening and I would like to know whether the Minister has information on that and, if so, whether that could be provided to the Committee.

The Hon. Barbara Wiese: It is recognised that there is something of an uneven playing field applying to operators in the private sector as opposed to the STA, and I have undertaken to examine some of the issues that are involved here. I should indicate that, if there is to be any change to the current arrangements, it will incur considerable additional expenditure for the State Government, and if we are to move down that path, obviously, any additional expenditure required in order to bring about these changes will need to be weighed up against other priorities the Government may have at a future time when budget arrangements are being worked on.

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

ADJOURNMENT

At 10 p.m. the Committee adjourned until Tuesday 21 September at 11 a.m.