

## HOUSE OF ASSEMBLY

Tuesday 23 February 1988

The **SPEAKER (Hon. J.P. Trainer)** took the Chair at 2 p.m. and read prayers.

## PETITION: TOBACCO TAXES

A petition signed by 1 171 residents of South Australia praying that the House urge the Government not to increase taxes on tobacco products in order to fund anti-smoking campaigns was presented by Mr Ingerson.

Petition received.

## PETITIONS: SHOP TRADING HOURS

Petitions signed by 84 residents of South Australia praying that the House reject any proposal to extend retail trading hours were presented by Messrs Ingerson and Oswald.

Petitions received.

## QUESTIONS

The **SPEAKER**: I direct that written answers to the following questions on the Notice Paper, as detailed in the Schedule that I now table, be distributed and printed in *Hansard*: Nos 305, 378, 513, 525, 526, 530, 532, 534, 539, 550, 553, 556, 568 and 573; and I direct that the following answers to questions without notice be distributed and printed in *Hansard*:

## SAIL TRAINING

In reply to the **Hon. P.B. ARNOLD** (3 December).

The **Hon. R.K. ABBOTT**: The Department of Marine and Harbors is of the opinion that there is no need to set up a working party to resolve the issues of survey and manning (in accordance with section 26 of the Marine Act) requirements for vessels used in sail training in South Australia. The emergence of sail training vessels was considered by the Australian Transport Advisory Council and it was determined that sail trainees were passengers, because many trainees lack sea-going experience. The Ship Standards Advisory Committee of ATAC is considering standards which should be recommended for sail training vessels. On behalf of ATAC the Maritime Services Board of NSW is currently conducting a trial period using Australian Yachting Federation standards for vessels less than 20 metres in length. Department of Marine and Harbors officers will examine the trial results. Meantime each authority is using standards commensurate with local conditions and existing legislation.

In regard to survey requirements the department is informed that most State marine authorities require these vessels to comply with the existing Uniform Shipping Laws Code requirements where appropriate. The department is always prepared to discuss these matters with operators and assist where possible to solve any problems. Many of the sail training organisations are commercial entities and it is important to be mindful that any standards for sail training vessels will be compared by the community with standards required of other similar passenger carrying sailing and powered vessels.

## TRADESPEOPLE

In reply to **Mr De LAINE** (10 November).

The **Hon. LYNN ARNOLD**: In reply to comments made by Mr De Laine I advise as follows:

## 1. Introduction.

Mr De Laine has covered a number of issues relating to the supply and wastage of tradespeople in the workforce. While Mr De Laine is rightly concerned with the development and maintenance of an appropriate skills base in South Australia there are a number of assertions he makes which are inaccurate. These comments are addressed below and a number of relevant State and Federal initiatives are briefly discussed. A shortage of tradespeople may arise in two ways: insufficient supply of skilled labour through entry level training, skill upgrading and retraining; and wastage of tradespeople from the industry.

## 2. Supply of Skilled Labour.

There are a range of factors which influence the supply of young people to the trades, including wages and conditions, opportunities of career advancement and systems of education and training to facilitate the development of skills appropriate to the needs of industry and commerce.

## 2.1 Wages.

A significant factor recognised by Mr De Laine is the level of wages paid to tradespeople. This of course is a matter for industrial negotiation. A national project which will in part address this issue, but more importantly in the wider context of career advancement, retraining and skill upgrading is the joint initiative of the Metal Trades Industry Association and the Metal Trades Federation of Unions. Substantial assistance over a three year period for this project was announced by the Commonwealth Government in the 1987-88 budget papers. It is anticipated this will result in considerable variations being made to the present structure of the Federal metal industries award. One of the objectives will be to facilitate career advancement through the recognition of enhanced technical skills. At present skill margins are determined more by supervisory responsibilities than the attainment of higher skill levels.

## 2.2 Educational Prerequisites.

Mr De Laine claims that qualifications for apprenticeship are too high. He cites the example of a group of apprentices recruited by General Motors-Holden in 1952, the majority of whom only had schooling to the second year of secondary education. Table 1 below compares figures for government school retention rates in 1952 and 1987:

Table 1: Retention Rates in Government Secondary Schools 1952 and 1987 Expressed as a Percentage of Original Year 8 Enrolments

Year	Year 8	Year 9	Year 10	Year 11	Year 12
1952	100	76.3	52.9	18.0	4.7
1987	100	100	96.4	87.2	59.6

Source: Enrolments in S.A. Government Schools February 1987—Education Department Report of the Minister of Education (Year ended 31 December 1958)

Clearly the educational prerequisites for employment in 1987 have shifted to four and five years of secondary schooling rather than the third year level in 1952.

Table 2 below shows the year level of schooling attempted by apprentices commencing training in 1985-86. Although it is expected that the number of apprentices commencing training from year 12 will rise over the coming years the greatest proportion in 1985-86 have only attempted year 11

schooling. The suggestion that young people must have matriculation is clearly incorrect. However, with the higher

level retention rate, a higher proportion are now attempting year 12.

Table 2: Year Level of School Attempted by Apprentices Commencing Training in 1985-86.  
Expressed as a Percentage of Total Commencements

Percentage of Total Commencements	Year 8 or less	Year 9	Year 10	Year 11	Year 12	Not Stated
	0.1	1.1	13.8	42.8	16.9	25.9

Increasing school retention rates, which are presently low by comparison with trading partners such as Japan and USA, is a State and Commonwealth policy which recognises that Australia's future lies in the development of a more productive and skilled work force. In South Australia the Inquiry into Immediate Post-Compulsory Education chaired by Mr Kevin Gilding is to report by the end of this year. The inquiry which has consulted widely will advise on mechanisms to 'cater more effectively for the increasing number of young people seeking to remain at school, while at the same time providing a sound education base for which institutions of higher and further education can draw their admission arrangements and employers their recruitment' (Background papers of inquiry).

### 2.3 Maximising Entry Level Vocational Training.

As apprenticeship is an employment based mode of training the level of apprentice commencements will vary according to such factors as the economic climate, business confidence, etc. However, State Government has adopted a range of strategies to respond to these fluctuations and maximise trade training opportunities.

#### 2.3.1 Prevocational Training.

The State maintains a high commitment to prevocational training. In 1987 a total of 816 State funded and 325 Commonwealth funded places were offered in prevocational courses covering a broad range of trades. Each course, conducted at TAFE colleges throughout the State, instructs students to the first year of technical training in at least two related trades. Graduates who subsequently gain an indenture of apprenticeship in the relevant trade are eligible for six months indenture term credit and educational credit for the first year of their technical training. Prevocational courses by institutionalising the first year of apprentice training assist in maintaining an adequate supply of skilled young people into the trades, especially in times of economic downturn when employers are reluctant to train additional apprentices.

#### 2.3.2 Group Apprenticeship Scheme.

A total of 367 apprentices are currently employed in eight group apprenticeship schemes in South Australia. An additional three schemes will soon come into operation and another will shortly be put forward for approval. Under these schemes, apprentices are contracted out to host employers to facilitate greater training effort in industry sectors, particularly amongst small businesses which are reluctant to undertake a four year contract with an apprentice. The opportunity to work with more than one employer is beneficial for the apprentice in providing a greater breadth of training on the job.

#### 2.3.3 Government Apprentice Training.

The State Government through the centralised recruitment of apprentices program has an aim to train the maximum number of apprentices, within its resource capacity rather than restricting this commitment to its own future needs. In 1988, 185 apprentices will commence training in Government departments and authorities.

#### 2.3.4 Other Initiatives.

A range of other initiatives such as Technology Park, the submarine contract, work skill Australia competitions, vocational training exhibition, tradeswomen on the move, manufacturing week will all promote and encourage young

people and industry to enhance training and employment prospects in the trades.

### 3. Wastage of Skilled Labour from the Trades.

Shortages of tradespeople may arise from qualified tradespeople moving into technical and administrative occupations in their industry or by leaving the industry for other occupations. Clearly the level of wages in some trades may be a determining factor (as referred to in 2.1) but other factors must also be considered. A recent study by the Centre for Research in Education and Work at Macquarie University of motor mechanics in non-trade career paths found that less than 3 per cent nominated higher wages as a factor which would encourage them to return to their trade. Most cited reasons such as 'higher status' and 'better working conditions' as more important factors. Clearly initiatives such as that of the metal industry (see 2.1) will be important.

Mr De Laine cites the wastage of skilled tradespeople, who have undertaken further training and move onto technical occupations in the industry. If the skills base of our industry is to be increased this movement should be encouraged not restricted. To enable these positions to be backfilled the measures cited above and the removal of impediments for semi-skilled persons to upgrade their skills to trade status needs to be addressed. Other strategies such as skill upgrading, retraining and adult training are all important issues to increase the skills base of industry and minimise wastage from the trades.

It should be noted that in South Australia there is no age barrier to adult apprentices as stated by Mr De Laine. This was removed in 1981 with the passing of the Industrial and Commercial Training Act. However, some Federal awards still maintain this age restriction. This matter was addressed earlier.

All of the issues raised by Mr De Laine are being given consideration by the relevant departments and authorities at both the State and Commonwealth levels. In South Australia the Industrial and Commercial Training Commission will shortly be recommending for reappointment a number of training advisory committees which will be integrated with the existing Commonwealth industry training committee network. These committees which will provide advice to the Industrial and Commercial Training Commission and the Department of Technical and Further Education to address the emerging training needs of industry and commerce will serve as appropriate forums for the further promotion of appropriate industry training strategies.

## PAPERS TABLED

The following papers were laid on the table:

By the Minister for Environment and Planning (Hon. D.J. Hopgood):

Planning Act 1982—Crown Development Report on Wholesale Fruit and Vegetable Market at Pooraka.

By the Minister of Transport (Hon. G.F. Keneally):

Corporation of Port Adelaide By-law—

No. 1—Permits and Penalties.

District Council of Lacedpede—By-laws—

No. 4—Bees.

- No. 5—Dogs.
- No. 6—Caravans and Tents.
- No. 7—Foreshore.
- No. 8—Repeal of By-laws.

By the Minister of Education (Hon. G.J. Crafter):  
 Land Agents, Brokers and Valuers Act 1973—Regulations—Trust Account.  
 Supreme Court Act 1935—Rules of Court—Costs.

#### MINISTERIAL STATEMENT: ELECTORATE OFFICE

**The Hon. T.H. HEMMINGS (Minister of Public Works):** I seek leave to make a statement.

Leave granted.

**The Hon. T.H. HEMMINGS:** Last Wednesday, the member for Davenport said in a personal explanation that information tabled in the House during Estimates Committees relating to the costs of electorate offices, and in particular in relation to his electorate office, was misleading. The honourable member referred to a figure of \$25 950 contained in a table titled 'Electorate Office Expenditure for 1986-87 Financial Year'. The amount was given as the expenditure on minor works for the Davenport electorate office.

My investigations have confirmed that this is indeed an error. Minor works expenditure for Davenport office in 1986-87 was, in fact, nil. It may be of consolation to the honourable member for Davenport to know that the mistake was an honest clerical error that resulted from a confusion over the name Davenport. An amount of \$25 950 was spent, but to commission the electorate office of the honourable member for Victoria. The address of that office is Davenport Street, Millicent. The amount of \$25 950 was consequently counted twice in the haste of compiling those statistics.

I have asked my department to recheck all figures in the table and, if any other errors come to light, they will be inserted into *Hansard* along with the Davenport correction. I apologise to the honourable member for Davenport for any embarrassment this error may have caused.

#### TOWN ACRE 86 OFFICE DEVELOPMENT

**The SPEAKER** laid on the table the following report by the Parliamentary Standing Committee on Public Works, together with minutes of evidence:

Town Acre 86 Office Development (Tenancy Fitout).  
 Ordered that the report be printed.

#### QUESTION TIME

##### SUPERANNUATION TAXES

**Mr OLSEN:** I direct my question to the Premier as Treasurer. Given that last Friday's EPAC meeting attended by the Premier did not rule out a new tax on lump sum superannuation payments, and in view of the statement from a senior Treasury official and I quote: 'Some fiddling around' might be needed to achieve reforms in corporate taxation, will the Premier say whether he is satisfied with the outcome of that meeting?

**The Hon. J.C. BANNON:** The matter did not receive very much attention at the meeting. As I said prior to the meeting, it was not an issue I intended to raise, because I did not think that it was the appropriate forum. The Premier

of New South Wales, Mr Unsworth, indicated that he was going to raise it there. In fact, Mr Unsworth had discussions with the Prime Minister and satisfied himself on the basis of a number of undertakings that the Prime Minister gave—which were reported—that there was no point in pursuing the matter any further, as the particular doubts and concerns had been satisfied.

The Premier also confirmed this to me on my request. Of course, the question of the corporate tax package and the overall review of the tax system has not been disposed of in the sense that this review and what arises from it I do not think will be known for some months yet.

#### ADVERTISER REPORT

**Mr HAMILTON:** Can the Deputy Premier say whether the statements on page 2 of today's *Advertiser* attributed to one Dr Goble are correct and, specifically—

**Mr LEWIS:** On a point of order—

**The SPEAKER:** Order! Before the member for Murray-Mallee needs to raise his point of order, I must rule the question out of order. Questions cannot be based on the accuracy of statements in the press.

#### SUPERANNUATION FUND

**The Hon. E.R. GOLDSWORTHY:** I would not want you to break a precedent, as explained last week—

**The SPEAKER:** Order!

*Members interjecting:*

**The Hon. E.R. GOLDSWORTHY:** What are Government members hawing for: what's wrong with you?

**The SPEAKER:** Order! I call the House to order. The honourable Deputy Leader.

**The Hon. E.R. GOLDSWORTHY:** We get some funny noises out of that bunch over there.

**The SPEAKER:** Order! If the honourable Deputy Leader does not immediately get to his question, he will not be delivering one.

**The Hon. E.R. GOLDSWORTHY:** Let's get on. My question is directed to the Premier as Treasurer: what would be the impact on the South Australian Superannuation Fund if the Federal Government proceeds with a Treasury proposal to tax superannuation fund earnings by up to 15 per cent?

**The Hon. J.C. BANNON:** I am not aware that that is the proposal. It is certainly not one which at the moment is in the public domain but, of course, such a tax would have quite a significant effect on the earning power of the Superannuation Fund.

##### FIRE PLUG INDICATOR POSTS

**Mr DUGAN:** Can the Minister of Water Resources say whether the Department of Engineering and Water Supply has an accurate and up-to-date register of the location and condition of fire plug indicator posts? I have been contacted by a council in my electorate and advised that a few weeks ago a disastrous fire, which gutted a house in a suburban street, resulted in much greater loss than would otherwise have occurred had the fire fighting units that attended been able to locate more quickly the water hydrant in the street. The unit was unable to do that because the indicator post was missing. I am advised that the Engineering and Water Supply Department is very tardy in replacing fire plug

indicator posts that have been accidentally knocked down by motor vehicles, or vandalised, or which have simply rotted through old age. Also, I am advised that these matters are regularly reported to the department, but that it is usually many months before action is taken to replace the posts.

In the particular example which was brought to my attention, the losses which were incurred were greater than they needed to be through the time lost by the fire service in locating the fire hydrants. It has been put to me that the cost involved in quickly and regularly updating the location and condition of fire hydrants far outweighs any extra expense that might be incurred in replacing posts promptly once damage to them has been reported to the department.

**The Hon. D.J. HOPGOOD:** This information is held by the Metropolitan Fire Service on a series of water reticulation plans. The responsibility of the E&WS Department is to maintain the condition of the outlets, and there is a regular updating program. In addition, where a particular problem arises, the department moves to fix it. There may have been a particular problem in this instance, and I will draw it to the attention of the Chief Executive Officer of the E&WS Department to see whether a more efficient system can be implemented to ensure that all of these points are both correctly and clearly identified, and that they are in proper working order. As a rule of thumb, they are usually located, I understand, about every 80 metres.

#### WORKCOVER

**The Hon. JENNIFER CASHMORE:** My question is to the Premier as Treasurer. Given the Premier's attitude to proposed Federal taxation of superannuation, will he explain why his Government is using the WorkCover levy as a means of substantial taxation of both superannuation and long service leave payments, and will he clarify his Government's policy so that South Australians who are about to retire or take long service leave are made fully aware of the amount which the WorkCover levy will cost their employers and ultimately the consumer and taxpayer?

I have received from a firm of accountants a copy of a letter addressed to the General Manager of WorkCover indicating that this Government's WorkCover levy is being levied not only on an employee's annual wage, but also on the accumulated value of his or her superannuation and long service leave entitlements. The letter reads, in part, as follows:

Recently your officers conducted an audit of Rowlands Sheet Metal Works Pty Ltd of Magill. In the course of the audit, payments to a superannuation fund and long service leave were identified by the audit clerk as being subject to the WorkCover levy.

These payments were made in consequence of the retirement of an employee of the company in November 1987. Said payments of course related to the total years of employment for the employee which in this case was 24 years.

In this case, the Government charged \$4 432.50 for the WorkCover levy on the superannuation component, and an additional amount of about \$2 000 on the long service leave component of the employee's entitlement. So the Premier's Government has taken the money. The accountants acting for this company have described the Government's multiple taxation of this individual's superannuation and long service leave payments as 'patently unfair and unjust'.

**The Hon. FRANK BLEVINS:** I thank the honourable member for her question. I will have the question subjected to detailed analysis. Even with the honourable member's explanation I could not quite get the gist of the problem.

*Members interjecting:*

**The Hon. FRANK BLEVINS:** First of all, there is a suggestion that WorkCover is collecting some revenue for the Government's coffers. Of course, that is not the case: WorkCover collects revenue only for itself. However, as I said, I will have the question examined. I point out that it is highly unlikely that WorkCover collects any levies at all outside of the requirements of the Act. When the WorkCover legislation went through Parliament I cannot recall this matter being raised by members opposite or by members in the other place. It seems to me that, if the member for Mitcham had paid more attention to the detail of the Bill, rather than spending three hours on an obscure and rambling second reading speech, perhaps this issue would have been raised then. Certainly, I will have it examined and I will bring back to the House tomorrow a detailed explanation of precisely what WorkCover is doing and the justification for it.

#### WATERWAYS

**Mr HAMILTON:** Can the Deputy Premier advise the Parliament whether the West Lakes waterway is suitable for people to swim in? An article in this morning's *Advertiser* (page 2), and referring to a Dr Goble, a member of the Conservation Council, states:

He said the West Lakes development and the Patawalonga haven were examples of seawater-fed waterways that had become polluted—people swimming in the Patawalonga had developed skin infections, swollen knees and arthritis-like ailments.

The report goes on to state:

At West Lakes, signs prohibiting swimming were erected late last year on the recommendation of the Health Commission after tests revealed toxicity caused by algae 'bloom' from heavy metals in stormwater which entered the estuary system. The ban is still in force. Dr Goble warned people not to swim in West Lakes, the Patawalonga and the Port River and said that local councils were aware of the situation.

My information is that the lake is suitable for swimming apart from those periods when there has been an influx of fresh stormwater into the lake, up to a period of three days after that influx.

**The Hon. D.J. HOPGOOD:** The problem with any enclosed or partly enclosed estuary area or other area that is virtually at sea level is that it tends to become in any event in an urban area the recipient of stormwater runoff. If it is in an urban area, that stormwater runoff will almost certainly carry pollution from the multitude of human activities characterised by that urban area. The honourable member is perfectly correct: it has been the practice for some time to advise people not to swim in the West Lakes waterway immediately after heavy rains because of the amount of stormwater that will have entered the waterway at that time.

The best advice that I can get is that that is still the case and that at other times it is safe to swim or be involved in other forms of aquatic recreation, which from time to time inadvertently involve swimming, in that same waterway. A good deal of work is being done on the estuarine areas of the Adelaide coastline, which is being drawn together by the Minister of Health, and I would expect that report would be available to the honourable member and other people in a reasonably brief period. That arises from one or two of the incidents that we have seen in recent times, including the one in the Port River during the early summer months. The best advice that I can give people at this stage is that, except on those occasions when there has been a considerable influx of stormwater, it is safe to swim. I do not know this Dr Goble. If he would like to make available to the Government any specific measurements that he has that

would in any way back up his claims, I am sure that we would be only too happy to cross-check them.

### WORKCOVER

**The Hon. JENNIFER CASHMORE:** My question to the Premier is supplementary to the one that I asked earlier. When enacting the workers rehabilitation and compensation legislation was it the Government's intention that employers should pay retrospectively a WorkCover levy on both superannuation and long service leave benefits as outlined in the example I cited in my earlier question, amounting to a period of up to 24 years or more?

**The Hon. J.C. BANNON:** The Minister has already said that he will be obtaining a report on that matter.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. J.C. BANNON:** I would have thought that all of this ignores one very important fact: that the new WorkCover legislation passed by this Parliament after exhaustive and, at times, exhausting debate has resulted in massive financial benefits to most employers in this State.

*Members interjecting:*

**The Hon. J.C. BANNON:** That is a fact. It has not only improved the system but I would suggest—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. J.C. BANNON:**—that, in attempting to whip up this aspect of WorkCover, one should not ignore the totality which is the very significant competitive financial benefits that have accrued from the WorkCover scheme.

*Members interjecting:*

**The SPEAKER:** Order!

*Members interjecting:*

**The SPEAKER:** Order! I do not know about streets, but there may be some members who will not necessarily be in the Chamber for the rest of the afternoon, the way things are proceeding.

### METROPOLITAN TRANSPORT REVIEW

**Mr TYLER:** Will the Minister of Transport explain the role that Mr David Bayliss of the London Regional Transport will play in the current review of Adelaide metropolitan transport being undertaken by Professor Fielding?

**The Hon. G.F. KENEALLY:** I would be delighted to explain to the House the contribution that Mr David Bayliss will be making to the study being undertaken by Professor Fielding. To describe the work that Mr Bayliss will do as double checking Professor Fielding is to completely misunderstand his role. I will be quite happy to background the Parliament on why this decision has been made.

The two preferred applicants for the consultancy (or the study) were Professor Fielding, from the University of California, Irvine who is a Director of the University of California's Institute of Transportation Studies, and Dr David Bayliss, who is the Director of Planning, London Regional Transport, and also the Chairman of London Transport International, which is a wholly owned subsidiary of London Regional Transport, and the company offers urban transportation and strategic planning consultancies world wide.

Professor Fielding, although a New Zealander, teaches and has been a transport manager in California, whilst David Bayliss, who has a line management role in London Transport, has experience in the UK and Europe. So, we

have the backgrounds of two of the world's leading consultants offering to do a study in South Australia. Discussions were held with both Professor Fielding and David Bayliss, and each agreed that, whoever received the contract, the other would make a contribution to that work. That is a very common practice, I might say, all around the world. It is only in South Australia that this seems to be regarded by members of the Opposition, apparently, as something strange. It is very common practice. What we are achieving here is getting two of the world's leading transport consultants for the price of practically one consultancy plus a very little extra.

*Members interjecting:*

**The Hon. G.F. KENEALLY:** I just point out to the shadow Minister who likes to suggest that he understands public transport that, if these consultancies save us the price of one bus, then South Australian taxpayers are in front.

The other point I would like to make is that in planning and research in South Australia within the transport area, the Government actually funds a very small percentage when compared with private enterprise. If this was a private transport authority, it would have a budget of something like 5 per cent. The taxpayers in South Australia are called upon to fund significantly less than 1 per cent in this whole transport planning area. So, the allegations about the cost have no foundation at all.

Professor Fielding will do his basic research, and he will then draw some conclusions and prepare some papers on that. At that time, David Bayliss will be asked by Professor Fielding to provide his input to that work. They will organise this themselves because Professor Fielding is doing the consultancy and he is not subject to day-to-day instructions from me as Minister, because that would be totally inappropriate (and under those circumstances he would not have done the consultancy—and neither would Mr Bayliss). Mr Bayliss' input may be verbally or by way of papers, but that will be for the two consultants to determine. We will receive in Adelaide the benefit of two very well respected senior world class consultants.

I do not think that we should underestimate the value of that. This will bring to bear on Adelaide's future transport strategies and directions the experiences of Europe and North America. Professor Fielding is a New Zealander and has visited Adelaide many times, and David Bayliss is not an infrequent visitor to Adelaide and understands our transport system. So to describe this situation as one expert double-checking the other is not only insulting to both consultants, but is a total misunderstanding of their roles. Both these gentlemen were delighted to know that the other one would be involved in a later stage of their consultancy. We will get the best of both worlds and, rather than being critical, we should applaud it.

### UNIONISM

**The Hon. B.C. EASTICK:** Can the Premier say whether the reference in the statement issued last Thursday by Left wing unions to (and I quote) 'the apparent abandonment by the parliamentary Labor Party of key elements of the policies of the Party' was directed at any actions of his Government and, if it was not, does this mean that the Left wing is more than happy that his Government has extended its compulsory unionism policy, has given union officials wide powers in industrial safety, and has supported their wage demands before Federal and State industrial tribunals?

**The Hon. J.C. BANNON:** I have no comment on that question and I think the honourable member is wasting the time of the House by asking it.

**The SPEAKER:** The honourable member for Newland.

*Members interjecting:*

**The SPEAKER:** Order! Some members of the Opposition are not showing sufficient courtesy to another member who is asking a question. The honourable member for Newland.

### O-BAHN DISPLAY

**Ms GAYLER:** Will the Minister of Transport consider contacting the Singapore Science Centre with an offer to upgrade the O-Bahn display at that centre? A constituent of mine was a tourist in Singapore over Christmas and visited the Singapore Science Centre which exhibits objects relating to the physical sciences, life sciences, technology and industry. As part of the transport technology exhibit at the science centre the O-Bahn guided busway is displayed and the Adelaide system highlighted as a practical example. However, the display shows the system in pre-operational stages. As a measure of the O-Bahn's success it has been suggested to me that it should be updated to demonstrate to tourists in Singapore the operation of the system.

**The Hon. G.F. KENEALLY:** I thank the honourable member for bringing to my attention the state of the O-Bahn display at the Singapore Science Centre. I was not aware that it has not been kept up to date and I will certainly take up this matter with my department, the busway and, in particular, the busway team. I think it is important to say that the O-Bahn has been a transport mode of considerable interest to transport authorities around the world.

*Members interjecting:*

**The Hon. G.F. KENEALLY:** If I need to say this again, I will do so: the Government does not take any credit for introducing the concept. If members opposite want to keep being stroked and patted on the back, they will recall that at the time the O-Bahn was opened the Premier made a clear statement to the people present, and he invited all the Opposition members who ought to have been invited—something that Opposition members ought to consider if ever they are in government again: to give credit where it is due and to treat Oppositions in the way that the Premier has—and I hope I have—treated Opposition transport people and the people who came up with the idea.

So, we acknowledge that the concept of the O-Bahn busway was introduced by the Tonkin Government. However, the Bannon Government built it and, when overseas people come to see the O-Bahn, it is the Bannon Government to which they refer—and properly so. Recently, we have had delegations from Korea, Japan and China, and our own busway team has been overseas to Texas and South America. In the past few months the German Daimler-Benz people and local government officials from Mannheim and Heidelberg have come to see how the O-Bahn is operating in South Australia. It is fair to say that the use to which we are putting the O-Bahn bus in Adelaide, where we have a much more comfortable city structure, is somewhat different from that in Korea or in the traditional European cities or South American cities, where the O-Bahn would be likely to run down busy streets, although North America would have the same potential as Adelaide.

The O-Bahn has been a tremendous success and has fulfilled all the Government's expectations of it. We should be aggressively promoting this technology in South-East Asia, of which Singapore is an obvious example. As has been pointed out to me, it is a rapid transit system that has prospects, as have the other rapid transport systems operating around the world, including LRI and heavy rail. It is a viable option. We should be promoting the O-Bahn more

effectively in our South-East Asian markets, because we are very much a part of that region. I shall therefore take note of the honourable member's question and do what I can to ensure that the Singapore Science Centre display is upgraded, showing not the O-Bahn being built but, rather, its successful operation.

### SUBMARINE PROJECT

**Mr S.J. BAKER:** Does the Minister of Labour support the efforts of the Ship Painters and Dockers Union to gain access to work on the submarine site for its members?

**The Hon. FRANK BLEVINS:** It is not a question of what the Minister of Labour supports or does not support. There is a highly organised system of industrial conciliation and arbitration in this country, and the proper place for the allocation or demarcation of work is the Arbitration Commission. My view is that the employers and the United Trades and Labor Council—or, in the case of national employers, the Australian Council of Trade Unions—have an obligation to work this out in the first instance. If they cannot do so, the issue will go to arbitration and the Arbitration Commission will make the decision. Long before the Government is involved, extensive discussions will be held between employers and unions, and that is as it should be.

The Government will tell the member for Mitcham what it supports and does not support after the unions and the employers have had their discussions and after the issue has been referred to the Arbitration Commission. However, I can guarantee that the submarines will be built in South Australia with a minimum of industrial disruption. Indeed, one of the principal reasons why this State was awarded the submarine contract was our record in industrial relations and the careful and sensitive way in which I and the rest of the Government handle industrial relations in this State, as reflected in the figures. Between 1979 and 1982 there was a horrendous rate of industrial disputes in this State, which stands in marked contrast to the significant reduction in such disputes since this Government was returned to office. Although I cannot guarantee at this stage who will or will not work on the submarine site, I guarantee that that will be worked out in the South Australian way, and that is the way that delivers to employers and employees in this State the maximum industrial peace that can possibly be achieved.

### HERITAGE BUILDINGS

**Mr ROBERTSON:** Is the Minister for Environment and Planning aware of the recommendations in the report arising from the 1986 Planning Ministers' conference suggesting that Federal tax incentives should be made available for the restoration and renovation of privately owned heritage buildings? The same report is alleged to have suggested that similar tax incentives ought to be made available for properties owned by the Australian Heritage Commission and, indeed, by various State Government agencies which own and inhabit heritage listed buildings.

**The Hon. D.J. HOPGOOD:** I am aware of it, because I was at that meeting and was party to that decision to set up a working party. As I recall, the working party reported in November of the same year, and subsequently a submission has been made to the Commonwealth about the matter. The submission has been supported by, among others, the capital city Lord Mayors, by the National Trust organisa-

tions around the country and also by the House of Representatives Standing Committee on Environment and Conservation.

I must say that, however important all of this is, I would regard as even more important the introduction of taxation incentives for the preservation of natural heritage, because it seems to me that our natural heritage is part of that overall question of the health of the biosphere which, of course, sustains us and those species upon which we rely for our maintenance. The last meeting of the Australian Environment Council and Council of Nature Conservation Ministers took the first opportunity it could with Senator Richardson, he having been only recently elevated to the position of Minister, to press on him the importance of an initiative along those lines. Senator Richardson undertook to discuss the matter further with the Commonwealth Government, and I have no doubt that the State Ministers will return to the attack this year in an endeavour to see whether something along these lines can be gained for not only the preservation of European heritage—the built heritage—but also the preservation of natural heritage.

Not so long ago the Hawke Government did away once and for all with what was left of that old system whereby the clearance of native vegetation was actually a tax rort. One could actually get taxation advantages for clearing remanent native vegetation. To its credit, the Hawke Government completed that which had been begun by the Whitlam Government when it first reduced considerably the taxation advantages. It seems to me that there is much to be said for going one step further and actually providing incentives for the maintenance of native vegetation. In any event, that has been urged on the Commonwealth Minister, and we will continue to urge it.

#### SUBMARINE PROJECT

**The Hon. P.B. ARNOLD:** Is the Minister of Labour concerned that the revolt by Left wing union officials over the direction of Labor Party policy will jeopardise industrial relations on the submarine project? I ask this question in view of the fact that at least one of the union officials involved in the dispute at the submarine site was also prominent in the campaign to have a union official pre-selected as the Labor candidate for the Federal seat of Port Adelaide.

**The Hon. FRANK BLEVINS:** No, Mr Speaker.

#### LICENSING COURT DELAY

**Mr De LAINE:** My question is directed to the Minister of Education, representing the Minister of Consumer Affairs in another place. Will the Minister investigate the reasons for the long delay by the Licensing Court in handing down a decision in relation to an application by Messrs A. Lehermayr and K. Mahains for a full hotel licence in Port Adelaide? Messrs Lehermayr and Mahains made application to the Licensing Court for a full hotel licence in August 1986. The court hearing in relation to this matter took place between 13 and 16 February 1987.

At the completion of the hearing the judge said that he would reserve his judgment and let them know his decision. It is now 12 months since that hearing. Despite numerous requests by the applicants' solicitor and me, they are still awaiting a reply. Messrs Lehermayr and Mahains are anxious (if their application is approved) to commence extensive restoration and renovation work on their Port Adelaide property.

**The Hon. G.J. CRAFTER:** I thank the honourable member for his question and for raising the concerns of his constituents in the House. I will ensure that his comments are passed on to the responsible Minister for his or her due attention.

#### SHOP TRADING HOURS

**Mr INGERSON:** Why is the Minister of Labour reported in today's press as denying that the Government yesterday supported a union application for adjournment of the Industrial Commission's hearing of the shop assistant's wage claim, when his advocate in the commission, Ms Frances Meredith, in fact argued strongly in favour of the matter being adjourned?

**The Hon. FRANK BLEVINS:** The short answer is: do not believe all you read in the newspapers. With the greatest respect to our fellow workers in the media, that is the short answer. While I am on my feet, I point out that I am afraid the situation is quite farcical. We had a Bill before Parliament to extend shop trading hours, but the Opposition had some objections to it. One objection was: 'We do not know how much any extension of shop trading hours will cost.' That is a point which was answered—but obviously not to the satisfaction of the Opposition. How can we find out how much it will cost? You can only find out how much it will cost, if anything, by having a wage determination case before the Industrial Commission.

The Industrial Commission said, 'Really, is there any point in going on with this application because it appears that Parliament—that is, the Liberal Party and the Democrats—has said that it will not pass the Bill until it knows how much it will cost?' The Industrial Commission said, 'We do not want to continue to hear this case because the Opposition may block it in Parliament, which would mean that there may not be any extended trading hours. So we have nothing on which to make a determination.' So it is something of a classic egg and chicken position. The shop assistants union asked for an adjournment, and we agreed.

*Mr S.J. Baker interjecting:*

**The SPEAKER:** Order!

**The Hon. FRANK BLEVINS:** I said: we agreed. If the luddites or, as I heard them referred to in the media a couple of days ago, the troglodytes in the other place are determined to follow the lead of the Leader of the Opposition and stop Saturday afternoon trading, they will have their opportunity to do so. However, in effect, they have prevented the Industrial Commission from making a determination on Saturday afternoon trading.

*Mr S.J. Baker interjecting:*

**The SPEAKER:** Order!

**The Hon. FRANK BLEVINS:** We will wait and see. The Industrial Commission said (with some logic, I thought), 'Why should we set aside 30 days to hear this case and spend a fortune on QCs when Mr Olsen will stop Saturday afternoon trading, anyway? It is a waste of taxpayers' money, a waste of the Commission's time and a waste of everyone's time because John Olsen wants to stop it.' I find it rather difficult to argue against that logic—because it is right. The Industrial Commission is correct. It is totally right.

*Members interjecting:*

**The Hon. FRANK BLEVINS:** Now the Leader of the Opposition says, 'We supported it because we want out.' The reason why we supported it—

*Members interjecting:*

**The Hon. FRANK BLEVINS:** The member for Bragg keeps parroting and prattling away from the corner. The

only thing I want to hear from the member for Bragg in this place is an apology to the Minister of Agriculture. He accused the Minister of Agriculture of fraud when that position was clearly exposed to be nonsense.

*Members interjecting:*

**The Hon. FRANK BLEVINS:** I am only warming up.

*Members interjecting:*

**The SPEAKER:** Order! The Minister may be only warming up, but it is necessary for him to return to the substance of the question.

**The Hon. FRANK BLEVINS:** Thank you very much, Mr Speaker, but any member of this House with any decency would of course have apologised. Until such time as the member for Bragg does apologise I will ignore his interjections.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. FRANK BLEVINS:** Let me make it clear: the Government's position is clear indeed. We support the extension of shop trading hours and the Parliament will have an opportunity in March, I hope, to agree with it. We will be demonstrating our position clearly to the people of South Australia, to those hundreds of thousands who shop every Saturday afternoon and those shopkeepers who want to open on Saturday afternoon. Indeed, there are a number of them: the spirit of private enterprise is not yet dead in South Australia. There are many shopkeepers who are begging me every day to allow them to open, and they are in all your electorates.

**The SPEAKER:** Order! The honourable Minister should refer to the electorates of members opposite.

**The Hon. FRANK BLEVINS:** In conclusion, Mr Speaker, not only are these shopkeepers and entrepreneurs in Liberal electorates begging me to allow them to open but they want total deregulation and, on occasion, members opposite lead the delegations into my office and ask, 'Why will you not allow these small business persons in my electorate to trade when they want to?' By and large, I am happy to accommodate them.

*Members interjecting:*

**The Hon. FRANK BLEVINS:** You ask in your Caucus meeting; I will not embarrass them.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. FRANK BLEVINS:** There may well be some personal explanations, but I will leave that to the members concerned. The question of Saturday afternoon trading will recur. The Industrial Commission at some stage will acknowledge the reality of it and will set an appropriate rate for Saturday afternoon trading, and all the nonsense that the Leader of the Opposition is coming out with about Saturday afternoon trading will be seen exactly for what it is: spinelessness and rank opportunism, and the people of South Australia will, despite the activities of John Olsen, have Saturday afternoon trading in this State.

*Mr Gunn interjecting:*

**The SPEAKER:** Order! I call the member for Eyre to order.

### DOG CONTROL

**Mr FERGUSON:** Can the Minister representing the Minister of Local Government inform the House whether the Local Government Department has considered increasing expiation fees under the Dog Control Act? Regulations under the Dog Control Act were introduced in 1979 and basically have not changed since. Establishment of the level of expia-

tion fees for breaches of by-laws made under the Local Government Act 1936 for the two main sources of nuisance on the foreshore, dogs and vehicles, currently have expiation fees of \$6 and \$8 respectively. The \$6 fee in relation to dog offences is of little deterrent value when compared to other larger expiation fees. Both local beach councils and constituents have requested that consideration be given to increasing to \$20 the fee in respect of this provision relating to the foreshore to assist councils in minimising and controlling nuisances.

**The Hon. G.F. KENEALLY:** I will certainly refer this matter to my colleague the Minister of Local Government in another place. I was at a local government conference on Sunday where a report was given by the Chairman of the Local Government Dog Committee. It is quite clear that this area of local government responsibility is a very sensitive one indeed. With a whole range of dogs—whether they be companion dogs, working dogs, dogs that people like to have around the place, or stray dogs (and a jolly nuisance accordingly)—there is a real problem. I understand that the Local Government Department, the Minister and her committee are trying to grapple with this matter.

*Members interjecting:*

**The Hon. G.F. KENEALLY:** I might have to rephrase that. Grappling with stray dogs is not necessarily to be recommended. The Minister is having this matter looked at, and one of the issues to be considered is the expiation fee. I do not know whether they are actually considering increasing it to \$20, but if that suggestion of the honourable member's constituent has not already been referred to the committee, I believe it is appropriate that it be done.

### PROPOSED WESTPAC DEVELOPMENT

**The Hon. D.C. WOTTON:** Will the Minister of Environment and Planning confirm that his department head, Dr McPhail, yesterday indicated that the Adelaide City Council's planning powers would be removed in relation to the Westpac development on the corner of King William Street and North Terrace unless the council complied with a Government directive? Information supplied to the Opposition this morning has revealed that, prior to last night's council meeting, the Chief Executive Officer of the Adelaide City Council was contacted by the head of the Department of Environment and Planning in relation to the proposed Westpac development.

In the telephone conversation, Dr McPhail stated that a letter had been prepared by the department for signature by the Minister that would have had the effect of removing council's planning powers in respect of this particular development, unless the Chief Executive Officer gave a verbal undertaking on behalf of the council that the matter would be referred to the City of Adelaide Planning Commission prior to its being considered by the City Council. The matter was raised at an informal meeting of council members prior to the formal meeting of council commencing at 5.30 p.m. The development was eventually approved by council, but made subject to the concurrence of the City of Adelaide Planning Commission because of the implication by Dr McPhail that otherwise the council's planning powers would be usurped. The removal of powers in this instance as demanded by the Minister would have completely negated the statutory independence of the Adelaide City Council in respect of the City of Adelaide Plan under the City of Adelaide Development Control Act.

**The Hon. D.J. HOPGOOD:** When things are different, they are not the same, are they? I wonder whether members



opposite can recall the East End development? I wonder whether members opposite can recall some of the things they said about the responsibilities of the Minister in relation to these matters? The rules of the game seem to be this: when it suits the convenience of the Opposition, its members tell the Minister to keep right off the grass and have nothing to do with these things and leave it to the City Council or such other council as might be involved. On the other hand, when it suits the Opposition, it says that the Minister has to get involved, and that we cannot just leave it to local government to resolve these things—the Government has responsibilities in these matters.

Having been in my electorate office on Friday, and having been off duty yesterday to receive medical attention, I cannot at this stage confirm exactly what happened at officer level, but I can say that the outcome has my full support. The honourable member, who has been Minister for Environment and Planning, knows how the City of Adelaide legislation works—or I hope he does. It is quite normal for matters which do not formally have to go to the City of Adelaide Planning Commission to go there, and from time to time the City Council has supported that.

I understand that the Lord Mayor has agreed that it is appropriate that this application should go to the City of Adelaide Planning Commission. If the honourable member does not support that suggestion, I am amazed, and I am utterly staggered. If his Leader does not support that, again, I am amazed, and I am staggered. This is the gateway to the city and one of the most obvious buildings on North Terrace, and the honourable member is suggesting that the City of Adelaide Planning Commission should not have input into that process. That is nonsense. For the commission not to be involved would be a gross abrogation of duty and responsibility and would be an abortion of one of the best pieces of planning legislation in this country.

*Members interjecting:*

**The SPEAKER:** Order! This Chamber is not the private preserve of the Deputy Leader of the Opposition for him to conduct dialogue with other members. The honourable member for Briggs.

#### STERILISATION OF HOUSEHOLD PETS

**Mr RANN:** Can the Minister of Lands, in his capacity as administrator of the Animal Welfare Act, say whether the Government is joining its Victorian counterpart in considering compulsory sterilisation of household pets as a means of controlling the increasing problem of strays?

According to an apparently serious report in today's *Melbourne Age*—and the Deputy Leader seems particularly excited—an all-Party committee of the Victorian Parliament is currently examining a number of ways of controlling the problem of stray cats and dogs through a sterilisation process developed at the Werribee Animal Research Institute. It is suggested that special exemption permits be issued to cat and dog breeders. I am told that the suggestion is causing some concern amongst animal lovers across the border in much the same way as duck extermination has in Adelaide.

**The Hon. R.K. ABBOTT:** I assure the honourable member that the Government has no policy or plan to sterilise family pets.

*Members interjecting:*

**The Hon. R.K. ABBOTT:** It is an action that I would be very loath to implement, because some smart alec might get the idea of transferring that service to human animals, and I can assure the House that I am not yet ready for that particular fate.

#### MEALS ON WHEELS

**Mr OSWALD:** Can the Minister of Mines and Energy say whether the Government will give immediate relief to Meals on Wheels kitchens by reducing their electricity tariff from the high commercial tariff, which is the expensive general purpose tariff for commercial operations and similar to the peak tariff for industrial operators, and replacing it with a more equitable tariff in line with domestic tariffs in order to avoid a further increase in the cost of meals to recipients?

Meals on Wheels is primarily a voluntary organisation that provides meals for senior citizens and disadvantaged people. As the number of recipients has swelled over recent years, so have the sizes and costs of running the kitchens. During this period of growth the Government has maintained the kitchen on the high commercial tariff. Because of this growth, which has been encouraged by the Government, there has also been the need to provide additional numbers of fridges and freezers to maintain the service. With the rise in commercial tariffs it now costs each kitchen between \$2 000 and \$3 000 a year more than last year to cover their overheads. This cost has had to be passed on in an increased cost of meals to pensioners.

For the past two years a Government working party has looked at energy prices and tariff structures and this committee has some sympathy for my proposition to help Meals on Wheels and other non profit organisations to provide a vital service to the community by putting these types of organisations on the lower tariff.

**The Hon. R.G. PAYNE:** I have information on this very matter, but I trust that members do not believe that this was a dorothea dixer, because it was not. I think that the member for Morphett would accept a small correction to the way in which he presented his question. I think that he said that the Government had maintained increases on a tariff, whereas that is not so because, until 1985, ETSA was a separate statutory authority and only since late 1985 has it been directly responsible to the Minister. So, I think that in the right spirit the honourable member would accept that correction. I can understand his attempt to politicise this matter, but he need not do so because, since 1985, as a result of inquiries by the tariff committee referred to by him, the Government has made some amelioration in this area. For instance, non profit residential tenancies for people such as he has referred to have had their tariff arrangements altered so that they no longer pay as much as they paid previously. I believe that the honourable member said that the tariff to which he referred was the P tariff, whereas I understand that it is the S tariff. However, I will check on that and possibly bring back information for the honourable member.

The working party referred to has been working for some time and I do not apologise for that, because this is a complex area. Wherever an electricity tariff is to be reduced for any section of the community someone must pay more, because there must be an arrangement whereby sufficient revenue is collected from the tariffs to enable ETSA to continue as a viable entity. That is at the heart of the matter. The committee has done an excellent job in looking into this issue. I shall have the honourable member's query investigated to see whether anything can be done about it.

*Mr Oswald interjecting:*

**The Hon. R.G. PAYNE:** I can understand the honourable member's being a little testy, because he has made a couple of errors in asking his question. I should have thought that he would not mind a slight correction. The Government has been sympathetic in these areas and in other areas. For

example, for years on the West Coast people paid 10 per cent more during the time of the honourable member's Government and his Minister did nothing about that, whereas this Government reduced the tariff paid by people in the western part of the State. The honourable member should at least be reasonable in raising the matter because the Government will be reasonable in looking at his question.

### TAXI TOURISM PROMOTION

**Ms LENEHAN:** Will the Minister of Transport consider implementing a recommendation of the Select Committee into the Taxi-Cab Industry, in 1984, which suggested that taxi-cab drivers should undertake a training course in tourism? I have recently been approached by a taxi owner-driver who has raised the issue with me and outlined existing training schemes in Western Australia. The first of these is an eight-day taxi driver's program costing \$150 for which I am told there is consistently a waiting list. The second course is a follow-on four-day course that is specifically related to tour orientation. It has been put to me that one of the major Adelaide taxi-cab companies (United Yellow) is so supportive of the select committee's recommendation relating to training, and specifically to tourism training, that it has introduced a six-hour program for drivers and has also applied to the Department of Technical and Further Education for a private college licence to run professional driver training courses. However, I have been requested to ask the Minister whether the Government plans to be directly involved in planning and offering broad tourism training courses for the taxi industry.

**The Hon. G.F. KENEALLY:** As pointed out by the honourable member, one of the recommendations of the select committee was for the taxi-cab industry to take greater account of and be more responsive to the needs of the tourist industry. Further, the deregulation work that has been going on within the Taxi-Cab Board at the direction of the Government is also directed at providing a better level of service for the community with special emphasis on tourism, not at the expense of the Adelaide market but as an adjunct to it.

I will take up the matter with the Chairperson of the Taxi-Cab Board to see what progress he can report in the development of these courses for taxi-cab owners. Certainly, it is a reason why the board has been moved from its limited accommodation in Melbourne Street to more expansive and more appropriate, albeit cheaper, accommodation in King William Street, Kent Town. This morning a seminar was held at the board's headquarters for people involved in the industry. I am not too sure whether tourism was dealt with this morning, but it is certainly part of the overall program for taxi-cab owners and drivers. I thank the honourable member for her question and I applaud taxi-cab companies, private taxi-cab owners and other people who work in the industry for picking up the recommendations of the select committee, Parliament and the Government, that catering for the needs of tourists will help their industry to grow. I will get an up-to-date report for the honourable member on what progress has been made in developing and establishing tourism courses for the industry.

### SITTINGS AND BUSINESS

**The Hon. D.J. HOPGOOD (Deputy Premier)** I move:  
That the time allotted for—

- (a) all stages of the following Bill:  
Supply Bill (No. 1) (1988).  
Superannuation and  
(b) consideration of the second reading and referral to Select Committee of the Gas Bill  
be until 6 p.m. on Thursday.  
Motion carried.

### ELECTRICITY TRUST OF SOUTH AUSTRALIA ACT AMENDMENT BILL

**The Hon. R.G. PAYNE (Minister of Mines and Energy):**  
I move:

That the time for bringing up the select committee's report be extended until Tuesday 22 March 1988.

Motion carried.

### SUPPLY BILL (No. 1) (1988)

Adjourned debate on second reading.  
(Continued from 18 February. Page 2887.)

**Mr OLSEN (Leader of the Opposition):** When the Premier introduced the 1987-88 budget, he said that it aimed at real reductions in public spending. This statement was misleading at the time it was made. I showed in my budget speech how spending would increase in real terms by at least 2 per cent if the estimates were followed. In fact, the increase will be even more. The overall result for the Consolidated Account was a budgeted deficit for the year of \$14 million plus an increase in borrowings of \$340 million, producing a true deficit of \$354 million. This was based on a deficit of this amount on the recurrent account, with the capital account in balance.

However, in presenting this Supply Bill, the Premier says the consolidated result will deteriorate, even though tax revenue will exceed the budget estimates, and the capital account will be in surplus. It appears we are facing a deficit in the order of at least \$20 million for the year, bringing the accumulated result to a deficit of \$50 million. This, of course, does not include the borrowings of \$340 million which have been injected into the budget. This is due entirely to increased recurrent spending. The Government has failed to use higher tax revenues, an improvement in the capital account and lower pumping and worker compensation costs to reduce the budget deficit.

Instead, it will blow out because the Government has failed to keep the lid on departmental spending. And while the Premier gives the House only scant detail in the speech to introduce this Bill, higher wage costs are the major reason for this failure to keep spending within budget. In this respect, I remind the House first of what the Premier said when he introduced the budget, and these are his words in relation to wage costs:

Essential to the restraint of expenditure is a continuing effort to improve efficiency and productivity in the public sector. Although significant gains have already been made we believe that more can and must be achieved. Consequently, no allowance has been made for the payment of the so-called second tier wage increase. We believe that this increase must be completely offset by productivity gains and that any increases granted must be paid for from savings achieved above those already incorporated as budget measures.

This was a quite specific commitment to the House, a quite specific instruction to departments: no extra funds for the 4 per cent second tier—even though this was a rise the Government had urged industrial tribunals to grant. However, now the Premier comes before this House and concedes not only that the Government has failed to achieve

these offsets, but that it does not know how much this will cost taxpayers. The Premier now tells the House:

It is too early to estimate the likely impact of second tier wage determinations. Committees established as a result of settlements for departmental employees and hospital workers are currently at work identifying offsets and productivity improvements.

The only response to that is—What a sham! What a confession of failure! Some of the agreements for offsets amount to nothing more than the appointment of committees to consult on savings. Union pressure in most areas has forced the Government to cave in. This policy has been applied without any consistency and the Government therefore has only itself to blame for the industrial action being waged by the teachers. They have been discriminated against. It is quite obvious that some sectors of the Government's work force have got this rise without guaranteeing any meaningful offsets.

*Members interjecting:*

**Mr OLSEN:** Well, it's true. Why don't you go down to the Industrial Commission and have a look at some of the agreements that are being registered down there. Go and have a look at the official record, and then you will get your facts. The facts are—

*Members interjecting:*

**Mr OLSEN:** They are in the Industrial Commission. You go and have a look at them.

*Members interjecting:*

**Mr OLSEN:** It is very interesting, Mr Speaker, to see this response from the Government benches. Members opposite do not like the truth being recounted to them. They do not like the fact that in the Industrial Commission agreements have been registered which do not identify major savings and offsets. That is a fact. To repeat: the teachers have been discriminated against in that respect. It is quite obvious that some sectors of the Government's work force have got this rise without guaranteeing any meaningful offsets. Yet the Government is still trying to hold out against the teachers. In these circumstances, the Government must accept the full responsibility for last Wednesday's strike, and for any other industrial disputation over this issue.

Had the Government treated all public sector employees the same, none could have had any quarrel. But obviously those union mates who have the ear of the Premier and the Minister of Labour—whose support they need to maintain their factional base and deals—have been able to extract wage increases which other sectors have been denied. Union influence, rather than responsible financial management, is the cornerstone of current budget strategy. On the recurrent side of the budget, the revelation that tax receipts have exceeded estimates mean total tax revenue this financial year will increase by almost 12 per cent—or twice the rate of inflation.

The member for Fisher might go out in the streets of his electorate and remind his constituents just how much the tax levels have gone up under the Government of which he is a member. He will find out, all in good time, when the candidate for Fisher is subsequently named and a little bit of heat and pressure is applied to the local member, a little bit of canvassing and electioneering is used down there. There will be a change in the seat of Fisher.

*The Hon. B.C. Eastick interjecting:*

**Mr OLSEN:** Indeed he could! The massive escalation in taxation under this Government is an issue the Premier refuses to come to terms with. When I raised this issue on the first day of this year's parliamentary sittings, the Premier said this in relation to taxation:

We have, in fact, ensured that the lid has been kept on.

Let the House examine the Premier's record. The 1982-83 budget collected tax revenue of just over \$552 million. This

financial year, the budget estimate is \$20 million more than \$1 billion. With the Premier's admission that this is going to be exceeded, this means he has doubled taxation revenue in five budgets.

*Members interjecting:*

**Mr OLSEN:** And he is still broke. The State is going down the gurgler and the economy is in for a rough ride.

*Members interjecting:*

**Mr OLSEN:** I can understand why the member for Fisher does not like the economic facts about South Australia and how we are stagnating; how that is costing jobs and forcing small business to the wall; how the level of bankruptcies in South Australia is at the highest level since the Great Depression and including at any time during the Great Depression—and I am sure that that is something that he would like to say to his constituents, because they, like many other sections of the community of South Australia at the moment, are feeling the pinch. The fact is that tax collection has been increased at more than twice the rate of inflation. And the Premier calls this keeping the lid on taxation in South Australia! The Premier said this in reply to my urgency motion a fortnight ago:

The fact remains that as a State we levy well below the general level of taxation in this country.

The Premier uses the word 'fact' with a great degree of licence, once again. For what is the fact in this respect? When the Premier came to office, South Australia's per capita taxation was below the average for all the States. When the Government has no answer to the truth, it resorts to inane interjections such as that from the member for Briggs. In 1982-83, per capita taxation in South Australia was \$529, compared with the all-States average of \$545. Our per capita figure of \$738 now exceeds the average. From 3 per cent below the all-States average, we are 1 per cent above it and rising. A fortnight ago, the Premier also uttered some familiar words about electricity tariffs. He said:

Over the past three years, a 16 per cent real reduction has occurred in electricity tariffs.

I remember responding to him at the time. 'Go and ask the consumers out there whether they have had a 16 per cent cut in electricity tariffs over the past three years.' In the 1985 election year it is true there was some fiddling with tariffs—we all remember the \$11 million pay back as a one-off, achieved simply by the Government remitting some of the tax revenue it had already collected from the Electricity Trust rather than providing for a permanently lower level of tariff.

**The Hon. B.C. Eastick:** They call it buying an election.

**Mr OLSEN:** It was buying an election; it was a one-off deal. There was no permanent reduction for electricity consumers because over the life of this Government so far, the cost of power has risen by 55 per cent—more than 11 per cent above the CPI, rather than the real reduction the Premier talks about.

I have prepared a detailed document on the economic and financial failures of this Government. The document illustrates the extent to which the Government has allowed revenue from taxes and charges to rip well ahead of inflation. Is it any wonder that people out there are starting to hurt? And while the Government has increased its revenue sources, these have been diverted exclusively into bigger government rather than to contain the State's debt.

This financial year interest repayments on the debt will cost taxpayers \$575 million. Another \$125 million is required to pay the operating deficit of the STA; and the Housing Trust requires support to the tune of \$58 million for its deficit. These items of spending alone are equivalent to

three-quarters of the Government's tax revenue. In other words, more and more tax is needed to make up losses and pay the annual interest bill rather than to provide new or improved services.

The introduction of this Supply Bill shows that some of the Premier's most important budget forecasts were wrong. The Government has been unable to contain spending; it has been unable to ensure full offsets for the second tier; it has exceeded the already extravagant budget provision for tax revenue; and the Premier lacks just as much credibility as an economic forecaster. At the next election, South Australians will remember what the Premier said in 1985:

The South Australian economy is reviving at a rate outstripping the national average... South Australia is outperforming the other States.

A document that I have released demonstrates just how false the Premier's promises were two years ago—and just how much further South Australia has faltered since. The document examines in detail a number of key indicators—employment, manufacturing, the construction industry, inflation, bankruptcies, motor vehicle sales and capital investment. It shows that big government, wasteful expenditure and rapidly increasing taxes and charges have gone hand in hand with low capital investment by the private sector, record bankruptcies and sluggish consumer demand in key sectors such as housing, retail and motor vehicles. The two cannot be divorced. This Government's economic and financial policies have lowered the living standards of South Australians and made it much more difficult for our economy to adjust to structural change and competitive pressures.

I invite the House to consider some of the indicators. In population growth, in the 12 months to June 1987, South Australia's growth was the lowest of all the mainland States—point 8 of one per cent compared with the national average of 1.4 per cent. In net migration gain, again our performance was the worst of the mainland States. Our net gain from overseas and interstate migration was 0.3 per cent—a full 1 per cent below the national average. In employment, South Australia's growth for the 12 months to the end of January was 1.1 per cent—the worst of all the States, and only a third of the national average. We were also worst for building approvals—a 17 per cent decrease in 1987 compared with an 8.8 per cent national growth, and we have been worst for inflation, overtime worked, retail sales and bankruptcies.

In new motor vehicles, only Tasmania had a worse performance in 1987. The fall in South Australia was 19.7 per cent. As a result, many motor vehicle dealers were forced to the wall, along with many other businesses. Last financial year, bankruptcies in South Australia increased by almost 50 per cent—again, the worst record of any State. This Government's attitude to taxes and charges has much to do with our loss of the reputation for being a low-cost State. In the December quarter of last year the fall in Adelaide's CPI was the smallest of all the States and only half the national drop. Increasing costs and the attitude of union officials to issues like occupational safety and workers compensation have made South Australia a less attractive State in the eyes of investors.

Last financial year, the increase in private new capital expenditure in South Australia was the second lowest of all the States. The fact that there is less opportunity for work in South Australia is demonstrated by the figures on overtime worked. The latest figures available from the ABS show that South Australia had the lowest number of average weekly hours of overtime worked per employee. This brings me back to the most conspicuous failure of the Government

matched against the promises it has made—its failure to reduce unemployment, particularly youth unemployment.

Our current unemployment rate is 8.7 per cent compared with the national level of 7.9 per cent. Almost 58 000 South Australians are out of work—2 800 more than in January 1987. Despite all the promises of this Government, and all the money it has lavished on promoting schemes and programs, young South Australians are bearing a disproportionate burden of this Government's economic failures. The number of teenagers employed in South Australia in November, exactly five years since the election of this Government, had actually fallen by 1 600 since the election of this Government. And while there has been growth in the total workforce of 6.9 per cent over the past five years, this was only just over half the figure for the nation.

With most key indicators showing South Australia lagging behind the other States, this Government is also presiding over a serious decline in living standards. Home loan affordability is one key indicator of the standard of living. Quarterly surveys published by the Real Estate Institute of Australia show that South Australians paid an average of 16.7 per cent of weekly incomes for new home loan repayments in 1982. By June 1987, this ratio had increased to 27.1 per cent. Another measure of the standard of living is the affordability of owning and operating a car. In September 1982, a typical family car cost 29.8 per cent of average weekly earnings to buy and run. On the latest figures, this has risen to 35.5 per cent.

When the increasing burden of Federal and State taxation is added to costs like these, it is little wonder that South Australia has the highest percentage of families in poverty of all the States. More than one in four South Australian Families are poor according to official measures of poverty. The document I have referred to analyses other indicators and trends which show that South Australia is in a state of decline—that South Australia is a State which needs to be turned around economically and socially. This Government is tired and lacks the capacity or the unity to respond to the challenges we face. It is divided—deeply divided. It has given key union officials much more power to decide how much Government contract work is let out to the private sector—and who does that work. In fact, the Government did not even consult the subcontractors and employers prior to making that decision.

It has given key union officials unbridled power in the area of industrial safety. It has given key union officials all they have demanded in workers compensation. It has given key union officials representing certain areas of the public sector second tier wage agreements without meaningful and adequate offsets. Yet still some of these union officials want more. They will not allow this Government to take any action to reduce the role or cost of government—or increase its efficiency. Even commercialisation is now a dirty word in the Labor Party.

The Premier has tried to grab as much of the Liberal agenda under the previous term 'privatisation' as his Party would allow him to get away with. But now the day of reckoning has arrived. Clearly the left is in revolt over policies such as that. The Premier will have to pay an even higher price for peace and cooperation within his Party until after the next election. People like Apap and Tumbers will get a licence to become even more unreasonable so that the Premier can buy time until he has to go to the polls again.

**The Hon. B.C. Eastick:** How much do you think it cost the Labor Party to bring George back to the fold?

**Mr OLSEN:** Mr Apap's retreat today from standing as an independent Labor candidate for Port Adelaide is interesting, and no doubt the facts will unfold in due course.

*Members interjecting:*

**The DEPUTY SPEAKER:** Order! I ask the Leader to return to the subject before the Chair.

**Mr OLSEN:** The times demand a Party willing and able to govern for all South Australians—not a Party preoccupied with appeasing its own factions. The political agenda is being rewritten, while the Labor agenda is how to keep the lid on division. What this State needs, and what the Liberal agenda will be, is unity and purpose in meeting the challenge to turn South Australia around—to end almost two decades of Labor decline.

**The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition):** We approach this debate to grant Supply in a climate where the Labor Party simply does not know where it is going. The Labor Party is hopelessly divided on almost everything. Certainly, it is divided on economic issues. I thought that the front page of this morning's *Advertiser* was quite riveting, and two headlines caught my attention. One was 'Labor row: Bannon gets tough'—and I thought that that was the first time in my experience that that had happened. The other headline was that Jimmy Swaggart had had to step down because he had been a bad lad. All in all, I thought they were a couple of interesting headlines, and I found them both a bit hard to swallow.

Premier Bannon has never been tough, yet in my experience when it comes to dealing with the Federal Government on economic matters, and certainly not when there are problems in his own Party. He pussy-foots and tiptoes around the kitchen and will not offend anyone. He has little pow wows and chit chats. That puzzled me as much as the article about Jimmy Swaggart, who has made millions out of his television evangelist program. Now he has stepped across the fence or, at least, climbed over the back fence. I read both articles with a great deal of interest.

Under the heading 'Labor row: Bannon gets tough' I found a photograph of a puzzled looking Mr Tumbers and an obviously genial and smiling Mr Apap—that was quite an attractive photograph. I thought that this fellow is quite pleasant when you look at him. Then there was a picture of the Premier, and I could not read what was reflected in his visage. It looks as though he had had a dose of medicine that did not taste too good. It was a bit of a puzzle to work out what he was thinking from that photograph. Three things came out of that article.

**The DEPUTY SPEAKER:** Order! I ask the Deputy Leader to resume his seat. The question before the Chair is the question of Supply. I ask members to hear what I am saying, otherwise I will have to start warning people. The question of Supply is before the Chair and the debate should relate to that question. Every member of the House will have the opportunity of a 10 minute grievance contribution in due course and the 20 minute dissertations that we are now hearing should relate to the subject now before the Chair. I ask the Deputy Leader to come back to that subject.

**The Hon. E.R. GOLDSWORTHY:** Thank you, Mr Deputy Speaker. I am pointing out to the House the great difficulties under which the Premier is labouring and the fact that this Supply Bill, which does in fact vote a substantial increase in money, is indicative of the problems that the Premier is having. I am enumerating those problems. I do not think that I have any real trouble in linking them up, because the Premier is obviously in a state of confusion. The Supply Bill indicates that, because no clear Government policy is indicated by it, and the Premier's

problems come largely from the fact that he has a Party that is out of control.

Let me just finish this point so that I do not get anywhere near offending Standing Orders. Three things came out from that article. The first is that the Premier has not got tough. Indeed, where the headline came from, I do not know. However, Mr Tumbers said:

... there had not been an official approach to the Left from the Premier.

**The DEPUTY SPEAKER:** Order! I ask the honourable Deputy Leader to take his seat. The question before the Chair is the question of Supply. While I am in the Chair I am not going to allow a 20 minute grievance debate. I put this to the Deputy Leader, and I am asking him once more to come back to the question of Supply and money that the House is now debating. It is not my intention to allow a 20 minute grievance on what may or may not have been in today's newspaper. The Deputy Leader must link his remarks to the question of Supply. The honourable Deputy Leader.

**The Hon. E.R. GOLDSWORTHY:** Mr Deputy Speaker, let me do it. I do not think that the Labor Party knows where it is going with this Bill. I do not believe for a minute that the Labor Party knows where it is going. On the one hand, the Government suggests that it is tightening the belt. However, if we look at the Supply Bill, there is no evidence of that at all. As is pointed out in this morning's article, the Labor Party has abandoned basic Labor principles, that is, if we take any notice of those spokesmen who are quoted in that article.

*The Hon. D.C. Wotton interjecting:*

**The Hon. E.R. GOLDSWORTHY:** They certainly do. The other thing is that Mr Mick Tumbers, from the Left, wanted to see George go. He thought it would be good if George went, so he gave George a push. There will be a scrap on for the presidency. But that is beside the point, Mr Deputy Speaker, as you suggest. Coming back to economics, and the economic climate in which the Labor Party is operating—

*Members interjecting:*

**The Hon. E.R. GOLDSWORTHY:** Certainly, let us get back to the economic debate. I contend that tied up in the economic debate is the question of where the Labor Party is going. It does not know, and this Bill is indicative of that. Only last week we read a report quoting Senator Button that contained profound pearls of wisdom. Let me say, so that there is no confusion, that the malaise affecting Australia—and Button is talking in the Australian context—is the economic malaise that is affecting South Australia. It is precisely the same malaise, because the same policies have been followed here. Let me quote what Senator Button had to say in the press report:

Australia had been in grave danger 18 months ago of intervention by the International Monetary fund, the Industry and Commercial Minister, Senator Button, has revealed. He said intervention had loomed in 1986 at the time the Government had decided to sell uranium to France. 'We were in very grave danger the IMF would come in here and say, "This economy is not working, you've got to cut pensions by 25 per cent, you've got to cut wages by 30 per cent";' he said on ABC radio.

And he warned that Australia still was facing serious economic problems. The country had to move to get itself out of debt or it would become a 'poor white' country in the South Pacific. Senator Button said Australia had a lot of 'very cosy arrangements in business and industry' which it could not afford and which it must end.

*The Hon. D.C. Wotton interjecting:*

**The Hon. E.R. GOLDSWORTHY:** I just want to read it, because it runs so counter to Labor Party thinking, in my experience in this place, certainly in the State sphere. The report continues:

'If it doesn't, this country will slip backwards instead of going forward,' he said. 'And we can't go on comparing ourselves with ourselves all the time, and saying we're doing a bit better. We have to compare ourselves with what is happening in other countries, otherwise we'll be left behind, and we'll become a poor white country in the South Pacific.'

Further on in the article he states:

'A Labor Government cannot be just about distributing wealth. It has to be about creating wealth', he said.

I nearly fell over when I read this. That is what the Liberal Party was saying right through the 1970s and has not desisted from saying. To get that out of the mouth of a Labor leader was quite astounding. The report continues:

If you can create wealth through the best economy we can develop in this country, then you have the opportunity to distribute it in a way which is desirable.

That could have been Goldsworthy speaking in the House of Assembly in little old Adelaide. That is what Liberal spokesmen have been saying in this place for the whole 17 or 18 years that I have been here, but I have never heard a Labor politician putting that point of view, let alone a Labor politician in this State. The report continues:

'The tradition of the give away government that responds to every pressure group cannot survive in Australia,' he said.

This is the dilemma in which the Premier finds himself. It is the dilemma in which we seek to pass this Supply Bill which enhances even further Government spending. The increases are even above the projections by the Premier in his budget. The fact is that we do not see much of the sort of Button line exhibited in this Bill. What we do find is that traditional Labor supporters are complaining that Labor Governments are getting into bed with the billionaires and are enhancing their lifestyles; they are cuddling up to business; they are off fishing with their billionaire mates (not millionaires), while the man in the street is suffering.

The Premier seeks to noise abroad the myth that we are up and running, as quoted by my Leader in the Premier's policy speech. He claims that we are up and running way in front and that we are outstripping the other States. The fact is that we are not. The plain fact is that the Premier is deliberately misleading the public. It cannot be anything but deliberate. The Premier has had a tertiary education; the Premier is not an idiot. He must be deliberately misleading the public. He knows the facts; he knows the indicators. He knows what the Bureau of Statistics figures tell us—and they tell us we are being outstripped. As time passes on, we are being outstripped faster by the other States. He knows that.

I think it is time that the Premier in particular, and the Government, faced reality. It is fine to engender a feeling of optimism, that all is well with the world out in the public arena, and to foster this good feeling: let's have a symbol; let's have a Grand Prix; let's have 20 per cent of a subcontract, with Captain Bannon out on the poop deck. I thought that was fairly riveting on the front page of the *Advertiser* a couple of weeks ago. We had Captain Bannon out on the poop deck of the submarine. I thought the PR blokes had been busy: here we are—all is well with South Australia. We will have submarines steaming up the Port River in 10 years (we have 20 per cent of the contract). We have two symbols out in front—the submarines and the Grand Prix, and 'all is well with South Australia'. But all is not well with South Australia. A man with the training—

*Members interjecting:*

**The Hon. E.R. GOLDSWORTHY:** The Premier is amused, but he knows that he has been deliberately misleading the public. He knows that some union leaders who are now complaining said a few years ago, 'All this bread and circuses business is fine, but why don't we get on with the business of improving the living standards of the aver-

age South Australian that have tumbled dramatically under this Premier's leadership?' He knows that this is a statement of fact. No laughter that my remarks may evoke will put me off the fact that the average South Australian is infinitely worse off under Premier Bannon and Deputy Premier Hopgood than he has been for decades. One of the problems—

*The Hon. J.W. Slater interjecting:*

**The Hon. E.R. GOLDSWORTHY:** I am sorry that they have got too much for the Premier to bear. He knows in his heart of hearts that he is deliberately misleading the public. He knows that he deliberately misled the public, when he came into government initially, on promises of not raising taxes and charges in this State. The economy of this State is in a profound mess. The economy of this nation is in a profound mess, and South Australia comparatively is in a bigger mess, if that is possible. I would encourage members opposite to look at the factual statement, launched in the public arena about midday today, of the record of the Bannon promises *versus* the Bannon performance in the five years it has been in government. It is an appalling record! If the Premier believes that we are up and running ahead of the rest of the nation, I urge him to examine this document in some detail.

Of course, the fact is that Labor Governments during the 1970s followed those policies which Senator Button now deplores. Elections become a giant auction, and nobody can out-auction a Labor Party that wishes to win government. Nobody in this nation or anywhere can outbid a Labor Government coming into an election campaign. Poor old Unsworth has hopped on that band wagon yet again. Even despite the economic statements of Senator Button that are tending to undo some of the enormous damage done to this country by Labor Governments, here we have poor old Unsworth hopping on this sinking ship, the traditional Labor band wagon of trying to buy his way back into government. He will spend more money on education, law and order and one other area, and it will be a big spending program. Unsworth is out on this big spending program to buy votes, to try to save his skin and that of his Government.

**Mr Lewis:** Do you think he will promise electricity rebates?

**The Hon. E.R. GOLDSWORTHY:** That was not one of them. The other area was health: health and education. They are the areas that Dunstan did to death when he got in here. Open the floodgates! They are the two that Whitlam hopped on. If you want to spend great licks of money, you can always spend it on health and education. I wonder what Senator Button thinks about the record of Labor Governments, particularly the Dunstan and Whitlam Governments of the 1970s.

We still have a superannuation Bill before the House. We had the superannuation Bill of the 1970s, one of the Dunstan pre-election promises to have the most generous superannuation fund around Australia for the Public Service here. It would match the best. Of course, the Feds are the best—they are the pacesetters, but it would match the Federal superannuation fund. So, a Bill is introduced to fix that up, 10 years later. We have this wonderful new WorkCover scheme, but what is it replacing? It replaces a Labor Party scheme of the early 1970s when the Labor Party said that we would have the best workers compensation scheme around the place. We were told that we were parsimonious in suggesting that it might be generous and might cause problems down the track. We said the same about a number of other matters.

What else did we inherit from the 1970s and from the munificence of the Labor Party? We have the most generous long service leave provisions and we have leave loading, where people get paid more money to go on holidays. I

thought that idea was to compensate people for not having such a big pay packet, but that was soon extended across the board. Here we have Senator Button trying to come to terms with economic reality because the country is broke, and we have poor old Premier Bannon trying to come to terms with economic reality because of the problems which he and his Party have created.

They came in on a whole bagful of promises, the sorts of things that Button now deplures. In 1982 they were going to put a whole heap of people on the public payroll. They were going to employ a great heap more teachers. They were going to spend money like it was going out of fashion—and they did. However, they were not going to put up taxes. We pointed out that the two sides of the equation did not meet. So, it is no wonder that we have the worst record around the nation. It is no wonder that we have the highest level of unemployment, including youth unemployment, in this country.

We remember the crocodile tears from this seat and the one alongside when the Premier sat here. We had crocodile tears about the tragedy of unemployment, but it has become relatively worse under this crowd. We have the worst position around the nation, the highest youth unemployment, the highest level of bankruptcies by far. This Government is not the slightest bit interested in small business, because small business entrepreneurs are independent. They want to pay their own way. They are not beholden to Government in the sense that they have their hands stuck out. So, what do they do? They bleed them white. They do not like it. They do not mind cuddling up to the billionaires because they get a nice fat donation to their campaign funds in due course if they help the billionaires make another billion or two. But the small businessman is anathema to this Government and the Labor Party because they are independent and pay their own way. One has only to read the first letter to the Editor in yesterday's *Advertiser* headed: 'The effect of State tax rises on small business'; the letter states:

Just how lucky were Messrs Bannon, Blevins and Co. that the recent Adelaide by-election was not a full State election? Mr Bannon was quick to lay the entire blame . . .

**The DEPUTY SPEAKER:** Order! The honourable member's time has expired.

**The Hon. E.R. GOLDSWORTHY:** I commend the letter to members.

**Mr S.G. EVANS (Davenport):** In speaking to this Bill, which is to provide the Government with \$700 million from the beginning of the next financial year until the next budget is presented and passed, I wish to refer members, first, to the way in which we spend money on parliamentarians and their staff. I refer particularly to the minders who attempt to look after Government Ministers and in most cases try to protect the socialist philosophy while its champions remain in government.

I am glad that the member for Newland and the Minister for Environment and Planning are here, because I think what happened last week was disgraceful. I am referring to the way in which a personal explanation was made in relation to some material displayed in the Belair Recreation Park. The public has to pay the staff and manager of that park, members of Parliament and their staff, as well as all the minders who support Ministers. Last week the member for Newland said, when referring to me, in relation to plans that were on display at the Belair Recreation Park:

The member for Davenport knows that the matter has since proceeded, that draft plans have been on display at the Belair Recreation Park office and that work on the matter of legitimate concern to him is proceeding.

I did not know that there were any plans in the park, and I made that point earlier. The honourable member was making an assumption. I inform the Parliament that that was an untruth and we were paying that member for being here to make sure that the truth—

**The DEPUTY SPEAKER:** Order! I ask the honourable member to resume his seat. The matter before the Chair involves Supply, and the honourable member must debate that matter. He will have an opportunity to raise the question that he is now debating during the grievance debate which follows this second reading debate. I ask him to come back to the subject before the Chair. The honourable member for Davenport.

**Mr S.G. EVANS:** I ask for your ruling. Are you suggesting that I cannot talk about the efforts of any person who is paid out of public service money or money that is appropriated by Parliament for that person to perform certain duties?

**The DEPUTY SPEAKER:** The honourable member may not use this debate as a device for airing a grievance. The matter before the Chair is the question of Supply. The honourable member will be given the opportunity to raise the proposition that he is now putting before the House during the grievance debate.

**Mr S.G. EVANS:** Mr Deputy Speaker—

**The DEPUTY SPEAKER:** Order! I ask the honourable member to sit down. I think it is quite reasonable for the Chair to ask the honourable member to come back to the subject before the Chair. The honourable member for Davenport.

**Mr S.G. EVANS:** You leave me astounded, because I have spoken in these debates before. The money has been allocated for people to continue their jobs. I wanted to raise the point and complain about the proposed cable car to Mount Lofty Summit and the amount of time spent on preparing those plans. I also wanted to deal with the question of why Mount Barker Road has not been widened from the Toll Gate to Glen Osmond. I wanted to raise matters in relation to national parks and wildlife. All the matters mentioned are complaints that you could interpret as grievances against the Government's action in spending money allocated in the budget.

A Supply Bill encompasses all the activities of Government. If it does not, I shall have to ask the Premier or somebody else what area of Government supply covers. It sounds like a grievance to you, but I have not said that it is a grievance. It is a complaint against the way that Government money is spent in not getting facts before Parliament. You are ruling against me on that, and in doing so you are ruling out any debate on Government activity.

**The DEPUTY SPEAKER:** I ask the honourable member to take his seat. This is not a question for me, it is a question for the House. Long before I entered this establishment Parliament decided that there would be time to debate Supply, and time for a grievance debate on Supply. Before the Chair at the moment is the question of Supply: the questions of money, taxation, the way that money is used, and so forth. In the past Parliament has decided that every member will be given the opportunity to raise grievances within that debate and time will be set aside for it. So, I think it is quite reasonable for the Chair to ask members to adhere to the subject before the Chair at present, and that is Supply. The honourable member for Davenport.

**Mr S.G. EVANS:** I accept your ruling, but I point out that in many cases over the 20 years that I have been in this Parliament matters of grievance have been brought up in the second reading debate on the Supply Bill—

**The DEPUTY SPEAKER:** I ask the honourable member to take his seat. The Chair accepts that that may have been the case, but while I am in the Chair I cannot account for previous debates that have proceeded in this House. I think it is reasonable that members should adhere to the question of Supply.

**Mr LEWIS:** On a point of order: so far as I am aware the appropriation consists of two clauses, the second of which provides that money must not be issued or applied pursuant to the appropriation for any purpose in excess of that amount until it has been passed by Parliament. With the greatest respect, the member for Davenport is raising matters to which those funds have already been, and will in future be, applied, and—

**The DEPUTY SPEAKER:** Order! I ask the honourable member to resume his seat. Under the Standing Orders, the Chair cannot allow debate on this subject.

**Mr LEWIS:** For Christ's sake—

**The DEPUTY SPEAKER:** I ask the honourable member to moderate his language. We are in the Parliament and I expect a member of Parliament to act accordingly. The South Australian public would not want that sort of language used and I ask the honourable member to restrain himself. It is not the function of the Chair to get into a debate, and Standing Orders do not provide for a debate between the Chair and members of the House. The point has been made that the question before the Chair is Supply and that is what the Chair expects members to debate. Every member will be given the opportunity to raise grievances in due course.

**The Hon. E.R. GOLDSWORTHY:** On a point of order, by way of clarification, I think it is the understanding of members of the House that some debates are termed 'wide ranging'. I refer to the Address in Reply and budget debates. The Supply Bill—

**The DEPUTY SPEAKER:** Order! I ask the honourable Deputy Leader to resume his seat. I remind him of what I told the member for Murray-Mallee and that is that I am not in a position to debate this proposition. I have put to the House my view: that we are discussing Supply and that is what should be discussed.

**Mr LEWIS:** Which member of the House called the point of order indicating that the subject matter being pursued by the member for Davenport—

**The DEPUTY SPEAKER:** There is no point of order.

**Mr LEWIS:** On another point of order, Mr Deputy Speaker: is not Government expenditure related to Supply?

**The DEPUTY SPEAKER:** I have made my point clear on this and it is not my intention to continue to debate the matter. I ask members of the House to come back to the subject before the Chair. The honourable member for Davenport.

**Mr S.G. EVANS:** If one can talk of Supply only, one cannot talk about collection of revenue. All we are talking about is the \$700 million which is taken out of the public purse by the Government to pay the public servants. That is what the Bill does and, if we are to nail it down to the fine line that you suggest, one has not sufficient time in 10 minutes to raise all the grievance matters that you describe as grievance, and there is no purpose in my speaking because the logical line of debate is ruled out. I accept your ruling and say no more.

**Mr M.J. EVANS (Elizabeth):** I should like to canvass some matters which I hope are well related to the Supply debate and involve the way in which Parliament examines the expenditure of public funds which are very much part of the Bill before us. The role of Parliament in this area

has been developed historically over many hundreds of years. Indeed, the origins of Parliament and the role that it has played in the control of public expenditure have a strong historical precedent. Parliament originally controlled the basis of Royal prerogative through its control of expenditure and, although the circumstances of the Crown and the Parliament have changed somewhat over the past 300 or 400 years, Parliament still has a strong role to play in the control of public expenditure through Supply debates such as this and through its control of the provision of Supply to Government.

The Supply Bill before us authorises the expenditure of public funds for the purposes of the Government and, when Parliament debates these measures, it is vital that it knows for what purpose it is approving the funds; to what purposes the Government will put them; and the way in which these funds will be used, on which depends the basis of Government efficiency. It is on these considerations that Parliament should judge the appropriateness of the Supply Bill before us. Unfortunately, as the sheer size of the public sector budget has grown over the past 20 to 40 years, it has almost grown beyond the capacity of any Parliament to control it. Indeed, it has almost grown beyond the capacity of Executive Government to control expenditure and to know how these funds are being used.

My comments are not related to the question whether one is 'wet' or 'dry', whether one believes in privatisation or a large public sector, or any of those more fundamental political and ideological questions: rather, the matters that I shall raise today relate much more to the role of Parliament and the control of expenditure and the way in which public expenditure can be judged efficiently by the public and by the taxpayers. The sheer size of the budget and Supply must not daunt us from this role.

This Bill involves hundreds of millions of dollars and covers but a page or so of the Statute Book. Indeed, in August of each year the Parliament receives an Appropriation Bill dealing with thousands of millions of dollars and these Bills in total cover but a few pages of the Statute Book in which very little detail is available. Despite the size of the appropriations and the very meanness of the documentation that accompanies them we must look at alternative ways of monitoring and controlling this expenditure. It is important that the Parliament retain and develop that role and that Executive Government is not allowed simply to act as an apologist, if you like, for the greater bureaucracy in the public sector.

Parliament must develop alternative means of monitoring the way in which public sector funds are spent, the way in which they are used, the outcomes that flow from such expenditure, and the efficiency with which the funds are used. Those are much more important than the simple dollars and cents which are the inputs of the budget. Accordingly, I wish to focus my attention today on the output rather than the input. The Executive Government, through its Ministers, prepares budgets and they are presented each year to this Parliament. At this time of the year the Government also presents a supplementary Supply Bill to continue expenditure through to the next Appropriation Bill later in the year.

The crucial part of that is for this Parliament to ensure that, when it receives documentation from the Government relating to its expenditure proposals, it insists on the appropriate targets being placed in that legislation and on the appropriate output measures being included in the documentation, and that it asks for targets into the future for these output measures, so that it can subsequently judge the performance of the Executive Government of the State



against those targets and output measures. If we do not demand such things we are abdicating our responsibility as a Parliament.

The Estimates Committees each year—and, in this Supply debate at this time of the year, the House itself—concentrate simply on the dollar values of those votes and on the vague indications of future intentions contained in the program performance budgeting papers. Whilst those extensive papers—somewhat less extensive for the Supply debate but nonetheless framed on the same principle—contain vague intentions of the Government and broad statements of principle, this Parliament will never be able to fulfil its role of properly measuring the output of the Government rather than simply the dollar value of the budgetary inputs. We must insist that the program performance budgeting and the related documentation for Supply and Appropriation be amended to provide both historic and projected output measures to enable the parliamentarians and ultimately the taxpayers to analyse and compare the promise with the performance.

I believe that it would be appropriate for me to provide the House today with some examples of the kinds of output measures about which I have spoken. One has to look hard indeed to find such output measures. Some of them are available in the annual reports of the various departments, even though they have yet to find their way into the program performance budgets that this House receives each year. For example, the annual report of the State Transport Authority for the year ended 30 June 1987 contains an excellent page of patronage and output statistics at page 9. These are presented graphically, are easy to understand and are quite useful. Generally they are expressed as raw figures: for example, they analyse patronage by trains, buses, trams and total journeys; by class of passenger; and by the number of journeys and the average fare.

However, scattered among those broad raw output figures are interesting secondary figures that seek to analyse output of the department by some measure that enables us also to judge efficiency and productivity: journeys per annum per employee; passengers per vehicle/kilometre; and operating cost per passenger.

If one considers some of these more relevant and analytical figures, one sees that the number of journeys per annum per employee has in recent years been falling: in 1983-84 it rose to a peak of 19 990 journeys per annum per employee but it has now fallen to 16 500 journeys per annum per employee. That is an interesting statistic which is relevant for the appropriate Minister to canvass in this debate or in the Appropriation debate. One can also look at the number of passengers per vehicle/kilometre and see that it has been steadily falling for three or four years. The operating cost per passenger has been rising. Many of those figures can be explained by reference to inflation or to other operating characteristics that have changed in the normal course of Government operation. If the Minister presents those figures and explains them in terms of changes in inflation, in the CPI index and in the operating procedures of the department, this House will readily understand the way in which those figures have changed.

Of course, if they were prepared for the purpose for which I am advocating, they would be discounted for inflation over that period and would enable the House to make a very meaningful judgment about whether the real cost in constant dollars per passenger journey was rising or falling, and whether the number of output measures which can be properly assessed by the Department of Transport were indicative of good management by the Minister or less than good management. I use the Department of Transport as

an example, not because I wish to criticise in any way the Minister's stewardship of his funds based on those figures: rather the reverse, because his department has at least made an effort in providing them. I think that he has made a useful contribution to the public expenditure debate and that more departments should follow that example.

I have recently attempted to undertake such an analysis myself in another area of government in which I am interested, the South Australian Housing Trust. In that process I sought to calculate in 1987 constant dollars the management costs per Housing Trust house for each of the past six or seven years. It is a very difficult task, because one must seek out the information from the Auditor-General's annual reports. One must discount it for the CPI year by year, obtain the number of houses which the trust has held at the end of each of those years, and produce the resulting calculation of constant dollar management costs per Housing Trust house.

That reflects an interesting trend of rising costs. The number of dollars spent on management expenses for each house has over the past four or five years increased steadily. Now, of course, I have already discounted those figures for inflation, so the underlying trend may well reflect some change in the relevant efficiency of the Housing Trust during that period. I do not raise that point as a criticism of the Housing Trust, because I have not had the opportunity to examine the figures fully or to test them against those with more experience in the management of the Housing Trust than I have personally, so I raise them only as an example of the type of calculation which could be undertaken by each Government department and statutory authority to demonstrate to this Parliament just how their efficiency is changing over time and to indicate to the Parliament whether we need to look more closely at their operations to determine how they could be run more efficiently, or whether, in fact, we should be congratulating them on the way in which they have husbanded their public resources.

Unfortunately, the public sector is a difficult one in which to obtain useful output measures. In the private sector one simply looks at the bottom line profit of the organisation. If it is successful, it continues to profit; if it is not, it is simply made bankrupt as its outgoings exceed its income. The result is sudden and brutal, but a very necessary aspect of the market place. In the public sector, of course, we have almost limitless taxpayers' funds to deal with, and it is somewhat more difficult to obtain balanced output measures.

However, I do not believe that the Parliament should allow itself to be daunted simply by the difficulty of the task and, in fact, should charge the Government through the Treasurer and each of the statutory authorities with the responsibility of seeking out in their respective areas effective output measures which can be tested by this Parliament year after year, to determine how effective those Ministers and, ultimately, public servants are in managing the resources of the State. I would draw to attention, for example, that although for many years the public and the Parliament have taken the number of children per class (in other words, class sizes) per teacher as a standard output measure for education, that is not a true output measure.

It is very much an intermediate measure which does not reflect the real output of the teaching service of this State. It might well be that smaller class sizes are not important in determining how effective teaching is; rather, one should look for standardised measures, examinations if you like, of student performance, not to measure the ability of individual children but to determine as a statistical point whether

teachers and schools as a whole are performing well. In California in the United States it is quite common to have State-wide testing which is carefully designed to measure only standard literacy and numeracy ability, and the like, to determine whether children are receiving proper education and instruction and that their standards are improving over time; and that individual regions, schools, and even, possibly, teachers—although it is difficult to take the statistics to that kind of fine point—are meeting their output requirements in that sense.

So, standardised testing is but one example of the way in which more sophisticated output measures are required; for example, in the education system which uses a large proportion of our budget and simple measurement of class sizes. We need to know whether or not children's education is improving. It does not really matter whether the class size is going down: what matters is better education. It does not really matter whether the size of our Police Force is increasing; what really matters is whether the crime rate per head of population is increasing or decreasing. That is the critical output measure so far as the public are concerned: how likely is their house to be burgled and, having been burgled, how likely is it that the Police Department will find the person concerned and ensure his or her subsequent arrest and being brought before the courts.

That is far more important to a member of the public than the simple fact of whether or not there are 10 per cent more policemen in uniform this year, just as it is more important to the average farmer to know that Government agricultural policies are resulting in an increasing yield per hectare, for example, or increasing farm profitability than simply to know that more money is being spent on agriculture. That is not enough. We need to know that more is being done with that money and that the results are improving.

We do not simply need to know the length of the waiting list at hospitals: it is more relevant for us to know whether the community as a whole is improving in its standard of health or deteriorating in its standard of health. It is important for us to know in the area of libraries, for example, whether the number of books borrowed per resident is increasing or decreasing and what the regional variations are. This is a much more vital part of parliamentary control than simply counting dollars and cents. We must judge Government by the results it achieves, not by the number of dollars put into the system.

I contend that Parliament could redirect its activity in this area much more usefully. At the last Estimates Committee hearings, a number of members, particularly from the Opposition, were heard to voice complaints which the Premier referred to in his subsequent speech to this House about the way in which those Estimates Committees did their task and about their relative value. I would have to agree that they no longer appear to be a very productive mechanism, but one must then seek not simply to sacrifice the process itself but to change that process to ensure that it becomes more relevant to the needs of 1988.

The budget is now far too big for us to analyse it line by line, dollar by dollar, in the way in which parliaments have traditionally done over the centuries. Instead, we must turn our attention to much broader questions to ensure that the Government presents adequate targets and objectives for us to measure their subsequent performance against. Such things are much more relevant than individual dollar by dollar mechanisms. It is, therefore, critical that each department presents that kind of information.

It was most unfortunate to have a reply from the Minister of Housing and Construction last week which indicated, in

response to my question as to whether he would table each year in the Estimates Committees a budget for the South Australian Housing Trust, for example, that he declined so to do on the ground that statutory authorities do not normally present budgets to Parliament. I believe that, given the increasing area of statutory authority control in this State and in this country, we must look more and more to ensuring that statutory authorities as well as Government departments present not only budgets but output measures, targets and historical trends for us to analyse.

It is not appropriate for us simply to check individual dollar by dollar values. We must broaden our approach as a Parliament, look for appropriate output measures and insist that governments of whatever political colour from year to year provide those measures for this Parliament to examine and for the public and taxpayers as a whole to judge the performance of the Executive and this Parliament accordingly.

**Mr OSWALD (Morphett):** When will South Australians hear the Government talk about reducing its size and its expenditure? For the entire period of the Bannon Government we have seen nothing but increases in expenditure, increases in staffing levels and increases in Government programs. During that time taxpayers have continued to be inundated with increased rates and taxes *ad nauseam*. Once again, in the Bill before us, the Premier seeks an appropriation of \$700 million, which is a rise of 8.5 per cent. When one looks at it in terms of the inflation rate of 6.5 per cent, it is a 2 per cent increase on inflation. When will the people of South Australia—the taxpayers and those of us who are productive in the community—see some relief from the Government in the form of a reduction in Government expenditure, and so on? I think it is quite clear that the people of South Australia have had enough.

*Members interjecting:*

**Mr OSWALD:** Those members opposite who are interjecting will have their chance in a moment. The cold reality out there in the electorate—and I would have thought that this would have come home to the Government loud and clear at the recent by-election—is that the people of South Australia are tired of a Government which spends money at the rate at which this Government is spending money. The people are tired of the tax gathering policies of the Government. We are tired of constantly paying out money to the Labor socialist Government in this State. I have constituents, particularly those in business, who are now on their knees as a result of the State Labor Government's tax package. People in business have to contend with the normal expenses associated with running a business—the power bills, insurance, fuel costs, and so on—but superimposed on that are such things as the massive costs associated with WorkCover (previously workers compensation), council rates, the massive increase in water rates, and so on. Superimposed on top of all that is a massive escalation in land tax.

*Members interjecting:*

**Mr OSWALD:** Those members opposite who are interjecting have never set foot behind the counter of a business or an office desk in their lives and they would not know the slightest thing about running a business and having to rely on a cash turnover to remain solvent. Businesses are being absolutely crippled.

*Mr Tyler interjecting:*

**Mr OSWALD:** The member for Fisher, who has never contributed to generating revenue in the work place but instead has put his hand out for wages all his life, would not know. He continues to interject, but I point out to him

that the land tax, for example, which is being imposed on business is crippling. It comes on top of already escalating costs and it is putting people out of business. I know that the Government does not mind if people go out of business and, in fact, the Premier is on record during the past couple of weeks as saying that if someone in business does not like paying their land tax they should go somewhere else to set up in business. That means that, if a person has a business in Jetty Road, Glenelg, and he is going under because of high land tax, in the words of our own Premier he should set up his business in, say, Kangarilla, or some other point farther away. What stupidity!

**The Hon. H. Allison:** He'll go under more quickly.

**Mr OSWALD:** Yes, because there will be no customers there. I refer to specific cases where land tax has been imposed: first, a business on Jetty Road with which I am very familiar. In 1982-83, its land tax was \$838.20; in 1983-84, it was \$1 095; in 1984-85, it was \$3 076.50; in 1985-86 it was \$3 519.80; in 1986-87, it was \$3 703.20; and in 1987-88, it went up to \$4 840. That increase in land tax comes on top of every other cost incurred by that business including WorkCover, insurance, wages, water rates, council rates, licence fees to stay in business, its freight bill, ETSA charges which already have a State tax incorporated in them, and its fuel costs. I repeat: in 1982-83 that business paid \$800 in land tax—it now pays \$4 800. The whole thing is absurd.

Under this Bill the Government has decided to spend another 2 per cent over and above the inflation rate and put more money into the public sector. The Government must give small business some relief. It cannot keep on the way it is going. The Government will cripple this State at a faster rate than it is being crippled at the moment.

The directors of the Bay Motel Hotel at Glenelg wrote to me. This is a classic example of how the hospitality industry must contend with these massive tax charges. The licensee of the Bay Motel Hotel has to contend with WorkCover, insurance fees, a wages bill, water rates, council rates, land tax, the many licence fees to stay in business, freight charges, and enormous power charges (which incorporates a tax to the Government), and expenses associated with petrol and running motor vehicles. In 1983-84 the Bay Motel Hotel paid \$3 060 in land tax; in 1984-85, it paid \$4 820; in 1985-86 it paid \$5 646; in 1986-87 it paid \$7 260; and in 1987-88 it went up to \$8 991. That means that over a period of five years the land tax on that property increased from \$3 000 to \$9 000 or 300 per cent.

It is patently absurd to expect the business community, with the costs that it already has to pay, to incorporate extra costs into their cost structure. There is only one way to go. Originally a business would do the right thing and would try to incorporate these costs into its turnover. However, businesses cannot do that any more and must now pass these costs on to the consumers. Once it reaches that stage the consumers find that they cannot afford to pay the prices that have to be charged by these businesses. Either way, with expenses of this type, as I said at the outset, the State is being crippled by a Government which has demonstrated—and it has done so again today in this Bill—that it continually increases expenditure. There are no curbs on Government expenditure for the benefit of those in the community who generate Government revenue in the form of tax—just this constant demand for more money for the Government to spend.

Earlier today I read a resume of some of the promises made by the Premier in relation to land tax. The Premier's 1985 policy speech makes very interesting reading because he said:

We have cut land taxes.

The Premier said that in 1985. I wonder how the proprietors of the Bay Motel Hotel at Glenelg would feel about that statement by the Premier in 1985 given that their land tax went from \$3 060 in 1983-84 up to \$7 260 in 1986-87. I cannot call the Premier a liar in this House, but I can say that he tells untruths. Clearly, in that 1985 policy speech the Premier made one of the grossest untruths that I imagine he has made for some time. The Premier also said:

The Government has made substantial reductions in land tax to take effect from 1 July 1985.

That is a direct quote from the Premier's policy on small business. My file on land tax is some two or three inches deep and comprises letters that I have received from constituents and documents from people who have come into my office, but I can find nothing in there which states that there has been a substantial reduction in land tax applicable to people in business. If members can produce the figures, I would be delighted to see them, but once again I imagine that it is a furphy put out by the Government, and once again not right. In a letter to the *Advertiser* (22 August 1985), the Premier states:

... for any tax which is allowed to become regressive or seen to be unreasonable will be eroded, avoided or even abolished however soundly it is based.

I have not seen the Premier, since 22 August 1985, make any moves in the public arena to abolish taxes, nor have I seen him make any moves to reduce them; nor have I seen him making any moves to do anything but continue to generate more revenue from those in the community who do something about work, who get out and work hard to earn themselves a comfortable living.

The Federal Government is constantly increasing the tax base. This State Government is constantly increasing its tax base. I have worked all my life and have had businesses all my life. All I can say, as a result of talking to people with whom I have some compatibility, is that enough is enough. For the Government to come in today with another Bill to increase expenditure over and above inflation is downright outrageous and has to be condemned.

Another couple of matters that I would like to raise deal with tax on business. State taxes fall mainly on business, because there are few other areas on which they can fall. The largest amount is raised through payroll tax, but there is also stamp duty, business franchise tax—and I refer to gas, liquor and petroleum and tobacco product taxes as well as motor vehicles—and, as I have said, land tax is of great importance. In 1987-88 South Australian Government tax revenue will exceed \$1 billion for the first time. That is nothing for a Government to be proud of.

This Government's tax gathering will exceed \$1 billion. Is it any wonder that businesses have cleared out of this State? Is it any wonder that we are now a branch office State? Is it any wonder that there was such panic in this State recently because we thought that Fauldings was about to up tools and move out of the State? Few businesses come to this State.

*Ms Gayler interjecting:*

**Mr OSWALD:** We have the inane remarks from the little inexperienced lady opposite, 'What about the submarines?' No-one in this House has said that the submarine project is not welcome in this State. The honourable member should look at the total package of what is going on in this State. The submarines are welcome indeed, but it is still generating and turning over taxpayers' money. There is no new money generated from the submarines, for the benefit of the honourable member: it is just regenerating money collected in the tax gathering system, put into Canberra and brought back here for defence expenditure. The honourable member tries to look horrified, and that cannot be recorded in

*Hansard*. That is a reality. Projects such as that at Roxby Downs go into the ground and generate wealth and revenue for this country. Projects such as Honeymoon, which the Labor Party shut down, are the projects that generate wealth for this country. They are the sorts of projects that we want to develop. So many companies that used to operate in this State have gone interstate. They have moved interstate because of the taxing policies imposed on them by the Bannon Government, which in 1987-88 prides itself on having gone across the \$1 billion line for the first time.

Let me compare that with the record of the Tonkin Government. I recall the member for Davenport—it is recorded in *Hansard*—reading into *Hansard* many pages of the names of companies that had come to South Australia during the short three years of the Tonkin Liberal Administration. Companies were flooding to South Australia because of the tax base. If we have companies wanting to set up their head office in South Australia, we will have wealth and employment generated in South Australia. What has happened? Adelaide has now become Australia's poorest capital city with the highest proportion of low income families.

That is probably one of the most serious situations that has developed in this State. We preside over Australia's poorest capital: 11.6 per cent of families—31 000 families—have an annual income in this State of less than \$12 000. If we put together an average family package comprising costs of electricity, Housing Trust rent, bus fares, income tax per capita and State tax, in 1965 one paid \$21.60 per week, 41.8 per cent of one's wage. In 1987-88 people pay \$167.19, or 47.4 per cent of their wages. That is what has happened under a Bannon Administration, and that is why the people of South Australia will get rid of the Bannon Administration at the next election.

South Australia has fallen behind the other States because of the taxing policies that are forcing people out. I am tired of hearing of people still moving to Queensland and moving out of this State because they have had enough of the Bannon Government. Our poor have become poorer. The Government, which purports to stand up for the underdog and the underprivileged, is not doing that. Underprivileged people in this State do not know what is going on. We have reached the point where this Labor Government is now the highest taxing, highest spending and biggest borrowing Government in our State's history.

Indeed, our State's debt has increased to the extent that 56c in every \$1 that we all pay in tax gathered is spent in paying the interest on our borrowings. It is not spent paying off the borrowings; the 56c in the \$1 is just repaying the interest. South Australia cannot continue like that. As the public sector expands and the private sector is reduced, that sector of the community generating wealth is being reduced.

All the little social democrats opposite who look upon the private sector as the tax gathering base for their programs have to realise that they are taxing the golden egg out of existence. They are taxing small businesses in this community to the stage where they can no longer exist. They are going under and reducing in number. Major companies are heading off interstate and we are becoming a branch office State.

The Government's tax gathering base is being reduced. At the same time increasing amounts of tax are being gathered from a smaller number of businesses. The net result is that those businesses are paying more. The more they pay the harder it is to survive, and the quicker they will go under. Unless there is a radical change, this State is going to collapse. The Government, through its public relations

machine, is spreading the good news. There is no good news in South Australia.

*The Hon. D.J. Hopgood interjecting:*

**Mr OSWALD:** The Deputy Premier talks about gloom and doom. I say that there is no good news here in South Australia, because the tax gathering base of this State has got to the stage where those who generate revenue are going into receivership. That situation can be demonstrated by the number of bankruptcies. When we were in government from 1979 to 1982, back-benchers were all given screeds with which to talk to the local press about the bankruptcies during the Tonkin Administration. However, they were a carryover of what happened under the previous Corcoran and Dunstan Administrations. Now, under the Bannon Government, we have the highest rate of bankruptcies since the Depression. The Deputy Premier says that I am talking doom and gloom. The facts speak for themselves. This is the State where we have the highest number of bankruptcies; it is the State with the greatest number of businesses folding all the time; it is the State where the tax gathering base is on the increase and the Government is continuing to spend.

What South Australia needs is relief. We need a Government that will spend less, that will conscientiously go out into the public arena and spend less and collect less. Then we will have an increase in productivity and people will have incentive to get out into the work force to work for a fair wage and a fair net return at the end of the financial year.

**Mr BLACKER (Flinders):** I support the Supply Bill, for obvious reasons: to oppose the Supply Bill would be a no confidence motion, and obviously that is not what it is about. However, I would like to express some views on where we are going in relation to some aspects of the Government's intentions, both present and in the future. We are talking about appropriating \$700 million for the payment of Public Service accounts, fees, wages, and so on, to commence the 1988-89 financial year. In so doing, we are allowing the Government to head on regardless on its merry way, with almost a blank cheque. I raise one concern: the amounts we are being asked to approve during debates such as this seem to be escalating beyond all proportion. When I first entered Parliament, it was less than \$100 million. Now we are talking about \$700 million with fewer strings attached and more of an open cheque type approach. Maybe Parliament as a whole has to carry some of the blame for allowing such an open cheque to be given in circumstances such as that.

However, in talking about South Australia's future, one must be mindful of what is happening and the fact that we are being overtaxed. Previous speakers have indicated that taxation of all types is going up and up, and that is in line with a socialist philosophy. There is no doubt that taxation is part of the socialist philosophy. The Government wants to provide community services; therefore they have to be paid for in that way. However, the Government is neglecting the producing sector of the community. It is not fostering those areas that can build up the income revenue for the State. Instead, it is putting dampeners on those potential investors: it is putting dampeners on the entrepreneurs. In other words, it is squeezing out those sorts of people who are prepared to take a risk and try to build up something for this State.

Mention has been made that we are not in a good state. I tend to believe that we are in a good state. It is just that we are not being allowed to develop and foster the businesses that we should. Mention has already been made about the effect that the submarine project will have on

South Australia. I applaud the introduction of the project to South Australia and I trust that we can get a lot of benefit from it. However, let us put the project into perspective. We are talking about a \$600 million project. An amount of \$600 million pales into absolute insignificance when talking about the value to this State of primary industries. My electorate alone produces one-third of that figure in wheat each year.

*Mr Becker interjecting:*

**Mr BLACKER:** It has been going on since the 1920s and before that. So, the contribution each year of just the wheat growing industry in my electorate alone accounts for at least one-third of the submarine project cumulatively over the lifetime of the project. On top of wheat, I can add wool, barley, oats, fat lambs, and now we are getting into goats, deer and other livestock industries. It is fair to say that the value of primary products of the electorate of Flinders grossly exceeds the total gross value of the submarine project on a per annum basis. I therefore plead with the Government not to kick in the neck the primary industries and those industries that have demonstrated their support for the State. In the main, this Government and previous Governments have lived off the earnings of those primary industries and, to repeat the old phrase, 'South Australia has been growing on the sheep's back' for a long, long time. I believe that the Government is losing sight of that aspect. It is not cognisant of the fact that we have those industries and we have there a greater potential for development.

Talking about a greater potential for development raises the issue of the Native Vegetation Management Authority and, more particularly, the way in which it has been operating within the community. For the past two days, I have been at United Farmers and Stockowners conferences at Arno Bay, representing Zone 2, and at Tumby Bay, representing Zone 3, and one of the prime concerns was the activities of the Native Vegetation Management Authority. It was not really the Act itself that came under question yesterday, although that has been the subject of discussion from time to time. More particularly, it was the interpretation of the Act and the two conservation members who sit on the board of the Native Vegetation Management Authority. Delegates at that conference believed that the Act that passed through this Parliament did provide for compensation for those people who have been refused clearance permission.

This Parliament provided that requirement that compensation should be made. Since then, however, only a very small percentage have actually been approved, and less than 6 per cent of the applications have been actually approved for clearance, yet the amount of money paid out has been absolutely infinitesimal and farmers are being forced into bankruptcy, forced to the wall, because of a decision of a bureaucratic committee. The Government must pick that up and at least demonstrate that it will either carry out the will of this Parliament and pay compensation to those people who have been refused clearance permission, or act in a responsible way and allow a reasonable percentage to be cleared.

My constituents, who are probably from the area which is the most recently developed throughout the State, believe that they are carrying the can for the conservationists of the whole State. The attitude of Dr Black and Dr Lange, who walked out of the Native Vegetation Management Authority meeting, is to be seriously questioned, because it should not be that one section or one individual should be required to carry the can or the responsibility—financially, morally, ecologically, environmentally—for the whole State. This Parliament decreed that, if that were the case, those

people should be compensated for it, but it is only happening in a very small percentage of cases.

When the Premier went over there a few months ago, the message that came back to me was that the Premier was absolutely amazed at the goings-on of the committee, the delays that were occurring, the financial hardship brought upon some members, and the fact that some applications were still being bandied around—and I think 'bandied' is probably the right word—for four years.

**The Hon. B.C. Eastick:** Has it improved since he left?

**Mr BLACKER:** That is what I am asking. I had hoped to ask a question today to seek what advances had been made since the Premier's visit, to see whether any improvement had been made, whether there was an upgrading of the hearings of the committee, and whether compensation was being provided in a realistic manner, or just what was happening. I can see almost on a day-to-day basis that more and more farmers are being forced to the wall. On top of the rural crisis situations that we have experienced, this is becoming all the more alarming. The concerns of the community are growing. The distrust of the Government and, more particularly, the Native Vegetation Management Authority, is growing to the extent that somebody will do something rash. I hope that that will not happen, but the Government should be forewarned that, unless common-sense prevails on its side, it can hardly expect it to prevail on the other side.

I believe threats have already been made: cash or trees. That is the ultimatum. If the Government is to honour the intent of the legislation of this Parliament, proper compensation should be provided. If not, the Parliament really has no qualms about farmers going ahead and clearing, provided it is in a realistic way. We have farmers who have been in possession of land for a long time, long before vegetation clearance regulations came in, and who bought the land with a caveat on it that they had to clear a certain area by a certain time. All of those requirements were in force and the emphasis was to get the land, clear it, develop it and get it into production. Now they face a complete about-turn without any compensation, or with very little compensation, and that is wrong—and that is the only word we can say for it.

Furthermore, they now face being forced off their own land because they have been unable to get the finance allegedly due to them. I know of one instance where the Native Vegetation Management Authority said that it would pay the purchase price of the land plus interest at the going rate. That obviously means that that farmer will lose a lot of money because he can no longer develop the land. For four years he has paid normal commercial rates, which in most cases have been inflated. So, he will go down the financial tube to the extent of something like 6 per cent or 8 per cent of the moneys borrowed at that time. No consideration is given to the individual. He has a young family and is now being forced into financial ruin. That is only one of many cases that will be settled soon.

A further complicating factor introduced by the Native Vegetation Management Authority has denied people the opportunity to clear land. At the same time they are required to maintain the land, keeping it weed and vermin free and fenced at their own expense. To add insult to injury the Government proposes a wild dog tax or a dingo control levy. In the main this levy has fairly general support from the rural community. However, if a person is not allowed to clear land, but is obliged to keep that land, should he be required to pay a dingo control levy on land that he cannot use? The farmer is in a helpless position. He is unable to

do anything about it and yet is now required to pay another tax.

The story goes on and on. All members who have native vegetation in their area could probably cite example after example of what is happening. I believe that the Government has an obligation to examine what is happening in the Native Vegetation Management Committee. It has to look at the responsibility of members of that committee. I believe that the recent walkout by Drs Lange and Black needs to be examined because if it had occurred in any other statutory authority or body they would be required to immediately hand in their resignation. It is quite obvious that those two gentlemen did not act in a fair and responsible manner. They were on that committee to fight one clause, and one clause only, yet they expected everyone else to see their own point of view. Obviously a committee made up of people of that kind cannot work. If rational and commonsense debate cannot be allowed to take place how can one expect the committee to work?

I believe that the Government and the Minister of the day have an obligation to remove those two gentlemen from the statutory authority so that that committee can work to the satisfaction of this Parliament. If it was Parliament's intention that no further clearing should take place, why was that not stated? What this Parliament did state was that there shall be a Native Vegetation Management Authority to control the clearance of scrub and to pay compensation where clearance permission is used. That is what this Parliament decreed, but the two members of the committee mentioned have not complied with that requirement. Those two committee members are in contempt of this Parliament for carrying on in that way. A 'please explain' message should be put to the those men and they should be stood down until a satisfactory explanation is given. My personal view is that they should be replaced, but at the very least they should be requested to explain their actions, otherwise the operation of every statutory authority is put in jeopardy. I believe that the Government has a responsibility to ensure that every statutory authority is not used and abused in this way.

Yesterday at the UF&S conference a number of resolutions were debated and passed in relation to the Native Vegetation Management Authority. We would all like to have a workable operation, something that will retain a balance between conservation and production because, after all, production will pay the tax bills, and that is what this Bill is all about: finance. Unless we have production in this State there will be nothing else left and we cannot conserve everything regardless; we must strike a balance. My constituents are incensed not only that they should be seen to carry the can environmentally for the whole of the environmental movement in South Australia—or so it seems—but that they should be obligated on an individual basis to carry that responsibility personally. I do not accept that as being the intent of the legislation.

We need to get production back into gear. We also need to ensure that we can compete at world and international markets. The best way that we can get ourselves on our feet is through primary industry. There has been an uplift in the wool industry, but I want to put that in perspective. The wool prices we are now maintaining, about which everyone is raving, are exactly the same prices that were maintained in 1952—36 years ago. However, the cost of the shearing operation was £7 per 100 sheep in 1952, whereas it is now \$110. In equivalent monetary terms that is \$14 in 1952 and \$110 in 1988.

*Mr Klunder interjecting:*

**Mr BLACKER:** I am saying that the farmers' income per kilogram of wool is exactly the same as it was in 1952. The increased costs that have occurred since that time have been borne by the farmer. So, let us get the whole thing in perspective. Whilst farmers are pleased about the present prices of wool and would welcome them to stay at that level or improve, there is no comparison at all with the price of 35 years ago.

*Mr Robertson interjecting:*

**Mr BLACKER:** The honourable member talks about efficiency: that is an attribute of Australian farmers, who are the most efficient farmers in the world. If they were not, this country would have been down the financial drain a long time ago, because our farmers compete under extreme odds with nations like the United States and EEC countries providing subsidies to their primary producers, which our governments cannot match, nor do I believe they should, and certainly on a nation by nation and producer by producer basis could not be matched. I seek leave to insert a chart in *Hansard* without my reading it.

Leave granted.

#### Living Standards Falling Under Hawke Government

The working week—where does it go?

Australians work, on average, around 40 hours a week. More than 1½ days of the week are worked just to pay taxes. Income tax alone takes up almost one full day of work. Other taxes—including direct taxes such as excise and sales tax as well as the many taxes on business such as company taxes which ultimately make up a part of the price we pay for our purchases—account for a further three-quarters of a day's work.

Item	Time worked*	
	Hours	Minutes
Income Tax .....	6	41
Food .....	5	58
Housing .....	5	56
Transport .....	4	56
Recreation .....	3	37
Household Furnishing and Equipment .....	2	19
Clothing and Footwear .....	1	58
Household Services and Operation .....	1	19
Medical Care and Health .....	1	11
Alcoholic Beverages .....	1	2
Saving for Retirement .....	0	58
Fuel and Power .....	0	53
Personal Care .....	0	33
Tobacco .....	0	29
Miscellaneous Commodities and Services .....	2	10
<b>TOTAL .....</b>	<b>40</b>	<b>hours</b>

\*(including time to cover all taxes other than income tax)

**Mr BLACKER:** The chart shows the average working week and where the money goes. For example, it is estimated that the average worker would spend six hours 41 minutes of a 40 hour working week to pay for his income tax. Similarly, he would spend five hours 58 minutes to pay for his food for that week, five hours 56 minutes for housing, and so on. I believe that this list needs examining. It is not a comparative list, and I believe it would be helpful if we did have a comparative list showing the position 10 years ago, but I want this chart on the record so that at some future date a comparison can be made.

**Mr GROOM (Hartley):** With the possible exception of some positive contributions from the member for Flinders, the Opposition contributions so far have been nothing more than a downgrading of South Australia for nothing other than short-term political gain. We have heard only negative criticisms. Not one positive policy has emerged from members opposite in this debate. Let us not forget their record from 1979 to 1982 in relation to taxation. As many as 190 separate tax increases resulted from the Tonkin years between

1979 and 1982, so let us not pretend about the record of members opposite when in Government.

Do not forget that, when members opposite came to the 1982 election, they misled the South Australian public about their Government's budgetary position. They told the people in August 1982 that they had a balanced budget, whereas in reality there was a deficit of \$63 million. They were not prepared to adjust their revenues because they were coming to an election.

*Mr Becker interjecting:*

**Mr GROOM:** The member for Hanson well knows what was the position between 1979 and 1982 and the way in which capital works money being used by the Tonkin Government produced a recession in South Australia during those years. So, members opposite should not forget their period in Government and should not get up in this House pontificating about what they did in Government. The member for Morphett raised the issue of land tax. True, land tax is presently a burden on small business, but what is the source of the problem? Why should small business people with leases be paying the capital taxes of the lessor? Why should such taxes be passed on in the form in which they are being passed on to small businesses?

There have been dramatic increases in the realised values of commercial properties in South Australia and in other States over the past few years. Indeed, there have been massive increases in the value of commercial properties. Several properties in the city that were purchased for \$500 000 three or four years ago are being sold today for as much as \$1 million—\$500 000 profit. They all have commercial lessees. Can members opposite say what is the justification for capital taxes being passed on to small business people? They do not share in the benefits from the lessor's property when it is sold. They contribute by paying capital taxes. If this situation continues as regards small businesses, where they are forced to bear the capital taxes of the property owners, there is a strong case for legislative intervention because it will become a burden.

The member for Hanson knows as a matter of equity and fairness that there is no basis for these capital taxes being passed on in their present form. When I raised this matter in the House last week, members opposite retorted to the effect that, if one intervened legislatively and prevented these capital taxes from being passed on, they would be built into the rent. However, this again illustrates how vulnerable is small business which is at the mercy of big business. Ask any small business person who has a lease whether he wants to bear the capital costs of the lessor, and remember that land tax and council rates are capital taxes on the owners of the land. They are not passed on in the case of residential properties. Imagine the reaction of a residential tenant who wished to enter into a lease of residential premises on being told that the rent would be so much and that then the tenant would have to pay land tax and council rates. They simply would not cop it.

*The Hon. H. Allison interjecting:*

**Mr GROOM:** If the member for Mount Gambier wants to defend big business against small business, let him do so, because that is the import of his interjection. If the honourable member wants to support big business—people who are making enormous profits as a result of the oppressive lease conditions on small businesses—let him say so in his electorate. I am waiting for him to say so in his local press.

These capital taxes are becoming a burden on small business people. This does not happen in the case of residential properties. In that case capital costs are not passed on. The practice commenced only as a result of the large shopping

complexes being established in the late 1950s and early 1960s. Those complexes used their market position to tell small business people that no longer would they pay only rent but that they would have to pay capital taxes as well. That practice resulted from powerful market forces, so today the owners of the properties are making huge capital gains from the sale of their properties and it is the small business people who are being asked to produce those gains and receive in return no reward for their efforts. Indeed, there is a strong case for legislative intervention, but no members opposite will touch on this matter because it would touch their big friends in big business.

**The Hon. H. Allison:** Bob Hawke's big friends, not ours.

**Mr GROOM:** Bob Hawke can worry about his own situation: I am concerned about the situation of small business people in South Australia and the way in which capital taxes are being passed on to them. There is a strong case for reform under the commercial tenancies legislation, and that relates not only to small business people in shopping centres and shopping complexes where cartels are using their market forces. One has only to look at what is happening with petrol resellers. At present, there are about 467 established recognised businesses operating as service stations in this State, of which 290 are subject to a lease or some other form of tenancy arrangement. In this area two Acts of Parliament operate. The first is the Commercial Tenancies Act, which prohibits premiums such as goodwill up to a rental level of \$60 000. That Act was passed by this Parliament.

Secondly, there is the Federal Petroleum Retail Marketing Franchise Act, which provides no protection in respect of premiums (that is, key money or payments for goodwill). What do we find the oil companies doing to South Australian petrol resellers? For some time they have been writing to petrol resellers telling them that when their lease is due for renewal in 1989 they will have a great new deal offered to them; there will be no more leases because of the provisions of the Commercial Tenancies Act. There will be franchise arrangements to catch the provisions of the Federal Act.

What is occurring? The oil companies are using their enormous market power to go back to a practice which this Parliament in 1984-85 said was unfair—the payment of key money and goodwill for entering into a lease. The Commercial Tenancies Act prohibits the payment of goodwill in respect of the sale of a business unless it is with the consent of the Commercial Tribunal (and that consent would be sparingly given if at all). The Act also prevents premiums and key money from being demanded when tenants renew their lease.

The oil companies are using their market power in this way, first, because the rental level is \$60 000 (once the figure is beyond that, one escapes the provisions of the Commercial Tenancies Act). So, there is a strong incentive on the part of the oil companies to force up rents to above \$60 000, and this practice is happening not only in shopping centres but also to petrol resellers.

There is an urgent need for the \$60 000 level to be increased to a minimum of \$120 000, because it is estimated that by 1989 most petrol resellers will have exceeded the \$60 000 annual rental. Therefore, at present the oil companies have an incentive to raise the figure over \$60 000. However, that is only one issue. Many tenants are paying nowhere near \$60 000 a year.

The market power of oil companies is being demonstrated in the way in which they are packaging these new, so-called franchise deals. I have been presented with several situations. There was a certain security of tenure given to existing

leasehold tenancy arrangements under the Federal Act which was passed in 1980, which security of tenure will run out in about 1989. The oil companies are using their market power to tell the petrol resellers that they now have this great new deal coming their way by way of franchising. No longer will there be commercial tenancies arrangements—there will be franchising. What does one find when one starts looking behind these so-called great franchise agreements?

We pick up the Federal Act, get outside the Commercial Tenancies Act because it is now a franchise which is caught by some provisions of the Federal Act, and the small petrol reseller is now caught with demands for premiums, key money, and goodwill on the sale of the business. I have been shown situations in which two petrol resellers have been told that when their leases come up for renewal in 1989 under this new franchise—which will be in their interests, they are told—one will have to pay \$30 000 just to keep his site. This applies to country areas as well: there is no discrimination between metropolitan and country. Another is told \$16 000. These are premiums, key money and goodwill. These are practices that this Parliament said were iniquitous back in 1984-85.

By some amazing coincidence, I gather that the bulk of the major oil companies just happen to bring down this new deal at the one time. One large oil company writes to its stations saying:

As from 1989 you will be on a franchise licence operation picking up the provisions of the Federal Act, and there will be a premium payable to the oil company. That premium will be \$16 000. Based on the going rates for assignment of service stations, we consider the amount of \$16 000 to be a very reasonable figure.

That is for someone who has worked in a business and built it up for a decade. Now that person has to pay \$16 000. Another oil company sends a telex saying:

It is our intention to require a lease premium on the granting of a new lease, but the size and conditions of that premium have not yet been determined.

Why should someone have to pay a premium to continue his business? Why should one have to pay a proportion of one's goodwill? Why should one have to pay a proportion of key money when, as a small reseller, one has spent many hard hours in the business with one's family? The retail marketing manager of another oil company, in a circular to that company's petrol resellers or dealers, says:

We therefore intend to continue our approaches to individual dealers to offer new tenancies on the basis of a lease premium calculated in accordance with the guiding principles which are outlined in my earlier letter.

It continues:

The premium levels established by the policy are based on commercial criteria and are well below current goodwill payments. Another oil company packages these franchise agreements and is calling it the 'team pack'. It has all these great services including training and all sorts of things, and when one examines the team pack one finds, right at the end of the material, 'Initial accreditation fee'.

**The ACTING SPEAKER (Mr Duigan):** Order! Can I ask the member for Hartley, in the remaining minutes of his speech, to bring his comments about petrol reselling back to the proposition that is before the House, namely the Supply Bill.

**Mr GROOM:** Most certainly, I thought I had made that clear. What I am suggesting is that there is a need for reform in this area, and reform means Government expenditure. During the next period of time I would like to see the Government spending money in this area to examine the need for reform. This is one of the areas I believe the Government needs to examine in the context of reform of

the commercial tenancies legislation which involves considerable amounts of Government expenditure. This is very important to small business, and the way in which Government assists and uses its budgetary resources to assist small business. The so-called team pack has an initial accreditation fee based on a calculation of a nominal market value of the site discounted by 65 per cent. It sounds good: discounted by 65 per cent. It is all based on goodwill. This means that one will pay 35 per cent of the market value of one's business to the oil company.

Another oil company writes that it has a great franchise arrangement. It has a cash fee up front and a deferred fee. It says:

The cash fee for entering into your new lease will be equal to the annual average service station rental over the projected contract term. It will be paid upon the granting of a new franchise.

That is a great deal! The deferred fee will be three times the cash fee which, of course, one will pay when one sells the business. A great scheme! Another oil company has another franchise agreement, changing all of the commercial tenancies or leases. Their franchise fee will be specific to each outlet and take account of such things as the value of the business in the market place, the franchise fee, contribution to goodwill, local market conditions, competition and current lease expiry dates. When we add up all of these franchise fees, even if we took the 290 service stations currently on tenancy arrangements—forgetting that there is a total of 478, some of which will be privately owned—if they had to pay out an average of \$30 000 to the oil companies just for renewing their lease in 1989, it will be something like \$8.7 million.

That has to be passed on to the consumer, because the small petrol reseller will not be able to cope with that. Even if we drop the average and say that it might come out at \$20 000 per service station, the oil companies will get \$5.8 million next year—and it is a recurring payment.

*An honourable member interjecting:*

**Mr GROOM:** If the honourable member thinks that this is a joke about petrol resellers, I feel very sorry for him. He has already interjected in relation to small business people and displayed the fact that he does not have any sympathy for small business people. I am sad if the small petrol resellers likewise do not have his sympathy. I hope that the honourable member gets up and tells us that they do have his sympathy. I would be very pleased if the honourable member would do that during this debate.

The fact of the matter is that, even if we drop the average to \$20 000, we are looking at \$5.8 million with a recurring payment every time the business is sold. There is no justification for doing this to small business people and there is a strong case for legislative reform in this area. All I have heard this afternoon from people like the member for Morphet is just mouthing words in relation to land tax—no real action, no real suggestions, no positive policies emanating from members opposite.

The commercial tenancies legislation was not an initiative of members opposite. When they were in Government they had the opportunity, and they whitewashed the whole problem. They brought down a report which said that there was no problem with commercial tenancies or small business people or, indeed, petrol resellers. They left small business people to the mercy of the marketplace. In other words, they left them to the mercy of big business. Members opposite should not forget their history whilst in Government, because they are using these issues for nothing more than political purposes.

There is no doubt about that, because in all of their utterances there is not one positive contribution, with the exception, possibly, of the member for Flinders, who



expressed his concern about country areas in what I thought was a positive way. With that possible exception, to date not one positive policy has emanated from members opposite. Land tax is a problem for small business, and there is no question of that. It is a problem because market forces are working against them. The fact of the matter is that these capital taxes are being foisted on them by big business with no justification. Most of the rentals on commercial tenancies I see are on annual review, which means that one pays CPI increases as well as the rates and taxes.

Council rates are certainly a component of the CPI, and other Government charges also impinge on the CPI, so the small business person pays double. It may be, as members opposite say, 'If you legislate, then it will be built into the rent anyway.' There will be an advantage to small business people if that occurs but, apart from that, it illustrates just how vulnerable small business is. There is an urgent need for legislative intervention to assist small business and redress the imbalance which, once again, has taken place in the marketplace.

**The ACTING SPEAKER:** The member for Mount Gambier.

**The Hon. H. ALLISON (Mount Gambier):** Thank you, Mr Acting Speaker—

*The Hon. B.C. Eastick interjecting:*

**The ACTING SPEAKER:** Order! The member for Mount Gambier has the floor.

**The Hon. H. ALLISON:** The Supply Bill now before us, like all similar documents over the years, is relatively bland. Unfortunately, it gives no indication of how funds will be applied to assist those in our community in greatest need, and I do not think that any of us would doubt that there are many in that category. First, I advert to the member for Hartley's comment that the period of the Tonkin Government should be subject to stringent criticism. One has only to look at the 1982 revenue income of \$2 billion and compare it with the present Government's revenue—just five years later—of \$4 billion to realise the tremendous comparison between the two Governments: one managed well and lived frugally, while the current Government is spending extravagantly and raising taxes excessively.

It was pleasing to hear the member for Hartley admit that big business was oppressing small business. In these days big business is almost synonymous with the term 'friend of Bob Hawke, the Prime Minister'. There is no doubt that big business in Mount Gambier, in a letter which was issued to tenants of a supermarket, virtually declared war on small business. It instructed tenants to trade on Saturday afternoons and also said that the main aim of tenants should be to remove business from Commercial Street, which is the heart of the small business sector in Mount Gambier.

So there is little doubt that the member for Hartley completely and quite deliberately misunderstood my remarks when I asked him whether he supported big business which, after all, is a substantial friend of the Labor Party. The member for Hartley also misinterpreted my remarks when I said that, while big business was an oppressor of small business, Governments were not. One has only to look at the excessive number of rules and regulations and charges imposed on small business by the Labor Party to realise that both big business and Government are working very closely together to disadvantage small business.

I return to the subject in hand—the Supply Bill. A random selection of groups in our community which are experiencing difficulty would show that in 1982 the Education Department received 33 per cent of the budget. This year I

believe that a little over 20 per cent of the Labor Party's budget will be allocated to education. Teachers have been striking and there are threats of further strikes as a result of dissent about salaries and working conditions. In the Department for Community Welfare, which must bear a tremendous burden of public appeals for assistance, there are cries of inadequate staff and shortage of funds to cope with the impoverished people in our community.

In relation to hospitals, there was a headline in the *Border Watch* following the 1987 budget stating, 'Hospital funds slashed'. Most hospitals have been working to reduced budgets over the past 12 months. In the *News* today we see the possibility of speech therapy being reduced for very needy children. We are also told that more and more Housing Trust tenants are to be encouraged to buy their own homes—a promise which was ridiculed when it was put forward at the last election by the Liberal Party. However, it has now been espoused by the present Minister of Housing and Construction who realises that funds must be obtained from somewhere to provide housing for the homeless.

A letter which arrived in my mailbox only today from conservationists was headed, 'Staff our Parks' and it asks for additional staff. Of course, there is always the risk of inadequately staffed parks giving rise to bushfires, as happened when the 1983 bushfire hit the national park near Furner and literally exploded into the South-East. I think it is quite obvious to all members that the Government is presiding somewhat uneasily over a troubled South Australian community.

I might as well get something off my chest because I know that at some time or other the Premier or one of his minions will say that I asked for funds for Finger Point and for the Mount Gambier Hospital: \$6 million for Finger Point and \$12 million for the Mount Gambier Hospital. I remind the Premier that the budget in 1982, when he promised to construct those two projects, totalled only \$2 billion. The budget this year will raise funds of \$4 billion, so the money available to be spent on those two projects is relatively insignificant. Quite apart from that, I point out that I did not ask for a new hospital—it was promised by the Minister of Health in 1982 and again in 1985. The hospital needs upgrading. In spite of the Premier's promises that there would be more work in the community, his promises were in fact designed to put me out of work. We are now five years down the track and Finger Point has not yet been constructed and the hospital renovations have yet to commence. By referring to those two projects I am simply accepting the promissory notes from the Premier and the Minister of Health from the 1982 and 1985 elections and asking when they will be paid. I am simply acting on behalf of my electors.

Other members have reminded the Government that excessive taxes, which are rising at a very rapid rate, are not desirable. However, there are other facts, which I will deal with in turn. I refer to the number of people in the community who are striking trouble. Recently the Premier said that Government charges had been kept at or below the CPI rate over the past five years. We all know that that is not the case; taxes have risen from \$552 million to a little over \$1 billion since 1982. The CPI index obviously has not risen at that rate: it has not doubled. Government expenditure has risen steeply since 1982. All of this has occurred despite a number of factors, not the least of which is stabilisation of the wages paid in Australia.

Another important factor is that South Australia has lost some 50 000 students to the Government sector of the education system in the 10 years from 1978 to 1988. Very few new schools need to be built, which saves capital

expenditure. Given the stabilisation of salaries and the great diminution of student numbers one would have thought that there would be a great possibility of the Government reallocating funds elsewhere without having to raise a large additional amount through taxation. That simply has not happened. Australia and South Australia have raised taxes consistently above the CPI to an extent where it is now recognised that Australia has one of the biggest rates of indebtedness in the world third only to those two countries in Central and South America, Mexico and Brazil.

*Mr Tyler interjecting:*

**The Hon. H. ALLISON:** The honourable member has led straight into my next point, that is, Government expenditure. South Australia has been borrowing its way into debt to the extent that where a little over \$100 million would have paid the interest bill some 10 years ago we are now paying \$500 million in interest annually before we can start to service the public. We are placing an ever-increasing millstone around the necks of our future taxpayers—the children of South Australia; your children and my children.

Of course, the third area of debt is that incurred by big business borrowing overseas and by each individual who is given \$1 000 or \$2 000 in credit on a credit card, who can borrow through banks or other agencies and is repeatedly told that as an individual he or she can obtain finance very easily without being reminded that large stores, for example, have almost without exception no established separate credit finance departments and are charging annual interest rates of somewhere between 21 and 23 per cent, that is despite the fact that the interest rates generally across the Western world have fallen to an extent where one can now obtain a housing loan at between 13¼ per cent and 13½ per cent. Again, big business is profiting at the expense of individual purchasers in the community. I believe that that should be looked at. I predict that during the coming year the super stores will generate some very handsome profits simply because they have not reduced their interest rates to match the reduction in interest rates in housing and elsewhere.

Savings banks are gaining increasing funds, accumulating funds, because of the lack of confidence following the stock market crash, yet we have big business, including the banks themselves, saying that they are going to start charging individuals for every single transaction, and that bears inspection. Bank and big business profits are not diminishing and that declaration of war on small business was really looking to gain an additional 3 per cent of business across the board to the large stores from the little commercial traders. My sympathy, despite what the member for Hartley might have inferred, is wholeheartedly behind the small traders in my electorate. They deserve all the help that they can get.

**The ACTING SPEAKER:** Order! I remind the member for Mount Gambier, as the member for Hartley was reminded at the same stage, that it is necessary to address his remarks to the Bill before us, which is the Supply Bill providing for the continuation of Government services.

**The Hon. H. ALLISON:** Thank you, Mr Acting Speaker. To a large extent I was rightly or wrongly responding to the misplaced taunts of the member for Hartley. It was about at the same juncture that he was called into line. I thank you for your reminder that I should be discussing the Supply Bill. To that end it is obvious that this Labor Government is going deeper and deeper into deficit. I recently referred to the \$500 million which will have to be paid in interest repayments alone on past borrowings, and obviously we are borrowing our way into trouble, and that is one of the reasons why so many of my colleagues have put forward the positive suggestion that we should be trying to restrain

Government expenditure because, in the long term, it is going to be our children who will be paying for our extravagances.

I wondered who the Government was going to help with the \$700 million that we are now making available for supply. Today we heard that about 10 000 people in South Australia are living below the poverty line. I would suggest that that is an area where money could well be spent. I believe that the 10 000 is a modest estimate, and I have been informed by charitable agencies in my own electorate that never have they experienced poverty like we are now experiencing since the 1930s. While that may seem an extravagant statement when there is affluence around on the surface, I would advise any member who denies that there is poverty around simply to walk around his electorate, talk to the women's shelters, the community homes and the business people.

Fewer people are spending money; more people are incurring debts; it is harder to get people into court and obtain a court judgment for recovery of debts; and more business people are facing bankruptcy and going bankrupt. Generally, there is a lot of poverty simmering just below the surface, with a great number of people too proud to admit that they and their families are probably eating less well than they should be.

The mortgage belts to the north and south of Adelaide which were responsible for dismissing the Tonkin Government have accepted the 16 per cent and 17 per cent mortgage rates which until recently were the norm and, even though mortgage rates have come down to around 13.5 and 14.5 per cent, they are working fewer hours, less overtime, their wages have been pegged, they pay higher State and Federal charges and taxes which have increased beyond CPI levels, as we said before. They are paying higher bank and credit charges for the money they borrow for the debts that they get into.

Food and clothing costs are rising almost weekly. Those members who do any shopping in supermarkets or in the stores down the street will find that rarely do charges go down. They are always climbing up. The marks on the tops of cans are almost invariably escalations, and it is harder to check the rise in costs because the photographic strips that go over the automatic machines cannot be read and, unless one checks the price on the racks, consumers can go to the counter and find that they are paying \$10, \$15 or \$20 more for their grocery bill than they imagined. It is a subtle way of coaxing people into buying without letting them know the price on the article.

**The Hon. B.C. Eastick:** What's the flavour of the Governments presiding over this?

**The Hon. H. ALLISON:** As we said at the outset, it is the Labor Party Government at State and Federal level predominantly in Australia who have seen this sad state of affairs emerge, and I thank my colleague for reminding me of that. Charitable organisations tell me repeatedly that neither they nor the Department for Community Welfare (the Government agency) can meet the requests for food, clothing and finance that are being made daily in both the city and country regions.

That means that people sent away empty handed will do without accommodation, will doss down anywhere they can, will do without food, clothing, transport and will make the best of things, but they will not be happy, and the Labor Party will be recognising that fact resulting from the polls that have been taken in recent weeks (not to mention political results). Also, the Federal Government has won back, as a result of budget decisions in 1987 \$1 billion in withdrawn social security benefits. Some of those would

undoubtedly have involved frauds that were detected relating to people obtaining pensions under false pretences, but many people I would never associate with acting falsely are visiting my electorate office and saying that the Federal Government has made it more and more difficult for them to obtain assistance in their declining years.

I am talking about people aged 60, 65, 70 and 80 years who thought that they would retire in relative security, but who are being hit by increasing attacks from the Federal Government and its social security police squad. So, however much money the Federal Government has won back by reducing pensions and social security benefits, it will be at a social cost. There is little doubt about that: less money in society, and less money in industry and commerce. Workers around the country, those who are living not on high incomes but on moderate to low incomes, are protesting increasingly. There are more genuinely poor people in our community now, I say, than there have been since the 1930s.

All of this may not seem so relevant, but let us not forget that in 1982 and 1985 the Government came to power on promises of more jobs and lower taxation. In 1985 we were promised a tax freeze, housing trust rent freezes, but these tended to be ephemeral; more temporary than permanent; and more imagined than real, with a 32 per cent increase in Housing Trust rents since then, the member for Hanson reminds me.

Those promises were made to win government. The Labor Party won government and now it is having its chickens come home to roost. The facts are that, despite all of their grandiose promises, those promises have not been met. Included in the commitments were lower taxation or tax freezes, more employment and better health services. What do we have? The reality is that the Department for Community Welfare is struggling to cope with a massive problem. There are long delays in the provision of some health services and there is a great inability of pensioners and low to middle income earners to cope. These are today's problems, and these are the issues confronting members opposite, I am sure, who have been very quiet during the last 20 minutes, daily in their electorates. These are the issues—not Telecom—upon which the Labor Governments of the day will be judged.

**Mr BECKER (Hanson):** Legislation such as this is brought in generally at this time of the year to provide sufficient funding for the Public Service for the first few months of the next financial year. It has always been a principle and policy as far as I am concerned that we have our budgetary documents around the wrong way. I have always believed that the budget for the next financial year should be produced early in the February session and passed through the Legislature before the end of June. If we did it that way, the whole of the budget would be tackled and there would be no need to have a budget session come August-September when the process passes through the Parliament and the various Government departments are not aware of their true budget until October or November.

*The Hon. H. Allison interjecting:*

**Mr BECKER:** As the member for Mt Gambier says, we are debating nothing. All we are doing is giving the Government the authority to pay the bills and the Public Service for the first few months. We really have no idea how far \$700 million will go—no idea at all—and that gives the Government breathing space while it processes its budget documents. It is high time that, somewhere within the parliamentary system, Federal Governments and State Governments got their acts together. I believe that the Federal Government is moving towards this system. It appears to

be claiming again that it will bring down a mini budget within the next few weeks. In actual fact, the mini budget turns out to be the budget, because it is either a good news budget or bad news budget and, when it comes to the real budget session, the Government of the day will play politics with it. This State will do the same thing when the next State election is called.

I think the whole thing is a sham, a disgraceful waste of parliamentary time and the sittings of this House. We should be considering the next budget. At the same time, the Constitution of the State should be amended to give Parliament the right to amend the budget. It is absolutely ridiculous that Parliament cannot amend a budget allocation. Parliament should have the right to debate it and examine the various departmental heads, as we do through the Estimates Committees, and then make a decision whether or not the department should have that money. That process is used in other democratic countries. I cannot see why we cannot do it, because our budgets are far smaller in monetary terms than are those of those various Governments. A lot of thought needs to go into the economic handling of our budgetary process, but it is too much for our bureaucrats—they could not work it out. That is why we need strong committees like the parliamentary Public Accounts Committee.

The \$700 million represents an 8.5 per cent increase on the \$645 million that was allocated last financial year. If we take the current rate of inflation, estimated at 6.2 per cent for the next financial year, the Government is sticking to one of its principles that it has maintained for some time, and that is to continuously exceed the rate of inflation. It is very interesting to note in the *News* this afternoon, under the heading 'Inflation rate easing', an article that states:

Australia's inflation rate should decline to an annual rate of about 6.2 per cent by the end of 1988 and another slight decline is possible in 1989, the National Australia Bank said today.

NAB said in its monthly economic publication, 'The Economy current conditions and Prospects', the 6.2 per cent forecast was based on the Australian dollar remaining in its present trading band of around US 70 cents.

It is about 72c at the moment. The article continues:

The bank said the lower inflation would continue to a better economic outlook for 1988 than was first predicted after the October share market crash.

Let me assure the House that we have not seen yet the impact of the share market crash. I do not think anybody understands what will really happen; I would not be one to become complacent. There will be some good company results issued in the next few weeks by leading Australian companies, and then we will go through the horror period of the various companies and individuals paying their provisional income tax, a run down in funds, and interest rates will go up. Then there will be the true test of the impact of the mini budget from the Federal Government, the confidence of the community and overseas investors as to whether Australia will slide into a recession or a very tight economic situation. I hope we do not have a recession. I hope we do not have a depression, but it means that the Federal and State Governments have to be very careful in handling their finances.

It is interesting to note that this State, along with New South Wales, has maintained the situation, as it did last year, of exceeding the rate of inflation by several percentage points. In actual fact, last year New South Wales and South Australia exceeded recurrent spending by 11 per cent, so it was somewhere in the vicinity of three percentage points in front. It is also interesting to note that in this current financial year the Federal Government reduced its budget expenditure by 1 per cent. Every State followed the same

principle except South Australia. Again, South Australia increased its expenditure, holding firmly to the policy line of the ALP to increase expenditure rather than cut programs or reduce expenditure—a firm principle and policy of the ALP. It is just not accepted by anyone else. Everybody knows it will be a recipe for disaster if it continues. The Government must be aware, as must the Federal Government, that inflation is the key to the recovery of this country. Not enough is being done, nor is this State playing its part, in attempting to reduce the rate of inflation. Let us look at FACTS, the Institute of Public Affairs publication of December 1987-February 1988.

*The Hon. J.W. Slater interjecting:*

**Mr BECKER:** In an article headed 'How do we compare internationally?', and for the benefit of the member for Gilles I will quote the following inflation rates at the time of publication, it was stated:

Australia, 8.3 per cent; Canada, 4.5 per cent; France, 3.1 per cent; West Germany, 0.9 per cent; Italy, 5.3 per cent; Japan, 0.6 per cent; Sweden, 5.1 per cent; Switzerland, 1.9 per cent; UK, 4.5 per cent; US 4.3 per cent. Average for nine economies, excluding Australia, 3.4 per cent.

Australia is not doing extremely well on the inflationary front. In actual fact, I believe we are ruining this country by allowing it to continue, and we are selling the country down the drain.

*The Hon. J.W. Slater interjecting:*

**Mr BECKER:** One simple answer is to put the brakes on expenditure and try to increase the productivity of the nation. Let us look at what is called the 'misery index'. The article continues:

One measure of an economy's health, popularised by the *Economist* magazine, is 'the misery index'.

The *Economist* magazine is not one that is recognised as an ultra conservative magazine. Hugh Hudson used to use it a lot. It further states:

This simply adds together the inflation and unemployment rates. By this measure Australia appears to be the second most 'miserable' place of all the major industrial economies.

The 'misery index' is as follows:

Italy	19.6
Australia	16.5
UK	14.3
France	13.6
Canada	12.9
US	10.3
West Germany	9.9
Sweden	6.8
Japan	3.4
Switzerland	2.6

I hate to think that my country is included in the 'misery index' and is the second highest of all the nations mentioned. I like to think that Australia is a wonderful place and that South Australia is even a better State than any other State in the nation, and it should be better managed and better controlled economically.

Let us look at the performance of the Government. We have probably the worst Premier I have witnessed in 18 years in this Parliament. We have probably the weakest Premier—

*Mr Hamilton interjecting:*

**Mr BECKER:** Well, the member for Albert Park has to remain loyal to his Leader and he dare not criticise anything. Let us face the facts of life. I do not recall that he was here when Don Dunstan was Premier of South Australia. On many occasions, I stood up and was critical of Don Dunstan, but I give him credit where credit is due. He knew what every one of his Ministers was up to. He knew the background of every portfolio in his ministry. If you asked Don Dunstan a question on any portfolio, he could stand in his place in this House and answer confidently, because

he knew what was happening in his Government, and we did not hear any talk about left, right, centre, middle or whatever it was.

Dunstan led his team. Ask the present Premier a question on any portfolio in his Government and he has to pass it down, usually to the Minister of Labour. So, one wonders what exactly is going on. The success of any Government can be gauged by the performance of the Leader of that Government in this House and I am sorry to say that it is the worst I have ever witnessed. We are going through the worst period of any Government that I have witnessed in 18 years. This means that the people of South Australia are being hoodwinked into believing other than what is really happening within their own State.

There has been a tremendous amount of effort by the Government—I give them credit for that—to talk up the economy of the State and say how great the State is. I have always been suspicious of campaigns that talk up how well a Government is performing. They are entrepreneurial types of activities. We know what has happened to the entrepreneurs of this country in the last few months, for example, Holmes a Court, Sir Ron Brierley and John Elliott. Do not ask me how Allan Bond survived; I would hate to pay his interest bill because some of these companies pay as much interest as we do in South Australia.

**The ACTING SPEAKER:** I remind the member for Hanson, as I have reminded the members for Mount Gambier and Hartley at about the same point in their speeches, that he must return to the proposition before the Chair, namely, the Supply Bill.

**Mr BECKER:** That leads me to my next question, which relates to the interest rates and the debt of this State. Before the Premier came to power he said he would initiate productive expansion of public sector activity and, if possible and if necessary, direct job creation. In the event, the Premier did create more jobs, because unemployment was high and the Government had to be seen by the party to be doing its bit to reduce unemployment. He was bound by the policies.

Since he came to power the Premier has increased the number of full-time public servants by 6500. The source of that information is the budget papers for 1987-88. In the last financial year the number of employed persons in the South Australian Government increased by 3 600, or 3.3 per cent, which was the highest rate of Public Service growth of any State. Under the Tonkin Government the Public Service was reduced by not replacing those who retired, creating a lean, efficient public sector, but it was sabotaged by the whingers and grizzlers who are now on the Government benches. I hope that soon they will be back on this side of the House whingeing and grizzling again.

The extra cost to the State budget of Bannon's increase in the number of public servants is estimated to be \$180 million a year. If the Premier had maintained public servants at the number handed over to him by David Tonkin, he would now have saved \$700 million in public costs, cut the annual deficit in half and be saving \$85 million a year in interest. That \$700 million is the amount that we seek to pay the Public Service in the first few months of the next financial year. So, despite the additional public servants on the Government's payroll, unemployment remains as serious as it was in 1982.

Under Bannon, the size of government has increased, whether measured by numbers of employees or money spent. Tonkin spent \$2.9 billion on government in his last year, but the Bannon Government spent \$4.4 billion in 1986-87. Growth in government has thus been 47 per cent in money terms in the last five years. In real terms—the amount

above inflation—the rate of growth has been 4 per cent a year since the Premier came to office.

Let us look at the total amount of expenditure by the various Governments in South Australia. For the financial year 1978-79 Government expenditure was \$3 727 million; in 1979-80 it was reduced under the Tonkin Liberal Government to \$3 565 million; in 1980-81 it was \$3 592 million; in 1981-82 it was \$3 499 million; and then we come to the new regime. In 1982-83, the first financial year of the Bannon Government, expenditure climbed to \$3 826 million; in 1983-84 it was \$3 986 million; in 1984-85 it was \$4 118 million; in 1985-86 it was \$4 331 million; and in 1986-87 it was \$4 423 million.

That huge climb in Government expenditure put pressure on the borrowings of the State and increased the interest commitment. That is what the people of South Australia do not accept. They do not accept that in 1986-87 South Australia had a deficit of \$496 million—the highest deficit since 1978. As a consequence, South Australia's net debt increased to almost \$4 000 million. Holmes a Court had debts of around that amount and we know what he did and how he suffered in the share market drop. I hope that the value of the Australian dollar does not hit this Government like the share market crash hit Holmes a Court, because we will see not only a recession, but the worst depression that this country has ever witnessed. I do not want to see that for my people in South Australia.

What concerns me is that in 1983-84 only 12.2 per cent of the current budget outlays went to service debt in the form of interest payments. The budget papers forecast that for the 1987-88 financial year \$575 million will be the budget sector interest cost, which will consume 16.4 per cent of the recurrent outlays. About \$1.5 million a day is being spent by this Government on interest. When he introduced this legislation, the Premier, in his speech to Parliament, said:

At this stage of the year it is expected that the overall outcome on Consolidated Account may show some deterioration in relation to the estimate. However, it is too early to estimate how significant any discrepancy might be.

He went on to warn us:

It is too early to estimate the likely impact of the second tier wage determination. Members will recall that no specific provision was made in the budget on the basis that increased productivity would offset increased costs.

What happened in Treasury? What was Treasury doing when it framed the last State budget? What was it up to? Did it not continuously communicate with Canberra? Did it not use logic in framing the budget and making provision for wage and salary increases? Was it not looking at the impact of productivity? I think that the South Australian Treasury has erred by not warning the Premier and not making provision for wage and salary increases—did it really believe that this Government, with its record spending policies in the past years, could absorb those costs?

**The Hon. B.C. Eastick:** Do you think the Premier would have taken regard of the advice he was given?

**Mr BECKER:** I do not know. I do not know if he would understand it. That is why I said earlier that we are living under probably the worst Premier when it comes to economic matters. Any financial questions that the member for Light or I or any other member on this side of the House might ask seems to provoke very blank, vague answers. That is the big difficulty. We do not have somebody on the Government side who understands economic policies. The member for Hartley tries to understand and grasp the situation as far as the budget documents are concerned. He is the only one who shows some interest. We see him there on 'Cobweb Corner', and it is a tragedy

that his talents are not being used by the Labor Party, but that is the Government's problem.

**The ACTING SPEAKER:** Order! The honourable member's time has expired.

*[Sitting suspended from 5.59 to 7.30 p.m.]*

**Mr GUNN (Eyre):** I am pleased to have an opportunity to briefly participate in the debate on this Bill, which appropriates some \$700 million towards the general services of the State of South Australia. I am particularly concerned that some of that revenue will not be appropriated towards two important areas: first, rural reconstruction; and, secondly, the Vegetation Clearance Management Authority.

In relation to rural industries assistance, across this State and nation there is an urgent need for adequate financial resources to be provided to those sections of the agricultural community that are facing great difficulties through no fault of their own. This country has to understand and appreciate that we have had an effective and efficient agricultural based economy. Our agricultural industries have been successful because the people have worked hard, have applied themselves to new technology and have had the benefit of an orderly marketing system for primary producers. This has allowed the producer some equality on the open market.

Unfortunately, in certain sections of this country there is a great mania to deregulate and there is talk about deregulating activities under the control of the Australian Wheat Board and other instrumentalities associated with agriculture in this State. Having been personally associated with the rural industry all my life, and having had the privilege of representing a large section of some of the best agricultural country and a lot of the marginal agricultural country in this State, as well as the vast pastoral holdings that are so important to the economy of South Australia, I state clearly my views. It would be a disaster for this nation if those people who see for themselves a quick dollar at the expense of the general agricultural community deregulate this country's market structures.

I place on record that in no way will I personally be party to supporting a continued attack on the statutory marketing organisations in this country: the Australian Wool Commission (which has put a ceiling on the price of wool and has been an outstanding success); the Australian Wheat Board; the Australian Barley Board; and the other statutory marketing organisations. That is not to say that there is not always room to improve those organisations' structures and methods. Our farmers have been able to dispose of their goods on overseas markets that are subsidised, protected and supported by their respective Governments. We have been able to guarantee supply and quality, because we have had an effective farming industry, just as we have had an effective mining industry. With all the competing forces with which agriculture in this country has had to contend, it is essential that both the State and Federal Government recognise that the value of rural production is worth over \$1 700 million to this State's economy.

**The DEPUTY SPEAKER:** Order! I take it that the honourable member is developing an argument that relates to the Supply Bill, which is the matter before the Chair. I can see that he is perhaps moving that way. If he is not, I remind him that the Bill in question is the Supply Bill.

**Mr GUNN:** Certainly. I listened very carefully to your earlier rulings this afternoon and I am attempting to develop my argument in relation to the State Government's lack of support towards the Rural Industries Assistance Branch of the Department of Agriculture. From \$37 million last year that support has been reduced this year to \$11 million, and that will cause great difficulties. I am advocating that some

of that \$700 million that the Premier will appropriate be allocated to this branch, because it will, in itself, generate more revenue for the Government, employ more people and be in the long-term interests of the people of this State. There is a sound argument for this support.

As an agricultural nation we compete with the protection offered to United States producers, with the massive financial handouts that the Canadian Government is giving its farmers, and with the massive support that the European Economic Community is providing. A few weeks ago I had the pleasure of attending the Agricultural Outlook Conference in Canberra. On the platform were representatives from the EEC, the United States and Canada. The attitudes of those three people were interesting. The American gentleman set about by pretending that the Americans were the good guys, that they put all their cards on the table and were prepared to negotiate everything. Of course, they knew full well that no-one else was either politically or financially able to negotiate.

What the gentleman did not say was that the internal politics of the United States made what he was saying absolute nonsense. The very strong difference of opinion between the American and Canadian delegates was interesting because the Canadian delegate told the American delegate that he must think we were living in weird cuckoo land if he thought we believed that Senator Dole and those other people who are campaigning for the Presidency in the United States would deny themselves the farming vote in the Mid-West. That is why it is necessary for appropriations to include the Rural Industries Assistance Branch, when we see that thousands of millions of American taxpayers' money is going to towards supporting the farming system of the United States, and another sum amounting to millions of dollars is being appropriated in Canada for its farming community. So that there can be no misunderstanding, let us look at what the Deputy Director-General for Agriculture at the European Commission in Brussels said:

I will tell you however why the community will not and can not share that vision. It is because we have another vision, enshrined in the Treaty of Rome, which is to ensure a healthy farming sector in Europe and to provide farmers with a standard of living comparable to that of workers in other sectors. The Treaty of Rome is our basic constitutional document as important for us as the written constitutions of nation states like the United States and Australia. We have 11 million farmers—more than the total economically active population of Australia. In most parts of Europe, farmers are nearer the bottom than the top of any scale of economic prosperity. There is no way that the vast majority could survive in a world stripped of all support measures ...

He continued:

We aim to make CAP expenditure once again a good bargain for the European taxpayer and consumer, as it has been in the past, 27.5 billion ecu, our 1987 expenditure, is an inflated level and a lot of money by anybody's measure (by your measure in Australian dollars, it is 50 billion). However, it is worth noting that this sum would barely suffice to fund the health service of a European country of modest size, and certainly not its social security policy, let alone a credible defence policy. For 11 million farmers, and their dependants, and the untold millions reliant on the upstream and downstream industries, this is not an horrific level of expenditure as it is sometimes portrayed. To take another measure of local relevance, the 320 million citizens of the Community spend less per head on the CAP in a whole year than 15 million Australians spend per head in a single November day, betting on the outcome of the Melbourne Cup horse race.

Those are the realities facing this nation, and I want to go in and bat vigorously for the rural industry. It is estimated that the gross value of rural production in 1987-88 will be \$18.5 billion—8.8 per cent higher than in 1986-87. The forecast is that total costs will rise by 5 per cent to \$15.1 billion.

It is interesting to note that the estimated gross value of our wheat production is down by 30 per cent. The price of wool is up, but that does not mean we will be able to sell it all. The Wheat Board has shown great initiative in building new silos and it is essential that such far sighted policies be continued. It is also essential that reasonable sources of funds are available to help people who face difficulties through no fault of their own. Such difficulties are caused by high interest rates, lower commodity prices, and high Government charges and taxes.

I do not believe that the community in general has a proper understanding of the effects of the capital gains tax on this nation. That tax will result in disaster. The Premier must bear his share of responsibility for it because he went along, weakly, with it. The substantiation cost and the capital gains tax will mean a bonanza for accountants and a disaster for small business and the community generally.

Turning to an important matter about which I am especially concerned, I heard the member for Flinders refer to the problems that are facing people because of the lack of decision by the Vegetation Clearance Authority. In my time as a member of Parliament, I have experienced difficulties with wheat quotas and with the Vegetation Clearance Authority. Clear lessons are to be learned from the experience with the authority. If people are not treated fairly, tremendous problems will be generated for the Government and for the administrators generally. I am appalled as a result of the way in which some of my constituents have been treated, and people from other parts of the State have also complained to me about their treatment.

The Government must consider making an extra \$50 million available so that the people to whom I have referred may receive justice. Just prior to making this speech, I was phoned by a person who told me about the effects of this disgraceful operation. The Liberal Party has a clear conscience in this regard because it was not responsible for the original legislation. People should be careful in dealing with the Government because they may be caught, as some people may have been caught in this case.

I know a person who has been trying to get a reasonable decision from the Vegetation Clearance Authority and, as he could not get anywhere with it, he asked his banker for a loan so that he might expand his operation. He was told by his banker that he could not get a loan because he did not have 80 per cent equity, so where does he stand? Unless the Government changes its operation, people will have no alternative but to break the law because they must survive economically. The lousy deal offered and the protracted negotiations through which they must go to get compensation should be tolerated no longer. It is my aim to have the provisions in respect of the Vegetation Clearance Authority changed so that people may be given a fair go.

I am appalled that the two people claiming to represent the conservation group in this community should be so short sighted, narrow minded and so bloody minded that, as soon as they do not get a decision that is 100 per cent in their favour, they take their bat and go home. If the Minister had any sense of fairness, he would get rid of that pair from the authority. From my dealings with committees, I believe that the attitude of those two members, especially Lange, is appalling. That man has no regard for the farming community. This Parliament has passed too many Acts setting up organisations that sit in judgment on people, and they have no proper right of appeal and no proper representation. I believe that the chairman, under the most difficult circumstances, is doing his best to come to a reasonable conclusion. However, if commonsense prevailed, in most of the cases with which I have been involved the problems

could be resolved and there could be a reasonable amount of land cleared leaving considerable areas in order to ensure that the country is not overcleared.

One farmer who had 16 000 acres wanted to clear 2 000 acres, but he was knocked back. That is a load of nonsense. The amazing thing is the rare plants that seem to appear from nowhere. In another case one of my constituents wanted to clear land and was happy to hand over a block of 2 500 acres.

**The DEPUTY SPEAKER:** Order! The honourable member is in danger of making land clearance the subject of his speech, whereas we are debating Supply. Will he link up his remarks to the subject before the Chair?

**Mr GUNN:** Certainly, Mr Deputy Speaker. I want \$70 million put into the Department of Environment and Planning line in order to compensate people who have been badly treated by the operations of the Government. I should be happy to link up my remarks and speak for another two hours, quoting chapter and verse on every one of these cases. It is not the Minister who has to put up with these people who are on the edge of bankruptcy. He has highly paid public servants, like Lange and Black, who are sitting in judgment on these people. His public servants comprise the opulent middle class who have no regard for the people who built this country and who are not being given a fair go. That is why I am so angry about the whole thing. I have a list the length of my arm and it is time the Minister took an interest in what is going on.

The people who are being treated badly in the way that I have outlined are mostly on Eyre Peninsula and in the Murray-Mallee. Such people have no representation on the Vegetation Clearance Authority. I am sick and tired of representing people in this matter. Such representation is taking time and effort and I am getting no satisfaction. I have every confidence in the chairman who I believe is a reasonably responsible person, but he is often put in an impossible position. Some of the departmental offices try to be helpful. I call on the Minister to raise the sum provided for the Department of Environment and Planning. If the taxpayers of this State wish to maintain the vegetation, they should pay for it and the landowner should be given a fair go, whereas they are not being given a fair go at present.

In the past eight years, three large fires have occurred at Mount Remarkable and in nearby areas. It should be clear to everyone who has been connected with the 385 square kilometres involved in this area that commonsense should be applied. Much trouble, effort and expense has been involved in this matter on behalf of the community, but the time has now come when the manuals issued by the department to the national park officers should be tossed out and another manual written for the local community. Most of the gum trees in the Mount Remarkable area have been killed by fire. As many as 16 bulldozers were required on that Sunday morning, as well as water bombers and hundreds of people. Action must be taken now to maintain firebreaks and limited grazing will be required to control the undergrowth.

Also, there must be controlled burning off. The best people to take such responsibility are those who have lived all their lives in the area and worked the country. On this occasion there is much better cooperation and I pay a tribute to the police inspector from Port Pirie who made a remarkable contribution to this firefighting operation. I also pay a tribute to those people who worked too long to bring the fire under control. That is obviously what has to happen. So, I say to the Government that it will have to provide

adequate money to the National Parks and Wildlife Service to maintain those parks and make them safe.

**The DEPUTY SPEAKER:** Order! The honourable member's time has expired.

**Mr MEIER:** Mr Deputy Speaker, I draw your attention to the state of the House.

*A quorum having been formed:*

*Members interjecting:*

**The DEPUTY SPEAKER:** Order! We will not have a debate from one side of the House to the other. The honourable member for Adelaide.

**Mr DUIGAN (Adelaide):** In the Bill which is before us we are being asked to allocate \$700 million should it be required as from 30 June until such time as the State budget is brought down for 1988-89. I think it important to note that, on all indications, it is very unlikely that the budget estimates and the indication of the budget position that was outlined in August of last year will, in fact, be varied at all. We have been told, in the Treasurer's statement in support of this Bill, that there has been a slight variation on the recurrent budget and on the capital budget, but on the receipt side there has in fact been a slight increase, brought about by three main factors.

The first factor that has been identified is the increased receipts as a result of a better estimate than was originally envisaged in terms of the receipts from Cross Lotto; the second, a slightly higher increase in the receipts available from the Commonwealth; and the third, a slight increase in the receipts from stamp duties, brought about as a result of the general improvement in the property market. On the expenditure side the Treasurer has indicated that the original budget estimate set out in the budget speech of September last year has been maintained and, in fact, Government departments have been required yet again to make more economies in their operation, and again to cut 1 per cent from the operating budget of their departments. So, in regard to the way in which the recurrent budget is to be seen now, when judged against the expected budget forecast in August last year, we can only say that the budget strategy is on line.

Let us also look at the capital budget, which is the other major item of the budget context which is extremely important in terms of this Supply Bill. Again, there has been a slight increase in the funding that is available to the States, mainly through the bicentennial arrangements for the provision of STA buses. Again, the restraint that was indicated by the Treasurer in September, in terms of either a deferral or a slowing down of the capital works budget, has been maintained so that, in terms of the overall budget strategy, one can only say that it has been on course and that it may well be that the money we are being asked to allocate through this Supply Bill will not be needed for salaries in the period leading up to 30 June.

It will therefore only be required as part of the next financial year, which is part of the Government's current financial planning, and will only, therefore, be used to pay salaries in the next financial year. I would have thought that that is an excellent financial and budgetary result, given the circumstances in which we have been operating. The budget speech of September last year set out for us the context in which we had to look at the issues of our recurrent receipts, recurrent expenditure, as well as the items of income and expenditure on our capital budget.

The summary that was indicated to the House by the Treasurer at that stage dealt with the Federal fiscal and monetary restraints; of the need to suppress domestic demand; of the need to reduce import pressures; of the need

to get a better balance of payments position for the country overall, at the same time attempting to reduce the Federal deficit by a number of specific means. Those national or macro economic targets have not changed. That national context which sets for us so importantly the operation of the State's finances still holds. We still as a nation—and the Federal Government as a Government—have the objective of trying to balance the Federal budget, of trying to reduce the deficit, reducing inflation and improving the balance of payments.

It has to do that by one or all of the three mechanisms it has available to it in terms of its area of expenditure. The Commonwealth's expenditure can be divided into three main areas: first, disbursements to the States; secondly, expenditure on its own programs, programs for which they are responsible under the Constitution; and, thirdly, there are the direct payments that are made to individuals, again as a result of their constitutional obligations.

Each of those three areas of major Commonwealth responsibility is an area in which we could have expected to be squeezed and, in fact, where there have been squeezes on the expenditure side in order to ensure the pursuit of those overall macro economic objectives. The first of those is probably the most important as far as the State Government budget and current Bill before the House are concerned, that is, the finances given to the States by the Commonwealth. They have in fact been reduced quite considerably. The contributions that have been made to South Australia by the Commonwealth Government have been reduced in real terms over the past four or so years from \$1.65 billion in 1984-85 to \$1.37 billion in this current financial year; that is, \$190 million has come off South Australia's income as a result of decisions that have been made by the Commonwealth in pursuit of its own overall economic objectives.

Those cutbacks have made a dramatic impact on the decisions the State Government can make and on the context in which it has to address the issues of its own expenditure and address the questions of where it will be able to get its own revenue from, as well as the questions of the increasing demands that are being made on the Government to pick up extra areas of expenditure.

**Mr Lewis:** Is that in 1987 terms?

**Mr DUIGAN:** That is in 1987 dollar figures; that is correct. That is the most important of these programs. The other area affecting South Australia is the cut back by the Commonwealth in areas of its own expenditure, and at times there is an expectation by the Commonwealth and by the community, by and large, that when the Commonwealth withdraws from an area of expenditure the State will automatically pick it up. Unfortunately, that is not the case. One area in which the State is suffering most severely in this respect is housing. The Commonwealth housing budget to the States has been cut back enormously, both in terms of direct funds available for public housing as well as in the loan moneys that are both available and able to be used by the States for public housing purposes. Again, that is having a deleterious effect on the economic environment within which the State has to operate.

There has also been a continuing reduction or squeezing by the Commonwealth in those areas of direct payments to individuals for a variety of payments ranging from unemployment benefits through to veterans affairs and widows benefits. I think that no-one in this House or anywhere else in the community would argue that people should have access to these sorts of payments unless they are duly entitled to them. However, what is happening now is that it is increasingly difficult for people to claim their proper enti-

lements, and many of these people are turning up on the doorsteps of members of Parliament seeking supplementary assistance for rent relief, for food and shelter and for other basic necessities of life; or they are turning up on the doorstep of DCW, which is facing an increasing demand by these people. The budget strategy set out by the Treasurer last September in fact placed emphasis on the very limited area of growth for families and those in need. This indicates, Mr Acting Speaker, a preparedness on the part—

**The Hon. D.C. Wotton:** It's Madam Acting Speaker.

**The ACTING SPEAKER (Ms Lenehan):** Order! I am quite capable of insisting on the correct title. Obviously the honourable member was unaware that the Chair had changed. I do not need the assistance of members of the Opposition.

**Mr DUIGAN:** The State Government placed an emphasis on needy families and children's services in the last budget by boosting financial support in that area by \$4.14 million. Additional funding was provided to maintain and expand services for the frail aged and disabled in their own homes. There was increased financial support for counselling services (particularly in the financial area) operated by non-government agencies for people who found themselves in impecunious circumstances. Extra support was given to home-maker services, to child protection specialists and to those people, particularly children, who were victims of domestic violence. There was also support for the accommodation needs of young people. Those commitments were made by the State Government to pick up what was a shortfall in the Commonwealth's approach to the States and the programs run by them.

The aims of the budget set out last year were fourfold: first, reduction in the overall borrowing requirements to lessen the growth of the interest burden on taxpayers; secondly, a continuation of the effective restraint in spending by limiting the size and cost of the public sector; thirdly, the protection of the State's revenue base; and, fourthly, the redirection of Government spending to benefit those families in our society who were most in need. I have dealt briefly with the fourth aim of the budget, so I will now quickly address the other three areas. The first was reduction of the overall borrowing requirements to lessen the growth of the interest burden payments. We already know that the cost of borrowings made now will be borne by future generations of South Australians, so it has been particularly important to try to fund most of our capital works programs out of our current revenue rather than going into extraordinary debt to fund them.

The State Government has addressed that problem by simply extending the life of a number of programs and putting on the back burner some programs which ideally we all wish could proceed but which, as a result of the inability or impracticality of borrowing now, have had to be further deferred. Some of those projects are very close to the heart of many members in this place, and they include environmental protection programs, health programs, capital works programs for roads, sewage plants or water treatment works. A 'go slow' approach to these programs was one of the few ways in which the debt burden could be reduced on the South Australian taxpayer as a result of this national context in which we work.

One of the other main aims of the budget was to continue restraint in the size of the public sector. Statements have been made in this debate tonight, particularly by the member for Hanson, that there has been a massive increase in the number of public servants in South Australia. I have looked at the most recent annual report of the Government Management and Employment Department where I note



that the number employed under the Government Management and Employment Act as a percentage of all people employed in South Australia has increased from 2.2 per cent in 1975 to only 2.5 per cent some 12 years later in 1987. It has been 2.5 per cent of the work force every year since the Bannon Government has been in office; it was 2.4 and 2.5 per cent for all the years that the Liberal Party was in government. So, as a percentage of all those people employed, the number of employees in the public sector has not substantially increased at all. In fact, a demand has been placed on them to ensure that they cut back both the number of staff and the way in which they run their programs each year. This is not just a cost cutting exercise; it is also an exercise in increased efficiency, and I believe that that is bringing benefits to the State.

The third main aim of the budget set out last year was protection of the State's revenue base. That has been achieved by ensuring that those increases which have taken place in the various charges that have been levied by the State Government and agreed by this Parliament have risen no faster than the rate of inflation. It is important that we maintain our revenue base, otherwise we would be in big strife. So overall there has been a maintenance of the budget strategy set out by the Treasurer some nine months ago. I do not know where the Opposition obtains its information.

The position that it took following the last State budget is similar to the position adopted by the Leader of the Opposition and every member opposite who has spoken this evening. They have said things that they have been saying all year. In fact, in December 1987 the Leader of the Opposition said that the economy was 'at its worst level since the Depression'. The Treasury spokesman, Mr Davis (who wants to stand for the seat of Adelaide, but I doubt whether he will get very far) said in November that South Australia was being 'thrashed in the economic race'. Olsen also said that there was an investment drought in South Australia. Mr Davis also said that the South Australian economy was 'lagging behind everyone else'. I do not know where members opposite obtain their information.

They are not getting it from the State Bank, they are not getting it from the Price Waterhouse surveys of industrial confidence in South Australia, they are not getting it from the ANZ Bank, and they are not getting it from the South Australian Centre for Economic Studies. Those organisations have done an analysis over the last six to eight months of where South Australia is going and the confidence that exists in the South Australian community at large, as well as in the business sector.

In August last year the Finance Editor of the *News* identified major projects that were going to bring great benefits to South Australia over the whole of this year. The ANZ Bank-Chamber of Commerce quarterly surveys for June and September of last year talked about South Australia shining with optimism, that it had entered a positive recovery phase, that the South Australian economy was on the right track even before the crash and that there were indications of a higher level of confidence in most sectors of the economy. 'Most sectors certainly have achieved an optimistic outlook for their activities', said the ANZ Bank report on November 1987.

Unfortunately, I have not time to go into the extensive report just released by the State Bank on the last quarter of economic activity but Mr Marcus Clark, Managing Director of the State Bank, was interviewed by the *News*, as reported in January, and based substantially on the figures contained in the economic report for the last part of 1987. The report 'Racing to a better way of life' reports Mr Marcus Clark, as follows:

There is an air of confidence in South Australia not seen since 1985, despite the October share market crash.

He said:

The past year has provided significant opportunities and challenges for both the State Bank Group and South Australia.

He said that it was important to bring the cost of our production into line with those of our overseas competitors and that this was bringing up fantastic results in a number of significant areas of the South Australian economy. He said:

The rapid increase in exports will, if well managed, provide a substantial long term boost to South Australia.

He said that the State Bank is moving in a number of areas as is Mitsubishi's Magna—these are the positive signs of recovery in the South Australian economy.

**The ACTING SPEAKER (Ms Lenehan):** Order! The honourable member's time has expired.

**The Hon. D.C. WOTTON (Heysen):** The Bill that we are currently debating seeks appropriation for Supply for the early months of the next financial year prior to the bringing down of the 1988-89 budget. The Bill, introduced by the Premier only last Thursday, involved the sum of \$700 million, which is a rise of 8.5 per cent over the corresponding period for the last financial year. This amount, if carried through to a full budgetary year, means that it is two percentage points above the current inflation rate of 6.5 per cent. Much has been said by the previous speaker and other members opposite who have tried to substantiate and back up the policies and directions taken by the Bannon Government.

I would like to clarify for the House some of the matters referred to. On a number of recent occasions I have found it necessary regrettably to express my concern about the irresponsible attitude of the Government in regard to the introduction of higher taxes and charges in big spending and large borrowings, and those are just some of the matters I wish to refer to now. The debt into which the State is getting itself, with the help of the Bannon Government, is giving me more concern than anything else because, as I have said so many times before, it is a debt that will be passed on to our children and their children, and I have a feeling that they are going to have enough concerns without having to pick up the debts that we are putting on their shoulders.

In 1986-87 South Australia had the highest deficit since 1978. Despite all the statistics that have been provided tonight, that is a proven fact. It is a deficit of about \$496 million. As a consequence, South Australia's net debt increased to almost \$4 000 million. The problem with this debt is one that is obviously not recognised by members on the other side, that is, there is no guarantee that the recipients of Government services are the same people who are actually paying for it. That is where it gets down to my concern in regard to our families and our children.

The young, as a group, are disadvantaged because they will be called upon to pay off this extraordinary debt while, at the same time, it is most unlikely that they will receive any of the benefits from the Government expenditure that brought about that debt. We all realise that when we have an increased public debt it usually means bigger government, and there is no doubt that that is what we are seeing under the present Administration. Smaller government goes hand-in-hand with smaller deficits. The size of government is a matter that has been referred to by a number of my colleagues on this side of the House and it is a matter to which the member for Adelaide gave some attention as the previous speaker, but again it is a fact that cannot be denied that, before Bannon came to power, he said he would ini-

tiate 'productive expansion of the public sector activity and, if possible and necessary, direct job creation.' That is a direct quote from *Hansard*.

What has the Premier done? He has created more jobs, because unemployment has increased and the Government had to be seen by its own Party to be doing its bit to reduce unemployment. That in itself is understandable if the Premier is going to recognise that fact. However, since the current Premier came to government he has increased full-time public servants by more than 6 500. Even if we look at the last financial year, the number of employed persons in the South Australian Government increased by 3 600, or 3.3 per cent, which is the highest Public Service growth rate for any State. That is a fact that the present Government cannot deny.

*Mr Tyler interjecting:*

**The Hon. D.C. WOTTON:** It is all right for the member for Fisher on the other side to try to explain the Government out of this situation, but it is a very difficult position that he has to try to substantiate the claims that his Premier is making on that side of the House.

*Mr Tyler interjecting:*

**The Hon. D.C. WOTTON:** They are all Government employees. If we talk about an increase in the number of people working for the State Bank and all of those organisations and Government departments, they are all State Government employees. As has been said before, if we look back at what happened between 1979 and 1982, Tonkin did wind down the Public Service, and he did it by not replacing retirees. He was recognised for creating a lean and efficient Public Service.

*Members interjecting:*

**The Hon. D.C. WOTTON:** It is interesting that we always get that flutter from the other side; they just do not like accepting it. They are very good at fluttering. They just do not like accepting it, but it is the case. It is great on this side of the House to be able to stand up and talk about facts, and that is something that members on the other side have a considerable amount of difficulty in doing when it relates to their own situation. The size of government is of concern to the average person in the street.

*An honourable member interjecting:*

**The Hon. D.C. WOTTON:** Let us not get on to the Bridgewater railway. If I had the opportunity in this debate, I would very much like to say a few things about that. There is plenty I could say about that situation and what has happened on the other side as far as the Government is concerned. Since Bannon came to power, he has increased the number of full-time public servants by over 6 500. The member for Adelaide or anybody else—

**The ACTING SPEAKER (Ms Lenehan):** Order! I ask the House to come to order. It is not within Standing Orders to refer to the Premier by his name.

**The Hon. D.C. WOTTON:** Premier Bannon—and I would challenge any member on that side to deny those figures. The extra cost to the State budget of Premier Bannon's increasing the number of public servants is estimated to be \$180 million in a year. That figure has been stated before by other of my colleagues, but again it is factual information. Despite all the additional public servants on the Government's payroll, unemployment of course remains as serious as it was in 1982, and that in itself is of particular concern. Under Premier Bannon and the present Government, the size of government has increased, whether measured by numbers of employees or by the amount of money that is spent. That is something the present Government cannot deny.

I have been rather interested in the comments that the Premier has made following the defeat of the Labor Party in the Federal seat of Adelaide. One of the comments he made was—

**Mr TYLER:** On a point of order, Madam Acting Speaker, I wonder what the Adelaide by-election has to do with the Supply Bill. I would ask you to make a ruling accordingly.

**The ACTING SPEAKER:** At this point I will not rule that that is a point of order, but I will be listening very closely to ensure that the member for Heysen links his remarks to the Bill presently before the House.

**The Hon. D.C. WOTTON:** I will be delighted to do so, Madam Acting Speaker. I know that members on the other side do not like hearing about their defeat in the Federal seat of Adelaide, but I will say only that I recall very vividly the Premier coming out on the evening of the by-election and telling the people of South Australia that he was concerned that the Prime Minister was out of touch with what was going on in the electorate. I am sure that that is the case, particularly as it relates to the economy and increased taxes and charges, which in turn relate to small business in this State, for example. I wish that the Premier and his Ministers and some of the back benchers could spend a little more time talking to people in small business, talking to people who have families, so that they themselves can recognise some of the problems being experienced by those people.

I was interested to read in today's *News* of a person whom I referred to in this House only a matter of a week or so ago as a constituent, Mr John Graham, who has a small business in the town of Hahndorf. I referred to the House a letter that Mr Graham had forwarded to me expressing his concerns about increased charges and taxes. It was as a result of what I had to say in this House that the *News* reporter went out and spoke to John Graham. Headed 'John has had enough! Dole may be the only relief', the article states:

John Graham has had enough and he just can't take it anymore. Tax, that is with a capital T. The 40-year-old father of two says taxes are 'bleeding' him and he has appealed for help. If there is no relief, he's going on the dole. John reckons the Government has given the 'thumbs down to the small bloke'. He works six days a week and has taken on a part-time job to make ends meet.

The article concludes by quoting John Graham:

Something is unfair. I work seven days a week to pay my bills and help Australia be self productive. But it just isn't working. There is too much bureaucratic waste, too many new taxes.

I am sure that that is the view of the majority of people in this State who are working in or associated with small business.

Another of my concerns is that it is very hard for the average person in the community to know exactly what is happening to the economy, because we have a Premier who spends an enormous amount of time fudging figures. South Australians are entitled to know the truth about our economy, and they are certainly not hearing it from the Premier. Until we have a Government that is prepared to come clean about the problems we face, South Australians will not develop and prosper. We will not create jobs at the rate we used to in the 1950s and 1960s to provide employment for all our school leavers—and that must be of particular concern to every member in this House. I wonder, too, just how much the impact of the stock market crash has been recognised at this stage. I wonder how much the major indicators that have been referred to on a number of occasions by my colleagues on this side of the House have been affected by the stock market crash. That is something we will have to wait for some time to recognise. I have a feeling

that, once that starts to bite into our economy, the prospects will be even gloomier.

I am particularly concerned about a lack of investment in equipment, plant and machinery. Again, if the Ministers and the Premier spent a little more time going around talking to people in industry and small business, they would realise how real is that concern. Only yesterday I spoke to an employer of some 30 people in Mount Barker who told me that he was very keen indeed to purchase new equipment. He needed new equipment for his plant, but he refused to buy when he was faced with paying 27 per cent sales tax and other taxes and charges associated with such a purchase. I suggest that that sort of investment would directly create more jobs in the future because, as my constituent pointed out to me, if he had the opportunity and if he was able to buy more equipment, he would be able to employ more people.

A very key priority must be to turn around the downward trend in investment in equipment, plant and machinery. Until that happens, we will continue to stumble along. As a manufacturing State, we require a high level of investment at this time to maintain our base and to expand into new areas.

The 1987 figures continue a trend that has been apparent since 1982-83, indicating that the Premier of this State has failed the test he set himself when he was elected in 1982. He said then that he wanted South Australia to win, but we are losing the battle to get in front economically and in every other way. There is no incentive to employ in this State. What encouragement does the Occupational Health, Safety and Welfare Act give people to employ more workers? That matter is brought to my attention by people who would employ on numerous occasions.

A number of my colleagues have referred to the problems of land tax being experienced as a direct result of the Bannon Government's intervention. One can consider WorkCover. I wonder how many times Government backbenchers talk to people in their electorates or talk to small business people, at least some of whom must be in their electorates. How many times do they hear concerns expressed by their constituents in small business or larger businesses about WorkCover and land tax? If they are hearing about it they must be very embarrassed and concerned about the effect that their Government and their Treasurer is having on those people.

The Premier of this State would do all South Australians a favour if, in 1988, he devoted energy and effort to the problems of unemployment, poverty, declining health care standards, education, public transport and community services. He would make a greater contribution by looking at ways of decreasing the debt and by making smaller government. I believe that that is what the majority of people in this State want to see from any Party now in office.

**The Hon. P.B. ARNOLD (Chaffey):** Almost on a daily basis the Premier has tried to convince the South Australian public that he and his Government are good managers of the Treasury. One could say that in so doing the Government has, in most instances, had the support of the media in conveying that impression to the people of South Australia. If we look closely at the massive increases in taxation that have occurred and at the downturn in the capital works program and link those factors with the big increase in full-time equivalents in the Public Service, one can hardly come to the conclusion that this Government is a good manager of the Treasury.

During the period that the Bannon Government has been in office it has put on the Government payroll 6 500 full-

time equivalents in the Public Service, costing the taxpayers of this State approximately \$180 million per annum. In fact, during the past five years it has cost the taxpayers of this State something like \$700 million. The Premier is very good at getting up in this House, whenever a member raises the concerns of his or her constituents about the quality of a particular school or facility that is not up to standard, and saying, 'The Opposition, on the one hand, wants me to spend more money on facilities and resources and, on the other hand, it tells me I should be running a tight budget.' The Premier is certainly not running a tight budget when he is throwing away \$180 million a year on additional Public Service employees who by no stretch of the imagination are required.

During the period of the Tonkin Government the number of employees in the E&WS Department was reduced by approximately 1 500. Every three months I used to receive a visit from the now member for Florey wanting to know when I was going to start sacking people and telling me that it was terrible to allow the number of employees in that department to decrease. Although the number of employees in the department at that time was reduced, the services of the department continued on exactly the same and an enormous amount of taxpayers' money was saved. No-one was sacked, as was suggested by the now member for Florey. An undertaking was given at the election prior to the Tonkin Government taking office that no Government employee would be sacked, and that occurred.

However, we reduced the size of some departments by natural attrition and early retirement. In so doing the E&WS Department had a significant reduction of employees, and the service is still being provided. In employing a further 6 500 full-time employees over the past five years this Government has not deemed it necessary to increase the number employed in the E&WS Department. Therefore, the concerns regularly expressed by representatives of the trade union movement, including the present member for Florey, were of no basis or consequence.

Recently we witnessed a protest meeting at Noarlunga, and concerns were expressed by people living in the southern metropolitan area about the quality of water. Those additional 6 500 full-time employees on the Government payroll are not helping solve that problem. Had that \$180 million annually been available to the Government for the capital works program, there would be a real chance that the filtration program would be further advanced than it presently is. There is only one answer to the problems of water quality in the southern metropolitan area, and that is that the Myponga filtration plant be commenced forthwith. This would enable it to be brought on line with an approximate completion date the same as that for the Happy Valley water filtration plant.

I recall the member for Fisher criticising the Opposition the other night for its role in the water filtration program. It is interesting to note that over the many years that that program has been under way half of the plants commenced construction during the three year period of the Tonkin Government. For the Premier to suggest that he and his Government are great managers of the taxation resources of South Australia is very hard to believe.

**Mr S.J. Baker:** They got all the filtration money from the Commonwealth and then blew it.

**The Hon. P.B. ARNOLD:** Not only that but also if the \$180 million a year that is going into employing 6 500 additional employees on the public payroll were to go into a capital works program, many people in small country towns that have no domestic water supply at present would benefit. There is the water filtration program, and the qual-

ity of the water in the Myponga reservoir is probably of the worst quality because of the nature of the surrounding area. The heavy colour of the water is largely the result of the iron bark from the trees and also of the ti tree which grows in the area and gives the water a high colour.

So, \$180 million is virtually going down the drain each year to employ an additional 6 500 people on the public payroll, when all that that is doing in reality is making the unemployment figures look marginally better than they really are. The South Australian taxpayer, who is providing the money, is the one to suffer. The employment figures would be better if the \$180 million went into additional capital works, as that would enable the private sector to employ many of the people currently employed in Government departments.

The Engineering and Water Supply Department is an excellent example of an enterprise in which cost cutting could be undertaken effectively while still maintaining a relatively high degree of service to the consumer. I refer not only to water filtration but also to expenditure on schools, roads and water supply systems throughout South Australia. No-one will ever convince me that employing ever increasing numbers on the Government payroll is a smart move or in the best interests of South Australians. In this regard, I indicate to the Government areas where I believe savings to the Government and to the taxpayer could result and benefits be obtained from undertaking a larger capital works program.

I draw to the attention of members an article from the *West Australian* of 16 January 1988. Headed 'Bid to Cut Meter Costs', the report states:

The Western Australian Government is examining whether costs can be cut by rationalising electricity, gas and water meter readings so that the same person checks all three meters.

That is a logical way to go. Having a group of meter readers contracting with Government instrumentalities and any other organisation that may need meters read seems a more logical and sensible method than having half a dozen meter readers running around the State each reading his or her type of meter. The Western Australian Government is looking in this direction. The article continues:

Its razor gang—the functional review committee—initiated a joint study by the State Energy Commission and the Western Australian Water Authority in November. A committee spokesman said yesterday that the review was making good progress.

That is a commonsense approach whereby significant savings could be made and I believe that this Government should consider this approach.

The matter of land tax has been touched on by other members on this side. This tax is causing enormous hardship and difficulty. Members will recall statements by the Premier suggesting that, if a business finds the going too tough and the land tax too high, it should shift to a lower rental area or a lower rated area. That is an absurd statement. Even in country areas there have been massive increases in valuations that are out of tune with actual property values and these are causing enormous hardship and difficulty for many people trying to remain in business. Such increases are having a dramatic effect and creating enormous problems for local councils that use Government valuations for rating purposes.

As an example, in the Riverland in June 1987, the valuation of a business property was \$112 000. By September 1987 (three months later) the valuation had risen to \$290 000. The owner lodged an objection and in October (a month later) the figure was reduced to \$240 000. The owner lodged a further objection in December (three months later) and the valuation was reduced to \$208 000. It appears that each time the owner lodged an objection, the valuation was

reduced by about \$40 000. If the owner had not lodged a series of objections, his valuation would have remained at \$290 000 and probably increased again next year. The increase from \$112 000 to \$290 000 must have had a terrific impact on that comparatively small business. That is just not on. No-one can survive in those circumstances and it is high time that the Government got its act on land tax together, brought it back to the world of reality, and enabled businesses, especially small businesses, to function with a reasonable likelihood of survival.

Earlier today, the Leader of the Opposition indicated to members a number of areas where it can be clearly documented that the South Australian Government was losing the battle in trying to maintain a viable State. Compared to the record of the Tonkin Government, the term of the Bannon Government has been an absolute disaster. The key indicators reveal that, after five years of Labor, South Australia is headed by all other States in economic performance. South Australia lies either last or second last in nine of 12 recognised indicators. Our State has the worst record in employment growth, building approvals, inflation, overtime worked, retail sales, and bankruptcies, and the second worst record in population growth, new motor vehicle registrations, and private new capital expenditure.

We can compare that with the Tonkin Government's performance in 1982 when the present Premier was relentless in his attack on that Government's economic performance. However, in the last year of the Tonkin Government South Australia was ranked first or second in four of the 12 indicators. The indicators are quite clear and stand up to any test. The comparison can be drawn very easily between the performances of the two Governments. As I said, the present Premier was extremely critical of the Tonkin Government's performance, but when we actually analyse the difference, it made the Tonkin Government's performance an incredibly good one compared with the appalling performance that we now have in South Australia.

However, the Premier has been able to convince the people this State for almost the past five years that he and his Government are good financial administrators. The record shows that that is not true: it is an appalling misrepresentation of the truth, as was pointed out in the speech of the Leader of the Opposition this afternoon. I suggest that everyone in South Australia should look very closely at the figures provided by the Leader of the Opposition, as they will clearly indicate to what extent the people of South Australia have been taken for a ride over the past five years, and it is high time the people of this State realised exactly what has happened to them and to the finances of this State, and the burden which has been placed on future generations, our children and their children. They are the ones who will have to pick up the tab in the end. It will not be the present generation; it will be the next, and they will have to carry the can for the appalling financial management of this Government.

**Mr MEIER (Goyder):** I am pleased to have the opportunity to speak in this Supply debate. At the outset, I say to the Government that there has been little surprise in the fact that it has found itself caught out with respect to the 4 per cent productivity claims which have been made against it. Quite a few speakers pointed out at the last budget debate that the Government was very unwise not to budget for a potential 4 per cent in many areas. The Premier then indicated that it would be on productivity. Questions were asked, and I think I asked one myself, as to how on earth we can get productivity increases in many areas of the Public Service without actually decreasing the number of staff or increasing the time in which they have to work.

Of course, no satisfactory answer was given. Now we find that, many months later, the Government recognises that it has made an error and is having to seek more funds than it thought would have been the case. It just confirms my previous observations that the Government does not know how to handle the economy properly, and I do not intend to go into details on the teachers' claim of 4 per cent productivity or various other groups' claims for 4 per cent productivity, but I trust that the Government will learn a lesson: that it has to budget in time and not leave it until some six months later, which simply exacerbates the problem.

Various worrying factors have been mentioned recently. One which was referred to, I think by the member for Adelaide in his speech, was the need to continue ensuring that a certain amount of revenue was available—and I, for one, cannot disagree with that. However, the Government is very, very cunning and sly in the way in which it is doing it. I am privileged to serve on the Subordinate Legislation Committee, and we are constantly considering many charges that are being increased in accordance with CPI increases.

*Mr Groom interjecting:*

**Mr MEIER:** I will have to diverge for a moment because of the member for Hartley's interjections on a previous Liberal Government's undertakings. Does that honourable member not know that, come the next election, Labor Governments will have been in power in South Australia for some 20 of the past 25 years—and he keeps harping on two or three years of a Liberal Government's office. He is not prepared to accept that his Government has put this whole economy in the mess it is in. It is time that he stopped making those stupid interjections in which he states that one or two years out of 20 seem to have been the years in which our major problems arose.

I used to have a much higher regard for the member for Hartley. In fact, I thought that he was about to come into the Ministry, but he informed us earlier today that he has not got a hope. It looks as though he is not in the Left, he is not in the Centre Left—he is left right out. We are sorry about that.

**The DEPUTY SPEAKER:** Order!

**Mrs APPLEBY:** On a point of order, I understand that this debate is on Supply, and I do not quite know what that has to do with Supply.

**The DEPUTY SPEAKER:** I accept the point of order and ask the member for Goyder to come back to the subject before the Chair, which is Supply. I ask the member for Hartley not to interject and the member for Goyder not to rise to his interjections. The honourable member for Goyder.

**Mr MEIER:** I am happy to direct my comments to the Supply Bill. Prior to the interruption I mentioned that the Government was very sly in increasing charges by the CPI amount. The Premier has been saying, 'We are not going to increase beyond that.' Of course, he has had massive increases in previous years which he does not like to refer to, but between now and the election he is going to keep the rises to the CPI. As a member of the Subordinate Legislation Committee I have noticed that that is the case. However, it is blatantly obvious to anyone in this Chamber and to anyone in the State that no-one has received a CPI increase in wages—no-one that I know. None of the public servants have; none of the average wage earners have. The farmers certainly have not, yet the Government is saying, 'We'll increase all taxes at CPI rates.'

So, taxes are getting much further ahead and we are getting further and further behind. It is surprising, Mr Deputy Speaker—bringing the debate back to the Supply Bill—

that the Government does need the extra funds and is starting to squeal a bit about the lack of funds, because it is ripping the extra amounts off the people of South Australia. I am quite surprised that the Government needs the extra funds. In fact, I think that the Subordinate Legislation Committee will be looking very, very carefully from now on just to see what increases are coming through and whether the Government is continuing to mismanage the economy as it has been to date. Also, it seems to me that, with the Supply Bill, the Government would not need any extra funds over and above those normally required if it was looking at areas in which it can cut out waste. In my electorate there is a school which currently has an enrolment of three or four students. That school caters for students from R to 7. For those three or four students there are three staff members.

The school has a principal and two additional persons who are, admittedly, only part-time. I know that when the Government came to office it said that it would reduce class sizes, but I believe that this is clearly a case where, bearing in mind the wishes of the community perhaps, the Government should have acted a long time ago. It is completely unsatisfactory to have three students in a school which has three staff members. Of course, I will not deny that it is ideal to have one on one, but it is completely unnecessary.

*Mrs Appleby interjecting:*

**Mr MEIER:** The member for Hayward asked whether I am suggesting that the school should close. Despite the fact that it is in my electorate, I believe that that should occur. I believe that resources should be reallocated. However, I think I will have to bring it to the Minister's attention and he will probably say, 'You are quite right, perhaps we should close that school soon' (although that is perhaps overdoing it somewhat). I wonder how teachers are feeling after being told that they might have to increase class sizes and after being told that, if they are sick for up to two days, the school will not be able to obtain relief teachers.

*Mrs Appleby interjecting:*

**Mr MEIER:** The member for Hayward keeps interjecting. I feel very sorry for her.

*Members interjecting:*

**The SPEAKER:** Order!

**Mr MEIER:** My next example is the Balaklava High School, and in this instance I believe that the Supply Bill could have been changed accordingly. For over a year I have been pushing for an air-conditioning unit to be replaced. Various officers have looked at it and a multitude of correspondence has passed between various groups including the Minister, regional officers and me. The Minister kept saying, 'No', but departmental officials kept visiting the school. Finally, the Minister said, 'Money will not become available until next financial year', in other words, commencing 1 July this year. Unfortunately, a person developed a rash and felt sick and, as a result, the principal prepared a press statement and then telephoned the regional office and said, 'I will be releasing this statement to the *Advertiser* in the next day or two but I just thought that I would pay you the courtesy of letting you know'. On that very day a telephone call was received and officers visited the school saying that they had reconsidered the situation and would now replace the air-conditioning unit. Many people wasted their time during the previous year, including me (although I am prepared to accept that as part of my job). I think the other people involved could have used their time better. I have mentioned the department in relation to this bungle, but I think the final responsibility is with the Minister

because I took up this matter with him. Why was this time wasted?

My third example involves an area school in my electorate where again I had to push to have its facilities upgraded. The school had a lot of white ant damage to its floors. During a visit to the school I was warned that if I was not careful my foot would go through the floorboards (but that did not happen). I brought this up during the Estimates Committees and, as a result, money was immediately made available and the school has significantly upgraded its flooring, including new carpet. I do not oppose that but I am disturbed that on a recent visit to the school, after being shown the new carpet and told that \$8 000 had been spent, I was informed that the school had been told that the buildings would be taken away after the first term and new buildings would be brought in.

**Mr Lewis:** You're kidding!

**Mr MEIER:** I am not kidding. An amount of \$8 000 was spent on these buildings yet three months later I am told that it was just a makeshift arrangement, that the buildings would be disposed of and new transportables would be brought in. In fairness, I will not name the school until the new buildings arrive. Once again, the Government could have saved a lot of money. The Government is proceeding in a higgledy-piggledy fashion, not knowing how long it will remain in office following the recent by-election. It was most ironical to read a report that the Government may go to the polls early. I hope that it does, because it will be good to get rid of it.

The other area of great concern to me in relation to the Supply Bill, especially as it seeks an increase in spending, relates to hospitals. Previously the Minister of Health has said that South Australia will receive a new health deal under his administration. Some health deal! If anyone speaks out against the Minister, they are sat on immediately. The Supply Bill provides for a 1 per cent cut from the South Australian Health Commission. If the Premier and the Government are asking for more money, why is it that more money is not going into health? Why is health being cut back? It is not good enough, and it is one area where I believe that additional money should be spent.

How will this cutback affect an electorate such as Goyder? As a result of the 1 per cent cut back, the Balaklava Hospital will have its annual operating funds reduced by \$11 200. Blyth is just out of my electorate but was in the old electorate of Goyder and I had a fair bit to do with it. It will receive a cut of \$7 400. Burra again is out of my electorate, but it is a rural area that needs all the help it can get. In fact, the Ford dealer in that town had to walk out with nothing. Burra receives a cut of \$10 200. Clare is another area just outside of my electorate. I was speaking recently to a person from Clare who told me that many houses were for sale in the town because the economic situation was so bad. What is the Government doing to the Clare Hospital? It is cutting funding by \$16 900. It is disgraceful.

Then we come to the two Mid North hospitals at Crystal Brook and Laura. They have made headlines for some time now because it is fairly obvious that the Health Commission has singled them out either to completely change their status or close them. Crystal Brook Hospital will receive a cut of \$8 400 and Laura Hospital a cut of \$7 200. Again, they are not in my electorate but in the Mid North area, not far away. If the hospitals at Laura and Crystal Brook are closed, the people of these towns will have to use Port Pirie Hospital. Given that fact you would think that the Port Pirie Hospital would receive not a 1 per cent cut but an increase in funds. However, a 1 per cent cut for the Port Pirie Hospital amounts to a reduction of \$86 400.

That is how this Government treats rural people. It is absolutely disgraceful. Yet the Government seeks additional funds through this Bill. Maitland Hospital will have a cut of \$11 600, as will Minlaton; and the Southern Yorke Peninsula Hospital, at Yorketown, will have a cut of \$11 300. If we look at the new hospital on Yorke Peninsula at Wallaroo it, too, will be liable to a cut of \$29 200. That is some incentive for it to operate in the way that it would like in its first year with its new buildings! It is certainly an indictment on this Government that it could not care less about the health situation of people in the country. In fact, it is very interesting to note earlier comments by the Minister of Health, who said that there would be 'a new spirit of cooperation at all levels in the hospital field'.

**Mr Lewis:** 'Do as you're told or we'll clobber you.'

**Mr MEIER:** Yes, I like that one: it is pretty well on the mark. I have had a lot of dealings with various hospitals and I can tell the House that the spirit of cooperation has been lacking for five years anyway, and I do not expect to see any great change. In fact, it would appear that the Minister is much happier to ignore local wishes wherever possible. Indeed, it is interesting that he says, 'Look, hospitals will not close now unless the community wants it.' That is indeed a cunning way to go about it. He will squeeze the hospitals out of existence. Local communities will say, 'We cannot afford to run the hospital any more and it will have to be closed.' The Minister will be keeping his word, and he will say, 'You requested it and I did not close it.' Country people will not take this sort of treatment and they are going to stand up for their rights in hospitals and in many other areas as well.

Time does not permit me to go into the next area that I wanted to traverse, although I conclude by saying that last week's *Yorke Peninsula Country Times* contained a magnificent write-up of Yorke Peninsula hospitals and the possible changes in status that could occur. Yorke Peninsula will be having an area health study this coming year and, rest assured, a lot more will be said when that study is released. For those who are interested in the hospital system on Yorke Peninsula, I suggest that they look at last week's edition, which has a good 1½ pages detailing all the concerns of the various hospitals.

I acknowledge that the Supply Bill has to be passed, but I believe I have pointed out clearly in this debate that the Government is mismanaging many areas of the economy. Many other speakers have pointed out other areas of mismanagement and it is a tragedy for this State and therefore, by implication, for Australia that this Government has not tackled the economic situation as it should have.

**The SPEAKER:** Order! The honourable member's time has expired.

**The Hon. G.F. KENEALLY (Minister of Transport):** I move:

That the time for moving the adjournment of the House be extended beyond 10 p.m.

Motion carried.

**Mr LEWIS (Murray-Mallee):** My purpose in contributing to the debate is to draw attention to a few of the aspects relevant to the \$700-odd million that the Government seeks under this Bill. There is no question about the fact, and the Premier and no speaker from the Opposition has disputed, that there is a rise of 8.5 per cent over the corresponding figure for the last financial year, even though it represents an increase of 2 percentage points greater than the current inflation rate of 6.5 per cent. That comes from a Government and a Premier who claimed that they would keep taxes and charges in line with the CPI—inflation.

So, the Premier wants more money; the Government needs more money to do the things that it is doing, and it is doing them all less well, because it has made an absolute botch of its responsibilities in managing industrial relations in this State. Sure, the Government can say that it has not had any strikes to speak of in comparison with other States. Remember, four States are governed by Labor Governments for however long that may remain so; it is the case at present. We know that the first one to go will be New South Wales, and we in South Australia will not be far behind.

Notwithstanding that point, nonetheless the Government has reduced the level of services it is providing and has failed miserably to get the kind of review of work conditions that was considered to be an essential part of the 4 per cent second tier wage rise awarded through the arbitration system. We hear that against a background that now closed shop stronger unions have publicly stated that they have no intention of accepting anything less—not that they will settle for it, no—than complete indexation. That is in spite of the fact that they, along with the Federal Ministers responsible for managing the economy and anyone else with any insight and understanding of how to manage the economy, recognise that where wages continue to rise and remain ahead of the capacity of the economy to absorb unemployment, we will have the same or increasing levels of unemployment.

We still have a real wage overhang. The only way that we can relieve ourselves of this onerous burden, this malaise, is to open up the labour market and not close it up; make it more and not less elastic; and provide external competition by those Australians currently unable to get work who would be prepared to work in those jobs which are presently unavailable to them because they have to be a member of a trade union to get the job, and the union has decided to ration the demand for that labour by putting the price of that labour, in terms of the unit cost output, so high as to prevent the consumers of the services and goods manufactured by the labour from increasing their demand for it.

That is the simple law of supply and demand at work. The higher the cost of labour, the lower the demand. Labour in this country costs too much. The Government knows that, but it will not do anything about it. What it has done, nonetheless, notwithstanding that the Government seeks an 8.5 per cent increase, which is 2 per cent more than the 6.5 per cent inflation rate for the same period, in Supply over what was required for the same period last year, and notwithstanding the fact that higher levels of taxation are going to bring in receipts well ahead of budget (or that is the current prediction), the Government still cannot provide the same services that are legitimate and reasonable, at least historically.

Goodness knows why that is so. I believe it is because they have not only failed to get any change in work practices that are significant to contributing to an increase in productive output in the public sector, but also they have decided to embark upon expenditure programs in Labor held marginal seats of the metropolitan area to shore up their flagging political position. There is plenty of evidence of that. Before I elucidate that, let me observe a couple of stupid things that have been done in terms of strategies by this Government that the South Australian public will see through.

Over recent months we have come to recognise that this is a 'goods news' Government. Ministers alone make all the announcements of increases in expenditure or new projects relevant to their portfolios, and they make great play and derive maximum publicity from doing so. However, whenever there is anything going wrong in their departments or anything that the Government has decided must be changed

and might be perceived by the electorate as undesirable, the Minister is nowhere to be found. The statements are prepared by the Ministers' minders and they are prepared in the name of the senior Public Service head, the head of the responsible department. The Director of the department or whatever other title that responsible public servant goes by is then compelled to make the public statement, the bad news.

So, it is a good news Government. It is a new trick; it is very deceitful; and the public of South Australia will see through it for what it is. The Government has been guilty of political manoeuvring of the highest order, and it is an exercise which will bring this Parliament and ourselves, as members of it, into increasing disrepute. It is opportunism at its worst.

I want to give some explicit examples of the way in which the money which is being sought by this Government is nonetheless not being provided for the kinds of programs that the Government has given commitments to that affect people with whom I talk, not just because they are my constituents, but because they are also South Australians and they think about these things, whether or not they affect them exclusively and uniquely: that is to say, whether they affect them because they happen to live in the geographic circumstances of Murray-Mallee or because they are just South Australians anyway.

A case in point is the stupid, indifferent, irresponsible attitude the Government has in its health policy and its failure to commit funds, for instance, to control the spread of AIDS. It is about time we recognised that the AIDS virus will not go away. It is about time, also, that we faced the truth and laid the lie to those so-called specialists in the medical fraternity and the biochemistry and pathology fraternity who say that people may not develop full AIDS. It is not true. Indeed, there is no case ever recorded—not one—where there has been a cure or a recovery from the virus. Once it is contracted, inevitably sooner or later the victim will die and the death will be caused by the acquired immune deficiency syndrome.

I believe that positive steps must be taken in order to secure a policy which will help to decrease the number of people being struck down with AIDS. If something is not done soon, more and more Australians will develop the virus through no fault of their own. It is not only the promiscuous, particularly homosexuals and intravenous drug users, who will contract the disease through their irresponsible behaviour, but also innocent victims will contract it in increasing numbers as time goes by. They will either be born with AIDS or they will get it through blood transfusions, skin grafts and the like. Maybe they will get it from a donor who is unaware that they are also carriers of the deadly disease. I believe that the Government should, at the earliest possible opportunity—like tomorrow—announce that the entire population needs to be tested for the AIDS virus and that testing should be compulsory and undertaken at regular intervals in the same way as was done to eradicate TB. There is no question about the fact that sufferers then should be quarantined.

I want now to draw attention to a classic illustration of waste. I have mentioned before in this House that I have been amazed at my discovery that here in the metropolitan area is a very wide range of outlays required to procure a vote on polling day. Here, in electorates which are no bigger than postage stamps in comparison with a map of South Australia, we find that the cost of obtaining a vote varies from, say, 68c in the electorate of Ramsay to upwards of more than \$1 in other cases. For instance, it is \$1.04 in Spence, and it is even higher in some other metropolitan

electorates. In the electorate of Adelaide, for instance, it is \$1.15. In Walsh, it is \$1. Whilst there are electorates, such as Bragg, Chaffey, Hanson, Heysen, Mitcham and Morphett, where the cost of collecting the vote is under \$1, those electorates within the metropolitan area where the cost is more than \$1 are all held by the Labor Party. I wonder why the decision is not taken to rationalise the number of polling booths. For goodness sake, I cannot imagine why it is necessary to have 17 polling booths in Spence.

**Ms Lenehan:** There are probably a lot of old or elderly people who do not have their own transport.

**Mr LEWIS:** Of course you should realise that demographically the structure of the population in age terms in Murray-Mallee is no different, yet our polling booths in Murray-Mallee are anything up to 20 km apart. People are still old, regardless of where they live. It does not necessarily mean that they are irresponsible or incapable of getting their vote in. If you are old or infirm, you can get a declaration vote straight out, and there is no reason why we should not rationalise our outlays in that regard, but the Government apparently has shown no inclination to do that. To illustrate the points I have been making, electorate by electorate, with the number of booths, the number of people who cast a vote in that electorate during the last State election, the number enrolled and the cost of obtaining each vote in those electorates, I have a table which I seek leave of the House to incorporate in *Hansard*. I assure you, Sir, that it is absolutely and utterly statistical.

**The SPEAKER:** On that assurance from the honourable member, is leave granted?

Leave granted.

#### COST PER VOTE FOR THE 1985 ELECTION

District	No. of Booths	Cost of Manning Polling Booths \$	No. of Votes Taken	Cost per Vote \$
Adelaide	14	20 501	17 784	1.15
Albert Park	9	13 356	18 236	.73
Alexandra	32	22 060	20 356	1.08
Baudin	10	19 767	17 684	1.12
Bragg	9	14 758	17 283	.85
Briggs	8	15 076	16 419	.92
Bright	10	15 180	17 960	.85
Chaffey	20	16 341	17 861	.91
Coles	7	12 411	15 868	.78
Custance	47	19 156	17 003	1.13
Davenport	12	15 931	16 861	.94
Elizabeth	7	12 751	15 248	.84
Eyre	47	24 964	15 125	1.65
Fisher	9	16 840	20 100	.84
Flinders	48	24 782	17 632	1.41
Florey	7	14 595	17 425	.84
Gilles	11	15 325	16 922	.91
Goyder	40	28 968	20 774	1.39
Hanson	9	13 097	17 068	.77
Hartley	8	14 483	17 093	.85
Hayward	8	14 453	17 037	.85
Henley Beach	7	14 663	18 242	.80
Heysen	18	14 275	17 552	.81
Kavel	44	24 156	18 832	1.28
Light	19	16 899	18 865	.90
Mawson	9	16 133	17 688	.91
Mitcham	11	17 275	17 448	.99
Mitchell	9	13 219	17 462	.76
Morphett	10	14 094	16 729	.84
Mount Gambier	23	16 922	17 618	.96
Murray-Mallee	51	24 551	18 453	1.33
Napier	9	13 670	16 626	.82
Newland	9	13 186	18 592	.71
Norwood	12	14 503	16 756	.87
Peake	11	15 172	18 258	.83
Playford	9	15 262	18 007	.85
Price	9	19 059	18 341	1.04
Ramsay	6	12 353	18 034	.65
Ross Smith	10	14 892	17 644	.82
Semaphore	10	14 944	17 442	.86

District	No. of Booths	Cost of Manning Polling Booths \$	No. of Votes Taken	Cost per Vote \$
Spence	17	18 708	18 062	1.04
Stuart	14	15 825	17 311	.91
Todd	8	12 624	17 176	.73
Unley	11	14 823	17 254	.86
Victoria	41	20 368	18 693	1.09
Walsh	11	16 914	16 944	1.00
Whyalla	12	13 003	16 406	.79
Totals	772	782 288	827 994	.945

Number of votes taken is ordinary plus declaration votes

**Mr LEWIS:** I do hope that the Government takes seriously the suggestions I have made about the matter of rationalising the outlays that are unnecessary and inefficient. I further illustrate it by referring to my experience of just a couple of weeks ago in the Adelaide by-election, when I discovered there was a booth in Prospect Road at the Town Hall, 128 Prospect Road, and would you believe, the nearest booth to that was less than 300 metres away at 172 Prospect Road?

**Mr Duigan:** It is in another electorate.

**Mr LEWIS:** It is amazing! It happens to be in the Federal electorate of Adelaide.

**Mr Duigan:** One is in Ross Smith and one is in Adelaide.

**Mr LEWIS:** The tragedy for the member for Adelaide in this House is that he fails to see the relevance of the argument I just put to him. They were both open for polling during the by-election last Saturday fortnight.

**Mr D.S. Baker:** He lost both, did he?

**Mr LEWIS:** He lost them both, yes. I now wish to turn to some statements and promises made by the Government at the time of the last election and look at what has happened instead of what was promised: in other words, they are broken promises. Mr Bannon said, 'We have cut land taxes.' The fact is that that has not happened. Between \$80 000 and \$120 000 of site value, the incremental increase in land tax is 10c for each \$10, but between \$160 000 and \$200 000, the increase incrementally is 20c for each \$10. If that means that he has cut land tax, then I am amazed. I cannot see where the truth of that statement can be found.

He also said, to illustrate the duplicity of the reality compared to the statement, 'The Government has made substantial reductions in land tax to take effect from 1 July 1985.' Further, in the *Advertiser* of 22 August that year, he said, 'For any tax which is allowed to become regressive or seen to be unreasonable will be eroded, avoided or even abolished, however soundly it is based.' Nothing has happened in that regard. Quite the opposite has happened, to the detriment of many small traders who are either tenants or property owners. They cannot escape the increases in land taxes that are being passed on to them by landlords who are the site owners.

It does not matter how Government members wish to argue the contrary case, the fact remains that market forces dictate that the weak bargaining position of the tenant in these large shopping centres places them at the disadvantage where they will have to pay much higher land tax than some of their competitors—indeed, much higher land tax across the board than they were paying prior to 1985. What the Government claims does not stand up.

*Mr Groom interjecting:*

**Mr LEWIS:** What have you done about it?

*Members interjecting:*

**Mr LEWIS:** Across the board the percentage increase per capita in State taxes (that is, budget sector taxes as well as total State taxes) has been higher in South Australia than in any other mainland State. We lead the field in both those



instances. That is why this Government now finds itself in a position where its credibility is shot to bits. Whereas it pretended to represent small business, it has been demonstrated that it does not. It has only ever represented big business and big unions, along with itself. It is a high taxing Government and it has taken South Australia from the lowest taxed State, which we were at the time that the Liberal Party lost office in 1982, to the highest taxed State in Australia.

Our net debt, in spite of those increases in taxation, has risen from just under \$3.8 billion to almost \$3.98 billion—a massive increase from 1982-83 to 1986-87. For the Government to claim that it is entitled to get the money that it seeks from this measure without being accountable to the people, or indeed to the Parliament, for the kind of things that it has perpetrated on the population against what it said and against what it promised that it would do is, to my mind, a travesty of justice and it does not deserve anything more than the contempt it will feel at the next State election.

**Mr D.S. BAKER (Victoria):** I support the remarks made by my colleagues, in particular the remarks of the Leader and the Deputy Leader. I was very saddened today to hear the ruling of the Deputy Speaker of this House in not allowing the member for Davenport to make his contribution. It is a sad day in the South Australian Parliament—

**The SPEAKER:** Order! I take this as being a reflection on the Chair and I ask the member for Victoria to address himself to the subject that is before the House and to not reflect on the Chair.

**Mr D.S. BAKER:** What I did after that incident was to check back over the past 20 years of Supply debates and note what had been said. It appears to me that the rights of one of the members has been —

**The SPEAKER:** Order! I warn the honourable member that, if he continues on that line of comment, I will name him for contempt of the Chair. If there is any point he wished to make it should have been by way of a point of order at the time. He cannot now refer back to that and, in so doing, reflect on a decision of the Chair. The honourable member for Victoria.

**Mr D.S. BAKER:** Thank you, Mr Speaker. I will continue on with the remarks made by the Deputy Leader when he took up an *Advertiser* headline in today's paper—'Labor row: Bannon gets tough'. That must be the funniest headline that we have seen in a paper for a long time. We know that the Premier does not have the ability to get tough with the economy of South Australia, and this is shown by the massive blowout in deficits. Furthermore, we know that he does not have the ability or the gumption to get tough with left wing unions. The article states:

Party sources said Mr Bannon's indirect intervention at the weekend had avoided an open split. . .

I know that he will not get tough with those unions, because two or three things will happen. First, the left is well controlled by the Minister of Labour. So suddenly the unions and the left wing will not allow any money to go into the coffers. That will severely disadvantage the Labor Party in its run-up to the next election. I know that he will not get tough with the left wing. The other reason is because, if he does get tough, in its typical form there will be industrial unrest that will cost the Government very dearly in Government contracts. Of course, we know from history that Mr Bannon and Mr Blevins always give in to what the unions say.

The headline in today's *Advertiser* is a joke. Mr Bannon would not know how to start to get tough. I think that they

got it mixed up. If he at any time attempted to get tough I am sure that the top headline would be mixed with the bottom headline, which states, 'Swaggart steps down begging forgiveness', because Mr Bannon would be stepping down begging forgiveness from the left wing unions and those people who control this State. That is a fact. It is well documented in his performance in running this State. There is no denying that.

The next matter I want to take up is one that was taken up by the Deputy Leader and concerns a letter from yesterday's *Advertiser*. Unfortunately, his contribution was so interesting that he forgot the time, and ran out of time. I will finish reading this letter into *Hansard*, because it is important. It concerns the subject that I want to deal with in the time allowed to me—that is, land tax, and it states:

#### The Effect of State Tax Rises on Small Business

Just how lucky were Messrs Bannon, Blevins and Co. that the recent Adelaide by-election was not a full State election? Mr Bannon was quick to lay the entire blame upon Federal issues but a very large proportion of that vote was a protest against the extortionate State tax hikes which are squeezing the life out of small businesses. The staggering rises in land tax and the devastating cost of WorkCover are already destroying many small businesses and will continue to do so at an accelerating rate, with subsequent massive loss of employment.

Consider Norwood Parade: the WorkCover of a retail store that has never had an accident claim has increased from \$9 200 to \$26 600 and land tax from \$11 652 to \$18 954 in one year, while workers are told the country cannot afford a wage rise. Land tax in a popular Parade shopping centre has increased this year by 140 per cent on all stores. An ailing business, recently taken over by two energetic young men, working double the average weekly hours, has been devastated by a land tax hike from \$5 965 to \$14 299.

From that we can see that the result in the Adelaide by-election was not just based on Federal issues. Many business people are smarting at the effect of these taxes. Let us consider what the Premier has promised concerning land tax, because it makes interesting reading. He said:

We have cut land tax.

That statement is in Bannon's 1985 policy speech. Now the second quotation:

The Government has made substantial reductions in land tax to take effect from 1 July 1985.

That is from the Labor policy on small businesses. I wonder what they think now. The third quotation is as follows:

For any tax that is allowed to become regressive—

this is interesting—

or seems to be unreasonable will be eroded, avoided, or even abolished, however soundly it is based.

That is from Bannon's letter to the *Advertiser* of 22 August 1985. Then we come to the question that was asked by the member for Bragg last week about land tax in the Norwood area. The Premier's reply shows his naivety and lack of financial knowledge in managing this State. The Premier commenced his reply by saying that he would 'ignore the pathetic tail end of the honourable member's question', but I thought that that was unnecessary. He went on to say:

The statement made by the Norwood Football Club, as reported, is misleading because it neglects to say anything about the nature and the number of property holdings of that club. Clearly, as all members would know, if in fact valuations increase, as indeed they have, then obviously the liability under the Land Tax Act rises as does the value of the property and its commercial earning capacity.

Anyone would know that the earning capacity of a property has nothing to do with the land tax levied: it is the valuation of the property that affects the land tax and it is not proportional to the rise in valuation. The Premier went on to say:

Secondly, if one buys or acquires more properties, that obviously increases one's bill.

What a great statement by the Premier and Treasurer of this State! Next day, the member for Bragg brought in details of the increased land tax, because the Premier had not believed him. The honourable member said:

In fact, in 1985-86, the Norwood Football Club paid land tax of \$4 180 levied on four properties. During the following financial year, it purchased a house... which it demolished in order to increase car parking. The bill went up to \$7 716.

We accept that. The honourable member continued:

This financial year, on the same number of properties, the bill will be \$14 003, a further rise of more than 80 per cent—

**Mr Tyler:** What happens to the value?

**Mr D.S. BAKER:** What happens to the value? What happens if the value goes up? What will you do about that? How much money will that earn for the Norwood Football Club or any other small business on the Parade? You are really naive if you people think that, as the value goes up, that is of benefit to any small business. That is the problem. That is the Premier's problem and the Treasurer's problem. There is no-one on the front bench who has the faintest idea of economic management. That is why the State has the problems that it has, because you people—

**The SPEAKER:** Order! The Chair has been fairly tolerant in view of the newness of the honourable member for Victoria, but the honourable member must refer to members opposite not as 'you', but as 'members opposite', 'honourable members opposite', or a term of that nature.

**Mr D.S. BAKER:** I apologise, Mr Speaker, but some of those interjections showed much naivety on economic matters and I got carried away. Let us look at what has happened to land tax in South Australia in recent years, bearing in mind the Premier's statement that he has made substantial cuts in land tax. In 1982-83, actual land tax receipts in South Australia were \$23.7 million. In 1983-84, those receipts rose by 18 per cent to \$28.5 million, yet the Premier says that he has cut land tax. In 1984-85, receipts rose by another 18 per cent to \$33.2 million; in 1985-86 by another 16 per cent; and in 1986-87 by another 14 per cent. Further, estimated receipts for 1987-88 are \$57.5 million—an increase of 30 per cent over the previous year's receipts.

What do Government members say about the Premier's statement that he has cut land tax? He said that, if any tax proved regressive or oppressive, his Government would cut it out. Well, small business is really hurting, yet what has the Premier done about it? Over the past 12 months he has increased land tax by 30 per cent. Indeed, since 1982, land tax has increased by 2½ times greater than the original total. I admit that fewer taxpayers are paying the land tax because every couple of years the Premier says, 'We will be generous and cut out certain groups of people.' For example, you will not pay it on your own home! However, the rates are increased and they are becoming a great impost on business.

In the past 12 months, as valuations have risen, many people have paid increases of between 80 per cent and 200 per cent. As Opposition members have clearly stated today, this is happening when this State is suffering from a financial malaise and is at the bottom end of most of the financial barometers. While this is happening, the Government goes on merrily increasing the taxation imposts on these people.

There is no question but that land tax is a wealth tax: no Government member would disagree with that statement. The tax is levied on the total value of the property, on the site value, and it increases proportionately with increases in such value. So that the ramifications of our land tax may sink in to the minds of some Government members, I point out that, on a property not exceeding \$60 000 in value, no land tax is payable. However, if the value of the property exceeds \$60 000 but not \$80 000, 4 cents is paid for each \$10 over \$60 000. If one follows that through to the other

end of the scale, once the value of the property exceeds \$200 000, the tax is \$1 880 plus 24 cents for each \$10 over \$200 000.

So, the tax impost is six times as great on those people with property in the higher bracket and, if that is not a wealth tax, I ask Government members to tell me what is. It is an abrogation of Government responsibility to let that happen. Now that values are fixed annually by computer, these increases will go up and up. Where the taxpayer owns land in the metropolitan area with an aggregate taxable value in excess of \$200 000, land tax in respect of that land is augmented by an additional levy of 0.5 cents for each \$10 over \$200 000. Now Government members may understand why land tax has not been cut and why the Government has not substantially reduced land tax as it promised to do.

The two factors (the tax scales anomaly and the increases in property values by the Valuer-General) are making the progressive nature of this tax unreasonable, and the consequences are devastating: many small businesses are already feeling the pinch. What is happening in other States may be taken as a good barometer. Since 1982-83, Bannion has increased land tax by 142 per cent.

**Ms LENEHAN:** On a point of order, I understand that under Standing Orders members cannot refer to other members by their name and that the Premier must be referred to as Premier Bannion.

**The SPEAKER:** The honourable member is quite correct. Members should be referred to by their districts or titles, and not by their given names.

**Mr D.S. BAKER:** Since 1982-83 the Treasurer has increased land taxes by 142.6 per cent. The CPI increase was a mere 45 per cent for the same five year period. In New South Wales, by contrast, only a 10 per cent increase in land tax was budgeted for this year, and in Victoria land tax receipts are expected to fall. Also, since 1982-83 land tax increases have been much less than those in South Australia. I understand from the prognostication of the Premier that South Australia is supposed to be first, but I did not understand that we were going to be at this end of the scale. I think it is just as well that small business is starting to realise that and is starting to write some of these letters so that the public know how much the Premier or Treasurer of this State cares about small business and how much he will do to help them.

The figures show that it is the most progressive tax that is left on the statute books, and one for which small business cannot compensate. We cannot do anything about the rise in site values, and some members on the other side interjected. The owner has no control whatsoever over those rises. There is no account of the debts or the borrowings on any property that is subject to land tax. No account is taken of the earning capacity of that property, and there is no account taken of the ability of the owner to pay.

Many developers are caught up with land tax because they buy three or four blocks of land and then they are aggregated, so they are not paying 4 cents in the dollar if the properties are worth \$60 000; if they aggregate four properties together, making \$240 000, they are paying 24 cents in the dollar. That goes on to the cost of homes for people in South Australia because this Government wants to grab money from anyone who has any enterprise whatsoever. It is about time that the taxpayers of South Australia realised that this Treasurer does not have one ounce of business knowledge; he does not have one ounce of commonsense when it comes to managing the economy; and he does not have one ounce of care for those people in small business in this State who are employing the majority of

people yet are taking the brunt of all these tax increases by the Treasurer of this State over the past five years.

**Mr INGERSON (Bragg):** I rise to support the comments of my Leader and the Deputy Leader and, in particular, to carry on the comments of the member for Victoria. Taxation exceeded \$1 billion for the first time in the year 1987-88, and principally all of this taxation falls on business by way of payroll tax, stamp duties and business franchises (through which something like \$155 million is raised every year), on motor vehicles and, of course, in land tax—the wealth tax that this Government seems to be exploiting. Under the Tonkin Government there was a decrease in real terms of taxation in this State, whereas under Premier Bannon's Government there has been an average real increase of some 7 per cent. So that we can all understand what that means, it is a 13 per cent increase when we add in the inflation figure.

When we compare our position to that of the other States, we find that South Australia's tax increase is the highest of all the mainland States. The South Australian tax taken per head is third behind only New South Wales and Victoria, yet we hear the Premier of our State stand up many times in this Parliament and say that he has not slugged the residents of this State. One billion dollars for the first time in the history of our State: third in taxation per head behind only New South Wales and Victoria.

Finally, we have an increase at the rate of twice the inflation rate since Premier Bannon as Treasurer took over in 1982-83. Of course, at the moment the most important increase in tax is in the land tax area. Let us look at some of the promises Mr Bannon has made to the people of South Australia. He said the following in his 1985 policy speech:

We have cut land taxes. The Government has made a substantial reduction in land tax to take effect from 1 July—Labor policy on small business.

The only thing that the Labor Party has done that is good as far as small business is concerned is to introduce in this State a Small Business Corporation. That is supposed to be an advocate for small business. Where was the Small Business Corporation during the shopping hours fiasco? It was nowhere to be seen. It is only an arm of Government: it is not an advocate for small business. Also, I quote from the Premier:

Any tax which is allowed to become regressive or seen to be unreasonable will be eroded, avoided or even abolished, however soundly it may be based.

That was Bannon in a letter to the Editor on 22 August 1985. As the member for Victoria quite rightly said, land tax is a wealth tax—it is nothing more than that. The Bannon Government has decided that it will take business to the cleaners, and this is the way it has done it. It has decided that it will really get stuck into business through the wealth tax area. Who cops it all the time? It is small business, and now, as I mentioned in Question Time the other day, clubs and associations.

That rather spurious comment made by the Premier the other day, where he said, 'If the going gets tough, shift your business', must have been the most amazing statement I have ever heard from any politician in the history of this country. For the Premier to say that, he obviously has no comprehension of how business works. It is impossible for any business, let alone a small business, to pick up and relocate without massive costs and charges, and here we have a Premier saying, 'Look: if it's a bit too expensive where you are, relocate.'

That is the greatest lot of garbage I have heard from any politician since I have been in this Parliament. As to the

effect on small business and associations, the member for Victoria mentioned the Norwood Football Club. I will not go into that any further. A glass manufacturer in my area in 1985-86 paid \$9 789 in land tax; in this year, \$11 430, an increase of 16.7 per cent.

In my own electorate office, in 1985 the land tax for the whole block was \$5 960; in 1987, \$9 916. In a household investment, \$503 in 1985—\$1 510 in 1987. A hotel on Norwood Parade paid \$7 800 in 1986; in 1987, \$13,100. Small business is being affected, Mr Premier, by your attitude to land tax, and landlords are passing on those costs—and rightly so. The budgeted increase in this area is up some 30 per cent; in other words, the Bannon Government has decided that its wealth tax will get into business. Small business is being raped by this Government.

Let us look at WorkCover. Today we heard the question asked about the inclusion of superannuation payments and long service leave along with wages. What a scandal that is! Companies which are putting away superannuation amounts for their employees now find that under WorkCover they are included in the whole net figure. That was never intended when the Bill was before Parliament, and it will be very interesting to see what the Minister of Labour (Hon. Frank Blevins) has to say about that. Let us take a couple of examples. In the Burnside shopping centre there is one business which has a WorkCover payment or workers compensation cover of \$1 000 which has now gone up to \$1 910.

If a massive increase of \$910 is not bad enough, that business has not made a claim for 15 years. Where is all this actuarial advice coming from? A printer at the bottom end of the Bragg electorate has had an increase from \$4 500 to \$13 200. That is half the cost of an apprentice, as was pointed out to me. These charges are anti employment, yet the Government tells us that it is pro employment.

What about the effect of taxation on small business, and I refer to occupational health and the registration of premises? Under the occupational health legislation a business must register its premises and advise the Minister's department how many people work in each business. The fee is \$25 for up to six employees and an extra \$4 for each additional employee thereafter. However, that same information is required under WorkCover. It is another tax on small business. Every business which has up to six employees in this State must pay an extra \$25 to this Government. If that is not taxation by stealth, I would like to know what is. What about the increase in tax for business names and annual returns; the increase in transport costs for registration, petrol and licences; the increase in ETSA and E&WS costs, and so on?

I now turn to the indicators which show that the South Australian economy is falling behind. The key indicators reveal that after five years under Labor South Australia is being headed by all other States in economic performance. The key indicators show that our State ranks last or second to last in nine of the 12 indicators. South Australia has the worst record in employment growth, building approvals, inflation, overtime worked, retail sales and bankruptcy. South Australia has the second worst record in population growth, new motor vehicle registrations and private new capital expenditure. Premier Bannon is a 'good news' Premier who either ignores the bad news or attacks the Opposition for being negative.

Let us now look at the debt under the Bannon Government. In 1986-87 we had the highest deficit since 1978, and the net debt increase was almost \$4 000 million. More important as far as I am concerned (because we have a cash flow system of management in this State) is the interest on debt. For the year 1983-84, 12.2 per cent of current outlays

was required to service the debt. It is forecast this year—in 1987-88—that 16.4 per cent of recurrent outlays will be required to service our debt. However, in 1982-83, 45 cents of every dollar collected in taxation by the Tonkin Government was required to pay the interest. Today, in 1987-88, 58 cents in every dollar will be required from taxation collected under the Bannon Government. That is an increase of 13 cents in every dollar just to meet the interest payment. That is quite a staggering increase for a Government which is supposedly the best manager that we could find.

Of course, there are many other concerns, including unemployment, the drop in living standards, the size of government (it has grown massively under the Bannon regime), the fall in investment, and waste and mismanagement. I am particularly interested in the Crouzet system and the escalating STA deficit. In the Premier's second reading explanation he noted that the 4 per cent productivity claim was a major problem. This was queried, as you would know, Madam Acting Speaker, when the budget was brought down and, of course, the chickens have now come home to roost. It is also interesting to note that there has been no comment about the 4 per cent increase for the STA and the productivity gains that occurred. What were the productivity gains? Were there any at all? In the two weeks that the decision was made did it amount purely and simply to a handout? It is an interesting question and perhaps the Minister of Transport may care to answer it.

In his second reading explanation the Premier also said that \$6 million in extra capital would come into the State's hands from the Commonwealth and that it would go into buses. What sort of buses will they be? Will we have more new buses when we already have trouble keeping the deficit under control? What will happen in this area? Perhaps the Premier or the Minister of Transport can answer that question. Perhaps it will go into the Crouzet system to pick up the massive capital cost involved in that area.

The motorists of South Australia are the suckers as far as the Bannon Government is concerned. The Government is moving slowly towards a 'user pays' system, but the benefits will not go to the motorist. Motor vehicle tax, registration fees, drivers' licences and sundries have risen by 1.5 per cent, from \$89.5 million to \$99.5 million. On top of this two new charges have been introduced recently: a \$10 charge to be levied by the police in relation to defect notices; and an \$11 charge for overdue licences. Interestingly, last year a \$11 management fee was introduced for overdue motor vehicle registrations. While we support the charges because they are part of a monetary system, it is very important to ask the Government how it can justify a \$10 charge for every single overdue item. It could not possibly cost that sort of money to purely and simply reissue licences and overdue registration discs.

Of course, the latest increase singled out is for seat belt fines. At the moment, if you fail to wear a seat belt, under the traffic infringement scheme the fine is \$25. However, from 1 March it will go up to \$100—an increase of \$75. That is a massive 300 per cent increase. I wonder whether that will be buried in the back of the *Gazette* so that no-one knows about it. I wonder why increases of this type are not brought out so that people know about them. I suppose an increase in speeding fines will be next; and I suppose a fine for red light jumping will follow that (although I suppose we will hear about that well down the line).

Finally, motorists are taken to the cleaners in relation to the petrol tax. In 1986-87 the petrol tax raised some \$47.28 million; this year \$70.5 million will be raised—an increase of 49 per cent. Where does that money go? Of course, it has gone into general revenue. The Supply Bill appropriates

a sum of \$700 million which, as the Premier says, is an 8.5 per cent increase on what was expected. Where does this money go? Road funding accounts for \$2.75 million (or 34 per cent), and the rest, \$48.2 million, goes into general revenue. So the motorists of this State are really being stung by the Government. As I said earlier, the development of roads in particular is not as it should be under this Government. The tax is going into general revenue and I believe that that is totally unfair.

**Mr S.J. BAKER (Mitcham):** First, I will canvass one section of the Premier's second reading explanation, where he said:

It is too early to estimate the likely impact of second tier wage determinations. Committees established as a result of settlements for departmental employees and hospital workers are currently at work identifying offsets and productivity improvements.

Last year I asked a question of the Minister of Labour about what offsets had been achieved, and my question on notice was responded to as follows:

Listed are awards/groups in Government departments and statutory authorities that have had agreements for 4 per cent second tier wage increases ratified by Industrial Commissions as at 26 October 1987.

(a) & (c) The agreements reached are cost neutral and contain central offsets together with specific offsets relating to individual departments with employees classified under the awards listed in the attachment. All these agreements have been approved by either the Australian Conciliation and Arbitration Commission or the South Australian Industrial Commission.

I went down to the Industrial Commission because the Minister refused to give me any details. It was obvious why he did not want to give me those details because, when I managed to get hold of the five files that had been entered with the commission as at the middle of January, it was obvious that the Minister of Labour had obtained no offsets. No wonder teachers are getting a little upset about double standards. Let me advise the House that, of the five files that I looked at, one was for timber workers who had made a brave attempt to obtain 4.5 per cent in trade-offs. Having read that document, I can only assume that their calculations needed a little reassessment, but at least they made a reasonable attempt at obtaining offsets.

In another submission, a union got up to 3.5 per cent, but they obviously gave it away as being all too difficult. Further, three of them had filed in the commission agreements based on efficiency and restructuring agreements. When I asked the commission for those efficiency and restructuring agreements, believe it or not, not one was filed in the commission. So, sight unseen, the Government had convinced the commission to accept a pig in a poke, to accept something on the basis of the Minister's assurance that the efficiencies that had been promised had been delivered. Of course, they had not been.

There was a suggestion that perhaps with a little more discussion they would be able to bring in new efficiencies, restructuring and saving the Government the 4 per cent to offset wages. We now know from answers from the Minister and the Premier that it has been a total farce. The only reason the Government is holding out on the teachers is that it will save the Government money. That might be meritorious, but I can understand why the teachers are getting rather aggravated, when the Minister of Labour has done a trade-off with his mates to say, 'Just come and see me and, if you are on the right side of the political fence [or the left side as it turns out in this case], I will give you what you want'. There simply do not have to be any trade-offs.

*Ms Gayler interjecting:*

**Mr S.J. BAKER:** The member for Newland claims that that is absolute rubbish. I would like to know why the Minister misled the House. He said the agreements were cost neutral; he said all the details had been filed in the commission. When I approached the commission all the details were not filed and it was obvious that there were not the 4 per cent savings that had been promised by the Minister of Labour.

No wonder the Premier is having a few problems with his budget. I cannot understand why the press in this town accepts some statements that have come out from the two corners opposite. Put simply, the savings have not been achieved. Increases have been given away to certain sectors of the Public Service.

**The Hon. T.M. McRae:** That is not true.

**Mr S.J. BAKER:** It is true.

*Members interjecting:*

**Mr S.J. BAKER:** Members opposite interject and say that we have these committees set up. I have read the *Public Service Review*, because it came out about two weeks ago. These agreements were made, according to this reply, as at 26 October. There were no details filed with the commission, because I undertook a search, so how have these conditions, under which these efficiencies and restructuring agreements have been met suddenly been identified? It is an absolute farce. No wonder the Premier is worried that his budget is going to blow out. Now he is saying, 'Perhaps we were a little naive to suggest that we could achieve the 4 per cent productivity as laid down by the guidelines in the Federal Industrial Commission.'

I can understand how this dilemma has arisen, when they see that certain of the more scurrilous elements within the union movement are actually getting rises—walking up to the commission, putting out their hand and getting rises through trading off practices in which they are continuing to indulge. The commission has become a joke. It says, 'Yes, we will take this agreement, we believe that what you are offering is a reasonable compromise.' However, there is simply no check further down the track to see that those agreements have been met.

Employers have either given in or stopped fighting. So we have a ludicrous situation where some of the evils perpetrated on building sites around Adelaide are continuing unabated, despite the fact that agreements are being signed and that undertakings have been given. I can understand the Premier's dilemma, given the chaotic state of industrial relations and the effects of determinations under the Australian Conciliation and Arbitration Act.

I can understand that, but the Premier promised this House and the people of South Australia that he was going to be cost neutral. Now we see in the budget this wobbly statement from a wobbly Premier suggesting, 'We are not sure any more, but we have had a very good revenue year.' Of course the Government has had a good revenue year. Many of my colleagues have talked about the performance of the Bannon Government. It is a pitiful performance as outlined in the document released today.

Over a period it is my intention to bring back to Parliament some of the home truths associated with that document, but I would like to simply review the performance of some of the Ministers in this Government and just take small examples of how inadequate and inept this Government is in managing its own affairs. All the basic inadequacies of the Treasurer are revealed in the document detailing Bannon's promises *versus* his performance. They are there for everyone to read. Whether it is the way he has managed his Ministry or the way that he has managed his money, he has been a total abject failure and many of my

colleagues have brought home that point to this Parliament, so I do not intend to labour it further.

Let us look at some of the performances of individual Ministers, some having been mentioned in the document in regard to waste and mismanagement. Let us look at some of the detail. Passing over the Premier, whose inadequacies are on full display, we come to the Deputy Premier, the Minister for Environment and Planning. What he has done to national parks in this State is an absolute disgrace. He has gobbled up land at a rapid rate and in the process he has ensured that the bushfires in national parks will become a regular event because he has failed to manage those parks.

He does not believe that national parks can involve a cooperative effort involving land owners and departmental officers. Certainly, I have a submission that all members would have received about stopping the rot in national parks and the understaffing in those parks. The Deputy Premier has spent millions of dollars of Government money and has created through his negligence enormous fire hazards. He has ensured the abject deterioration of much land that has been set aside as national parks in this State.

Even when he gets a little project like Jubilee Point, he cannot manage it properly. Whatever was the final decision is irrelevant, because, in the process, those people he calls advisers started off with the developers by saying, 'Can you satisfy these arrangements?' and then six months later, 'Thank you very much; can you satisfy these arrangements?' He kept them hanging on for four years in total. They spent \$4 million, and the Premier knew at the end of the day, because the conservation lobby had told him, that the project was not to proceed. Then he wanted to blame the Glenelg council, but the blame really rests within his own department.

It should have laid down the guidelines on day one. It should have said, 'The two major problems you have to overcome are unusual storm conditions and how you move sand.' But it kept sending out little messages to the poor old developers, day after day, month after month. An absolute disgrace! If the developers had known on day one what the rules of the game were—and it is a game as far as the Minister is concerned—then they could have saved themselves a lot of money, but they went into it in good faith like many people do in this State, and got their fingers burnt.

As to our friend the Minister of Marine, well, we have the *Island Seaway* debacle, which will be an ongoing headache for the Minister of Transport. The poor old Minister of Marine, who has not got a high profile portfolio, believes some of his departmental officers and tries to shunt tenants off land down the Port area because a company wants that land, indeed, when the land was promised to these people for some 20 years. I hope that the Ombudsman will sort that out, but even the poor old Minister of Marine has a few problems in a portfolio that should cause no difficulty.

In the area of further education—and I will not mention technology, because technology is being handled quite adequately by the Minister—we had the demonstrations and the difficulties experienced by the Government last year. Members opposite will well recall the divisions created by the Minister's high handed actions when dealing with lecturers and staff in the TAFE institutions. Some of the scars will linger on well and truly until the next election, because the Minister said, 'This is what you are going to do', irrespective of the merits of the situation. He did not want to take the action which was necessary, which was to operate on its central office but preferred that the bureaucrats run the department and build up the massive bills which were building up in the TAFE sector. He would not take action

that was sensible but he decided to cut into a number of people, many of whom were working well and truly over the hours prescribed. So, he decided on a broad policy, and look where it got him. He is still sorting out the mess.

As the Minister of Transport, he has hardly got a record that he can stand on. His budget deficits have been running out of control in a quite sensational fashion; it is up over \$100 million. He introduced the Crouzet system, which is not only second rate and has cost this State probably in excess of \$14 million or \$15 million, but is causing problems in terms of collecting revenue right at this moment. That is the responsibility of our Minister of Transport, and he has a whole lot of other black marks against his name. Of course, he will also have to bear the burden of the *Island Seaway*.

Concerning our Minister for Mines and Energy, we have all heard about the increase in electricity charges. We know that the Bannon Government is making a large amount of money out of the consumer by its taxation of electricity. We know that unless there are some dramatic changes the gas will run out in 1992. Yet, as has been pointed out, this Government has been here for a long, long time except for but a small breathtaking break. Any Government which has had the reins of office for such a long time but which cannot organise our energy supplies for 20 or 30 years in advance does not deserve to be here, and certainly the Minister of Mines and Energy has done a fairly indifferent job.

In the area of education, we have seen the teacher strikes and the recent announcements that the Government will cut down on specialist teaching areas. The Minister has talked about a normalisation process; he talked about bringing the disadvantaged and disabled children into the classes, but now he has stated, 'Well, if they have a few speech or hearing problems, we will simply not provide for them.' So, on the one hand he said that we have a normalisation policy but, on the other hand, we do not have the resources.

The Minister of Recreation and Sport does not have a great deal to answer for, because he does not do a great deal. However, members can well recall his efforts in the sport and recreation administration area. It must be one of the heaviest costs of administration in supplying small grants to sporting organisations. He simply has not got his act together.

Concerning the Minister of Labour—well, words do fail me on the long list of complaints that I have had about the quality of administration by the Minister of Labour. But, suffice to say that in almost all areas he has touched we have had extraordinary problems: whether it be in his dealing with the building unions and the compulsory union edict which now exists for people who contract in government, whether it be the debacle of workers compensation—and I have a number of pages of information on the background of workers compensation and where the difficulties have occurred—whether it be in the area of occupational safety where unions are using those measures to increase their industrial muscle, or whether, indeed, it be in the recent retail trading debates. The Minister of Labour will probably go down, in this recent history at least, as one of the most disliked Ministers of any Government.

The Minister of Housing and Construction has created a number of problems, not the least of which is the fact that when he was building houses for the Housing Trust, the cost of those houses under his compulsory union policy increased by 40 per cent. We could have built 40 per cent more houses in this State had we had a Liberal Administration, but the Minister says, 'No, we have to keep friends with our mates, so I do not really care about the costs, I

do not really care about the waiting lists expanding, I will keep friends with my mates.' That mateship policy has cost this State dearly. Also, of course, that lunatic freeze on rents that we had two years ago is now coming home to roost, and some of the measures that will be necessary are becoming very difficult.

Sir, I could take the case of the grand Minister of Health and the destruction that he has wrought on the health system in this State. People do not need to be reminded of the Kalyras, the Glensides and of many of the decisions he has made that have hurt people. But, probably the greatest damage he has done has been to the people in the health system. Sir, I know a number of medical practitioners who have worked in that system and who have given voluntary hours. They would not give the Minister the time of day. He has, by his own hand, his own viciousness, created the problems we see today in the health system, a system which worked well until the Bannon Government came to power. Sir, it is not worth talking about the Minister of Local Government, and I have a high regard for the Attorney-General.

**The ACTING SPEAKER (Ms Lenehan):** Order! The honourable member's time has expired. Before calling on the next member, I inform the member for Mitcham that I have not undergone a sex change since I took the Chair. In fact, it is customary to refer to the Chair according to the particular sex of the person in it. I remind members of that.

**The Hon. B.C. EASTICK (Light):** This is one of the traditional debates of the Parliament, despite it being a little earlier this year than might have been expected, and one must conjecture why that should be. The Government has indicated that a period of time is set aside after Easter should parliamentary sessions be required and, had that been an expectation, I suggest that this debate would have been later in the program. I suspect that we are now being given an indication of a Government that has run down its legislative program and that we are debating it now because of a reduced program overall.

The program that has been brought forward by the Government has many flaws. One has only to look at the number of Bills that have been introduced and not proceeded with to realise this. Precipitate action was taken by the Minister of Agriculture in relation to pricing; and by the Deputy Premier in relation to guns (which subject had been on the Notice Paper for a long time). I refer also to the strata title legislation and a number of legislative measures in another place associated with the legal system, where the Government and the Opposition brought in pages of amendments. The Minister came in with amendments of that nature because the matter had not been thought through, and consultation had not taken place prior to the Bill being lodged in the respective Houses.

The Premier in this Bill has undertaken to monitor very closely the continuing financial aspects of this Government. The Leader of the Opposition was, earlier this afternoon, able to identify clearly a number of areas where the Government had miserably failed to pay proper attention to economy of scale in that it had been unable to control the excesses of various Ministers and ministerial departments and, although the Minister sitting next to the Premier would suggest that he acts tough, in fact there is ample evidence to suggest that that has not been the case.

At the same time as the Premier suggests that he will monitor the position closely, one would have to ask how closely the whole situation has been monitored in relation to the ongoing drain that the *One and All* has become.

Albeit a magnificent effort in the re-enactment that was under question long before it was finished and before the *One and All* was permitted to go overseas, that project is now a further cost not only to the State Government which found itself recently allocating an additional \$350 000 but also in relation to the position that has unfolded with the Cooperative Building Society and the State Bank having to forgo loans and turn them into grants. I refer also to the position of the Port Adelaide council, whose \$145 000 looks like going down the gurgler; that council has already forsaken \$20 000 of interest that is quite vital to the delivery of services to all manner of people in that electorate. At a time when members are calling for social justice and additional help for those who are below the poverty line, the body that is best placed to provide a number of those services—the Port Adelaide council—is being denied the opportunity to provide full tote odds because of the loss that it has been forced into sustaining.

The Premier used an 8.5 per cent increase in funding in relation to this Bill. Recently it has been a tendency—and this has also occurred under the current Premier—to hold down the rate of increase in the belief that circumstances will not require the money to be called on. Why at this time, when he is suggesting that he is closely monitoring the system and that he will be very frugal this and next year, do we find an 8.5 per cent increase showing through in these accounts? That is an invitation to various departments to spend up to that amount when the Federal and State Governments would suggest that the inflation figure is less than 8.5 per cent.

Was this information ahead of last week's EPAC meeting, which clearly indicated that inflation, because of the failure of the Federal Government to control costs, would rise again? Does it mean that the services that are essential for a Government to provide to its community will be further diminished because of increasing inflation—an inflation that has been caused by both Federal and State Labor Governments? It will be interesting to see what that figure will do and how it will stand up in the long run.

Quite rightly, the Premier fails to predict the 30 June result. I do not blame him for that; we are four months plus from the end of the financial year. We appreciate that on previous occasions the best of intentions have gone awry because of some natural disaster. Only five years ago we had not only the bushfires (which was a gross cost to the community) but also the very heavy flooding which took place specifically in the Barossa Valley two weeks after the fire and which also had an impact on the end result. We recognise that while the State's grain harvest has been reasonable (although it has not been particularly high in places on the West Coast) it has been necessary for the Government to acquiesce to the propositions put forward by the State Bank—indeed, to the point where the Government seemed to want to take over its initiatives.

**Mr Meier:** I don't think Mr Marcus Clark would have been too happy.

**The Hon. B.C. EASTICK:** Mr Marcus Clark certainly was not too happy, nor were other members of the State Bank. They had every right to be disgusted with a Government that was seeking to get in on the act when it had stood at arm's length and had done very little other than cluck-cluck and coo-coo and then try to take the running from an important State Bank initiative. In relation to the budget, the Premier highlights that a number of receipts may be above, and then highlights that many are likely to be below, the budgeted figure. The motor car industry is certainly on the low side. If there is no general improvement in the real estate market, which various people in real estate are pres-

ently trying to talk up, there will be a further reduction in that. The Premier goes on to highlight that there will be a higher than expected income from X-Lotto and other Lotteries Commission activities.

I and any caring member of this House (no matter which side of the House they sit on) would have to ask, in relation to the Lotteries Commission and its various activities, including the casino, at what social cost this happens. Do we really yet know the impact that a number of the excesses that are being undertaken by people in the community at those establishments or in those gambling forms will have on the Department for Community Welfare, the Health Commission or the social structure of this State? There is plenty of evidence to identify that the State is starting to pay dearly for the excesses of people who are inveigled, in many cases by glossy advertisements, into punting beyond their means and expending funds in the casino that they do not have.

There is ample evidence in the community of businesses which have gone out of existence or which are on the rocks because of the inability of the principals to contain themselves in respect of gambling in the facilities that are made available to them. I do not want it to be believed that I am against gambling *per se*, but I am very much against the manner in which the Lotteries Commission has been permitted and, in fact, assisted by the Government to increase the sale of its product when it is against the best interests of the community, specifically when it is recognised and constantly stated from the other side of the House as well as from this side, and constantly stated in the Commonwealth sphere and in other States, that the living standards of a great number of our people are lower than they have been for many years.

Living standards are low because the cost of feeding and clothing a family, particularly if it happens to be a young family, is impossibly high. Those social costs, in a climate in which we have these problems, are cause for worry to every person in this State. When we add to that the fact that we have an ageing population and that the demands that will be made upon the community in the future by that ageing population will be a continuing cost to Governments, both Federal and State, we realise that we have problems.

I was very pleased to hear Mr Lloyd O'Neill MHR, the member for Grey, at the Spencer Cities Conference in Port Pirie on Sunday request that association to place on the agenda of its next meeting or the meeting thereafter a seminar type approach to the requirements of the aged. Dr Graycar has certainly made clear comment in our community on the problems that he sees. I suspect that there is plenty of evidence in every member's electorate of the difficulties of providing beds for those who are in desperate need of medical assistance; or which are close to being in total need of medical assistance, there is most certainly a problem directly associated with the housing of those people who are leaving the workforce and moving into retirement.

All those costs will impact on the community, and they will be a greater cost to the community while a Government (and this Government has been responsible for it; the Federal Government has certainly been responsible for it) forces people into poverty because of its inability to bring down the cost of servicing debt and because of its preparedness to go further and further into debt. Earlier today my colleagues commented on the cost of debt in this State at this time. The present Government deserves no congratulations at all for going out and talking about how well it is managing and how good its stewardship is, while it is placing us further and further into debt.

What are the priorities of the present Government? There is no clear indication of what those priorities are in vital areas. There have been mouthings from the Minister of Health in another place and from other Ministers from time to time of how important they see the particular requirements of the community. The fact that they have not been able to properly monitor those requirements, that they are haring off after their own particular interests and not directly associating themselves with the requirements of the community was, I suggest, a major factor in the Adelaide by-election. I say no more about the Adelaide by-election other than to pick up the point that the possibility of Telecom charging was not the only component in the totality of that election situation.

What are the priorities at a time when the Government has forced upon general industry massive increases of costs for WorkCover and occupational health and safety? We recognise the importance of occupational health and safety; we recognise the importance under WorkCover and under occupational health and safety of rehabilitation as a major requirement of any caring Government or Parliament in respect of fellow mankind. But what are we doing in the workplace or in the Government workplace?

What of the situation of members of the Police Force who are being loaded with their own task and that of at least one or two other officers? I make a reference to the very unfortunate death of a police officer from the Port Adelaide CIB, which is reported in this afternoon's *News*, and draw attention to a person who, having suffered from ill-health, returned to the work force, only to find himself doubling up and looking after the workload from Darlington. Then, a short time thereafter, he had to look after the workload from Salisbury because the funds available to the police were unable to provide other officers to come and share the load.

What is the situation in regard to those in the Police Force who are on rescue duty, more particularly when evacuation or recovery is required from the helicopter service, which quite often goes on the blink—not because of any lack of performance by the operator but because of the age of the equipment and because of the demands which are being made on it and which are beyond its capacity? There is the situation, for example, in which the police had to commandeer a television channel's aircraft at Berri when a recent mass shooting occurred, because it could not function with its own helicopter.

What of the situation which allowed a fourth person to be shot the morning after because the Star Force had been withdrawn from the area as there was not enough money in the kitty to allow the Star Force to remain accommodated in the Riverland beyond the Sunday night? I am only touching the periphery of a number of these areas where the effect upon the Government's work force—in this case, the police—is questionable. Where are their priorities when Ministers surround themselves with additional staff, yet those people who are providing a front line service are working under stress? The Premier will need to show a very strong resolve—something that he has not shown previously—if he is to live up to some of the words that he has used in the document that is now before us.

Yes, he needs to monitor the situation. But, he needs to do more than monitor the situation: he needs to ring the

bells and stop the waste that is occurring under his nose. He needs to recognise that the Government must reorganise its priorities so that it is looking after its own staff and its well-being before it launches off into new harebrained schemes which the community might want but has done without in the past and is capable of doing without in the future until our financial circumstances are better than they are at the moment.

I support the motion. To do otherwise would be to deny members of the Public Service their due regard in terms of salary beyond 30 June. However, I stress that when it comes to the budget in August or September there will need to be a much better reponse and much better information will have to be made available to the Parliament. Otherwise, the scrutiny will go on in a very positive way.

**The Hon. J.C. BANNON (Premier and Treasurer):** At this stage of the evening I do not intend to embark on my full reply. I wish to say a number of things in the light of the debate that has taken place and, in particular, I will address some of the material that was put in by the Leader of the Opposition—figures and facts that are misleading and in some cases downright dishonest. In saying that, as I will explain tomorrow when dealing with those figures, I certainly do not intend to try to paint an unrealistic picture of the state of our economy. South Australia has been through a very difficult year, and the outlook is also difficult. However, that is no cause for the kind of alarmist information that the Leader of the Opposition seeks to put before the House, nor his interpretation of it.

I think it is extraordinary that the Leader of the Opposition has issued this so-called document of facts because it would cause anyone in business in South Australia who read it to think that they might as well pack up shop and go somewhere else. Having done that, he then talked about some second stage policy that will be issued. I suggest that the start of any second stage policy should be to get behind the Government of South Australia in some of the things that it is trying to do to generate activity in this State instead of knocking, criticising and carrying on about it, which is what the Opposition does. That should be the No. 1 task for the Opposition.

When criticising public finance the Leader of the Opposition should perhaps exert some control over those on his front and back benches who constantly call for more Government funds to be spent. In fact, we heard a number of examples from the member for Light just a moment ago—three or four instances where he called for more resources for an area which already has more resources and has been given high priority. The Leader of the Opposition talked about employment increases. One of the few areas where there has been an increase in employment under this Government is for the Police Department. However, the honourable member opposite has demanded even more resources in that area. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

#### ADJOURNMENT

At 10.54 p.m. the House adjourned until Wednesday 24 February at 2 p.m.



## HOUSE OF ASSEMBLY

Tuesday 23 February 1988

## QUESTIONS ON NOTICE

## OLYMPIC SPORTS FIELD

305. **Mr OLSEN** (on notice) asked the Minister of Recreation and Sport: Following the revelation by the Auditor-General on page 171 of his 1987 report that a total of \$265 000 has been paid by the Department of Recreation and Sport in full settlement of a claim relating to the cancellation of a contract to resurface the running track at Olympic Sports Field, Kensington, will the Minister table a copy of the original contract and all subsequent correspondence between the Government and the company concerned relating to its cancellation?

**The Hon. M.K. MAYES:** As the negotiations for the cancellation of the original contract to resurface the running track at Olympic Sports Field was a normal commercial undertaking, it would be inappropriate to table full details of all correspondence supplied by the company. However, should the honourable Leader wish to be fully briefed on all aspects of the cancellation, my Director, Department of Recreation and Sport, could be made available.

## CAPE JERVIS

378. **The Hon. JENNIFER CASHMORE** (on notice) asked the Minister of Fisheries: Has the Department of Fisheries been consulted about the possible effects on fish of effluent from the proposed hotel/motel/shopping complex at Cape Jervis and, if so, what is the department's view on these effects?

**The Hon. M.K. MAYES:** The replies are as follows:

1. The Department of Fisheries was not specifically consulted regarding the proposed shopping complex developments at Cape Jervis, presumably because the department's policy on discharges into the marine environment had been advised previously.

2. The Department of Fisheries' views are well known regarding the disposal of sewage and stormwater into the marine environment. The marine environment should not be viewed as a sink for waste disposal.

Without details concerning the periodicity of disposal, volume and nature of the effluent, a description of the marine communities near the outfall, the water exchange properties of the site and the proposed method of disposal, it is difficult for officers of the department to provide an assessment of the potential impact of such a scheme on the fish resources. The disposal of effluent into a sheltered bay with restricted water exchange could result not only in marked changes in the local fish habitats but also impact on suitability of some marine organisms for human consumption. Disposal of the same effluent into waters along a more exposed coastline with good seawater mixing and dispersal characteristics could have almost no impact on the local habitat.

3. The Minister for Environment and Planning has advised that:

(i) Comment was sought from the following Government agencies:

Environmental Protection Council;  
Department of Marine and Harbors;  
Engineering and Water Supply Department;  
South Australian Health Commission;

South Australian Department of Tourism;  
Highways Department;  
Department of Recreation and Sport;  
Department of Environment and Planning.

No department opposed the development although attention was drawn to a number of matters including the need to dispose of effluent satisfactorily. It should be noted that no objection was raised by the South Australian Health Commission on the proposed method of effluent disposal.

(ii) Most of the stormwater from the site will be discharged to the sea at a point between the breakwater and the jetty via an underground pipe to a box culvert along the roadway which borders the northern boundary of the development site.

Some of the roof stormwater will be collected in an underground holding tank to augment the proposed private water supply scheme for the complex;

(iii) It is intended that none of the sewage effluent will reach the sea.

Waste water from the hotel/motel complex will flow to a 250 person all-purpose septic tank. The treated effluent will then gravitate to a 94 000 litre capacity soakage well, and will be disposed of by soil absorption and by pumping to the proposed landscaped areas east and south of the built area.

## CORRECTIONAL SERVICES DEPARTMENT

513. **Mr BECKER** (on notice) asked the Minister of Correctional Services:

1. How many prisoners were charged in the past financial year with making false allegations against Correctional Services Department officers and how does the figure compare with each of the past two years?

2. How many inquiries into allegations against officers were conducted in the past financial year and how does the number compare with the past two years?

**The Hon. FRANK BLEVINS:** The replies are as follows:

1. The number of prisoners charged with making false allegations in the past financial year, that is 1986-87, was three. This compared with one in 1985-86 and none in 1984-85.

2. The number of inquiries into allegations against officers in the past financial year, that is 1986-87, was 24. This compared with 13 in 1985-86 and 10 in 1984-85.

## METROPOLITAN MILK BOARD ANNUAL REPORT

525. **Mr OLSEN** (on notice) asked the Minister of Agriculture:

1. How many copies of the annual report of the Metropolitan Milk Board 1986-87 were printed?

2. What was the total cost of production including photography, writing, typesetting, design and printing?

**The Hon. M.K. MAYES:** The Metropolitan Milk Board produced 600 copies of the 1986-87 annual report of the Metropolitan Milk Board. The board has advised that the total cost of production was \$1 520. The funding of the board's operations, including the annual report, is from industry revenue.

### LONG SERVICE LEAVE (BUILDING INDUSTRY) BOARD

526. **Mr OLSEN** (on notice) asked the Minister of Labour:

1. How many copies of the annual report of the Long Service Leave (Building Industry) Board 1986-87 were printed?

2. What was the total cost of production including writing, typesetting, design and printing?

**The Hon. FRANK BLEVINS:** The replies are as follows:

1. 250 copies were printed.

2. The total cost charged by the Government Printer for printing the 1986-87 annual report was \$153.97. The report is printed in a standard format which has not varied significantly since its original publication in 1977. Hence, only a minimal amount of writing and compiling of statistics is required by the manager to produce the report.

### DEPARTMENT FOR THE ARTS

530. **Mr OLSEN** (on notice) asked the Minister for the Arts: How many copies of the annual report of the Department for the Arts 1986-87 were printed and what was the total cost of production including photography, writing, typesetting, design and printing?

**The Hon. J.C. BANNON:** The Department for the Arts printed 1 500 of its 1986-87 annual report. The total cost of producing the report, including photography, writing, typesetting, design and printing was \$14 912.80. So far, over 1 000 copies have been distributed, mainly as a result of requests from interested members of the public and organisations both here, interstate and overseas.

This inaugural report was reviewed in the literary pages of the *Adelaide Review* (December 1987). Articles on the report were also published in the *News* and the *Advertiser*. The department reports that, as a result of this media coverage, demand for its first annual report is still running high. In relation to the cost of the report, 54 per cent was returned to the Government Printer (\$8 013) and 46 per cent went directly to practising artists (\$6 900) such as graphic designers, photographers, writers and editors.

### DEPARTMENT OF THE PREMIER AND CABINET

532. **Mr OLSEN** (on notice) asked the Premier: How many copies of the annual report of the Department of the Premier and Cabinet 1986-87 were printed and what was the total cost of production including writing, typesetting, design and printing?

**The Hon. J.C. BANNON:** A total of 350 copies of the 1986-87 annual report were printed by the Government Printing Division at a total cost of \$1 099.

### 1987 CHRISTMAS CARD

534. **Mr OLSEN** (on notice) asked the Premier: Was the Premier's 1987 Christmas card paid for by the taxpayer and, if so, how many copies were printed and what was the total cost of production including photography, writing, typesetting, design and printing?

**The Hon. J.C. BANNON:** A total of 500 cards were printed by the Government Printing Division at a total cost of \$820.

### ADELAIDE REMAND CENTRE

539. **Mr BECKER** (on notice) asked the Minister of Correctional Services:

1. Further to the answer to Question on Notice No. 477, what was the response of the Correctional Services Department to a petition by remandees before Easter 1987 for religious services?

2. Is it a fact that almost 10 per cent of the prison population would attend a religious service if given the opportunity?

3. When will regular religious services commence at the centre?

4. What Christmas services were held at the centre in 1987?

**The Hon. FRANK BLEVINS:** The replies are as follows:

1. The management of the Adelaide Remand Centre is not aware of a petition by remandees before Easter 1987 for any form of religious services. If an interest in services was to be shown on a religious basis, then the request for such services would be facilitated.

2. There is no evidence at present to suggest that 10 per cent of the prison population would attend religious services as an expression of religious faith.

3. Regular religious services would commence at the Adelaide Remand Centre if genuine interest in such services was expressed by prisoners. Since the Adelaide Remand Centre has commenced operating only a very small number of requests for a religious service of any denomination have been received. However, arrangements have been made for two baptisms to be conducted, and for Holy Communion to be made available to all prisoners on alternate Sundays.

At present the following religious denominations attend the Adelaide Remand Centre on a regular basis: Uniting Church, Salvation Army, Roman Catholic and Lutheran. Other religious denominations attend as requested. Representatives of denominations attend individual units to offer religious counselling. If necessary, services can be conducted within the units, utilising craft rooms or professional visit rooms, depending on the needs of the prisoners housed within that particular unit, and the number of prisoners involved.

4. Prior to Christmas 1987, the Reverend Rooke, Prison Chaplain, visited all units of the Adelaide Remand Centre to speak to prisoners who had expressed an interest in a religious service. Prisoners were informed that if they required a religious service they were to request this in writing 10 days prior to Christmas. The manager of the Adelaide Remand Centre has indicated that to his knowledge there was no response, and that the Reverend Rooke was informed of this. However, over the Christmas period all units of the Adelaide Remand Centre were visited by both the Reverend Rooke and the Salvation Army chaplain. No complaints regarding religious services by prisoners have been registered, as far as is known, through other avenues such as visiting justices or the Ombudsman.

### SCHOOL OF NURSING

550. **Mr BECKER** (on notice) asked the Minister of Employment and Further Education:

1. What is the total cost of the new building for the School of Nursing at the Underdale Campus SACAE?

2. Is the college hiring temporary buildings to commence the school and are the temporary buildings being located on the soccer pitch where a watering system has been installed and, if so, what is the cost of hiring these buildings and the estimated damage to the soccer pitch?

3. How much did the reticulated watering system for the soccer pitch cost?

**The Hon. LYNN ARNOLD:** The replies are as follows:

1. As the honourable member would see from the relevant report of the Parliamentary Standing Committee on Public Works (P.P. 145) the estimated cost is \$6.615 million at August 1987 prices. The project, which is being construction managed, is in its early stages and so a more up-to-date estimate cannot be produced sensibly at this stage. However, it is presently on budget.

2. Yes, temporary buildings are being hired. These buildings are not being located on any soccer pitch. The hiring cost of the buildings as presently approved is \$4 940 although the college is seeking approval for an alternative at an additional cost of \$12 478. This latter is presently under consideration by my officers.

3. Approximately \$12 000. I might add that the honourable member's source of information has misled him. The college is intending to build over the soccer pitch in question but with a permanent facility—a child-care centre jointly funded by the Commonwealth Department of Community Services and Health and the State Government as part of the Nursing Transfer Capital Program. My advice is that this is the college's preferred site although details of the project are still subject to my approval. As I am advised the soccer pitch will be moved southwards and the watering system partially relocated at an estimated cost of about \$2 000.

#### DEPARTMENT OF LABOUR MANAGER

553. **Mr BECKER** (on notice) asked the Minister of Labour: Does the Central Regional Manager of the Department of Labour live approximately 50 km south of Adelaide and his region and is he provided with a motor vehicle to travel approximately 100 km per day to and from work and, if so, why and is the provision of a motor vehicle attracting fringe benefits tax and, if so, how much in the past financial year and this financial year to date?

**The Hon. FRANK BLEVINS:** The Regional Manager, Central, is provided with a motor vehicle to travel between his region and his home which is a round trip of 92 km. All Regional Managers are available on call to respond to emergency situations and for this purpose their home telephone numbers are listed with the Police Operations Unit and with organisations involved with asbestos removal.

The Regional Manager, Central, receives a number of out of hours inquiries, for example, in the week ending 12 February 1988 he received four calls two of which necessitated visits to asbestos removal sites. The approximate charges for fringe benefits tax for this vehicle were \$400 for the year to 1 July 1987 and \$630 has been charged for the 1987-88 period. However, the Taxation Office has re-examined the situation and ruled that fringe benefits tax is not payable. A refund of some of the past tax is expected and the tax will not be payable in future.

#### NURRUNGAR BASE

556. **Mr BECKER** (on notice) asked the Premier:

1. Has the Government been advised by the Federal Government that Nurrungar Base is classified as a first strike target in the event of an armed attack on the USA or Australia and, if so, what involvement does the State have?

2. When was the last test explosion conducted at or near Nurrungar and what was the reason for such test?

3. When was the nuclear shelter built at Nurrungar and for what reason?

4. Is the State Disaster Committee kept fully informed of activities at Nurrungar and what inquiries and contacts are made with appropriate authorities controlling Nurrungar Base and, if none, why not?

**The Hon. J.C. BANNON:** The replies are as follows:

1. Successive Federal Governments have consistently acknowledged that in the remote event of a nuclear conflict occurring between the superpowers, a possibility exists that the three Australian-United States joint facilities, including Nurrungar, could be at risk from a nuclear attack. This matter is primarily one for Federal Government consideration. However, in acknowledging some risk exists, the present Federal Government has sought the cooperation of the States and Territory involved in developing civil defence plans for the communities adjacent to the facilities, that is, Woomera in the case of Nurrungar. The Chairman, State Disaster Committee, is presently working with the Natural Disasters Organisation in this task.

2. No test explosions at or near Nurrungar have ever occurred.

3. None of the joint defence facilities have been built to withstand the effects of nuclear attack. The buildings and equipment are all above ground and there are no blast or fall-out shelters there. This reflects the confidence of both the Australian and US Governments that the risks of nuclear attack are very low.

4. The South Australian State Disaster Committee has been kept fully informed on matters affecting civil defence planning, and meetings have been held with the Australian Department of Defence which is the authority for controlling the Nurrungar joint defence facility.

#### S.A. WOMEN'S BULLETIN

568. **Mr BECKER** (on notice) asked the Premier:

1. How many issues of the *S.A. Women's Bulletin* No. 7, October 1987 were printed and what was the cost of publication?

2. How frequently is the magazine printed?

3. How many are distributed to a regular mailing list and to whom?

4. Who prints the publication?

**The Hon. J.C. BANNON:** The replies are as follows:

1. 2 000 copies of *S.A. Women's Bulletin* No. 7 were printed at a cost of \$3 300, including mailing.

2. The magazine has been produced three times a year since 1985.

3. A mailing list of approximately 1 800 names has been developed; the list is composed of interested individuals, community groups and State and national organisations who have sought to receive the publication.

4. The publication is printed and distributed by the Government Printing Division.

#### JUBILEE POINT

573. **Mr BECKER** (on notice) asked the Premier: Was Kinhill Stearns paid any compensation for the Government's cancellation of the Jubilee Point Project and, if so, how much and why?

**The Hon. J.C. BANNON:** No.