

## HOUSE OF ASSEMBLY

Thursday 25 August 1988

The **SPEAKER (Hon. J.P. Trainer)** took the Chair at 11 a.m. and read prayers.

## GRAIN INDUSTRY

**Mr BLACKER (Flinders):** I move:

That this House strongly opposes the deregulation of the grain industry and calls on the Minister of Agriculture to lobby the Federal Minister for Primary Industries to retain grower controlled orderly marketing for the grain industries and, further, that this House is strongly of the view that, before any change is made to the present marketing arrangements, such change only be made after a full referendum of all registered growers of grains so affected.

In moving this motion I bring to the attention of Parliament one of the most serious issues which has confronted the wheat and barley industries of this State in the past half century. It is so serious that the overall viability of this State is in question. The export earnings derived for this State by those two major grain industries (together with the wool industry) have been the lifeblood of the State for more than half a century.

This issue threatens the very basis upon which a solid foundation for grain growers was established and has enabled so many of the grain growers and mixed farmers in this State to survive and prosper. Before getting into the debate, I will explain the two major issues confronting the grain industry. The two issues are often confused by many members of the public and, in some cases, by members within the grain industry itself. The first issue relates to the orderly marketing of grain and the threat to the orderly marketing system which has been with us for half a century. This results from an Industries Assistance Commission recommendation for deregulation of the grain industry.

The other issues relate to the McColl royal commission or, more specifically, the Royal Commission into Grain Storage, Handling and Transport. They are two totally separate issues but, as they arose principally at the same time, much confusion exists within the community. On this occasion my particular reference (and the subject of my motion) relates to the former, that is, the Industries Assistance Commission recommendation to deregulate the grain industry. This deregulation has been picked up by the Federal Minister for Primary Industries (Hon. John Kerin) and has been ably supported by a number of sectors of the community, all of whom have exclusive self-interests and who are prepared to put those self-interests ahead of the interests of the general grain growing industry.

However, on the other side of the issue are the general threats, first, to the stability of the grain industry; secondly, to the continuation of a fair and just return for the grain grower; and, thirdly, to the maintenance of that stability in obtaining security for finance for farmers buying into land. First, I must declare my interest as a grain grower. By all comparative standards, I am a very small grain grower, cropping on average between 200 and 300 acres of barley and wheat. Many would say that this is insufficient to justify a plant with which to crop, and many would say that it is barely enough grain to feed a decent number of chooks. Be that as it may, my interest in grain growing has spread over my entire farming career when, at times, I cropped 1 100 acres. The tradition of my family as grain growers extends back to 1906 on Eyre Peninsula and, prior to that time, as mixed farmers in the member for Alexandra's electorate in the Willunga area.

I will now speak briefly about the history of orderly marketing. I can well recall my father and his father talking about the days of the free market system when a farmer would take his grain to the local siding and then have to barter with a number of agents who were present. Often there were as many as five or six agents at the siding, each one endeavouring to outbid the other in order to gain the sale. However, as soon as the agent's order was filled, he would immediately withdraw from the market and eventually the grower in the districts which were visited later by the agents would have to take whatever price he was given, regardless of the average price for the season.

Although it could not be stated that free marketeering and the trader system was the direct cause of the great depression, there can be no doubt that it was because of the then trading system for grain growing that many farmers did not receive a fair price and, as a result, were forced into liquidation.

It is interesting to note that the older generation who experienced the free trade and the trader systems are vehemently opposed to going back to the whims of the traders. Deregulation must be opposed on financial grounds. Financial fluctuations that would occur in the trader system, depending on the day-to-day market, could well return the industry to former days when farmers would listen to the radio to determine the world market price for that day. In some circumstances, the market price changed by the hour. There could be no guarantee to a farmer that he would receive a reasonable return for his grain at the end of the year, so his financial security was then in question.

Financial security raises yet another point. When a farmer is first forced to work on overdraft, or when he has acquired land and therefore has a loan, he is required by the banks and financial institutions to put in a forward budget. This is sound financial practice and it should be applauded and insisted upon. If, however, there is no firm orderly marketing system, the likelihood of accurate predictions of forecasted grain returns becomes very suspect. Therefore, financiers would err on the side of caution knowing full well that grain traders would do their level best to keep the price as low as they could and thereby make any farmers ineligible for additional carry-on loans that they would otherwise receive if an orderly marketing system and a guaranteed price was maintained.

It is not correct to say that, because the Wheat Board would still operate, it would set a floor price for grain. It would simply be a case of the grain traders picking the eyes out of the market and leaving the second grade material to the Wheat Board, therefore lowering the price. This has already happened in the stock marketing system where private buyers pick the eyes out of the best of the stock and the second-grade stock goes to the general market, and then the traders use the prices at the local market as a basis for setting their price. We have seen this principle in other producing sectors and it would be very naive indeed to believe that it would not occur here.

We could then ask whether grain traders could guarantee bonuses. There can be no doubt that the Australian Wheat Board and the Australian Barley Board gain bonuses for premium grades of grain. These bonuses are either paid direct to the farmers or they assist in maintaining high prices for the overall average grain quality. If we moved to a grain trading situation, a handful of farmers may—and I stress 'may'—benefit in the short term from a bonus system, but it is highly unlikely that the quality of grain delivered by the majority of farmers would be adequately compensated if the grain traders were allowed to pick the eyes out of the market.

This raises the question of quality control. The Australian Wheat Board and the Australian Barley Board have maintained excellent standards of quality control, and those standards are improving all the time. However, should we go into a multiplicity of traders, the ability to maintain quality control—therefore Australia's reputation as a quality grain provider—will be lost. Unscrupulous traders, obviously trying to wheel and deal on the market (and in some cases the black market), would obviously put at risk the good name that this nation has. That good name did not exist in the trading situation. It has only been developed and generated by orderly marketing.

Grain traders would obviously have the small grower at a disadvantage. The small grower, and those in more remote areas, would still be unable to compete and would see a parallel of circumstances where we have had stock agents cutting back their services to the more remote areas to the extent that we would have only two major stock marketing companies operating in the more remote areas. A small grower who could not offer large tonnages is not in a position to be able to bargain with traders and, therefore, would have to take the area of least resistance, that is, a reduced price. Why should a small grower be disadvantaged to this extent? Traders cannot guarantee that the net return to the grower will be an improvement on what is provided by the board now, simply because the Wheat Board, the Barley Board and the Cooperative Bulk Handling Company are non profit making organisations. Therefore, all profits are returned to the growers.

As Mr Mick Gayfer, Chairman of the Western Australian Cooperative Bulk Handling, said, 'Where else can you get cheaper than at no cost at all?' The point he makes is that, if traders are involved, they in turn have to get their commission, and that has to be at the growers' expense.

Grain traders have to respond to their board of directors, which, in turn, has to respond to the shareholders. It is obvious that a grain trader is expected to get as much commission and make as much money out of that grain as possible. That money-making machine will obviously have to come at the grower's expense, so for any trader to be able to better the price of the Australian Wheat Board and the Australian Barley Board they have to not only absorb the additional costs of handling and establishment of their own storages and transport schemes but also guarantee to their shareholders a percentage return on their capital. If it was expected that the standard rate of interest—for example, 14 per cent—was required, that is 14 per cent less that the grower would receive for his grain. Obviously a commission agent or a trader is going to need to survive, and therefore that has to be at the expense of the grower.

A further problem with the grain traders is that they would be expected to sign forward contracts, and in signing forward contracts growers are then committed to the supply of that grain. If, in fact, there is a shortfall, penalty rates occur. That is not the case with the Australian Wheat Board and the Australian Barley Board. Those two grain receival authorities are obligated, by law, to receive all standard quality grain and therefore there is no risk of growers being caught and suffering penalties for their inability to supply grain because of storm and tempest damage at the time of harvest, or because of fire or any other misadventure that should occur. The farmer is not penalised beyond the immediate losses that he himself has incurred. Forward contracts do not make or allow for human and natural tragedies such as that.

My biggest concern, however, is the power brokers and the effect that they could have on the monopolising of the grain industry. I make no bones about the fact that I, like

the majority of growers in this State and, I believe, across the nation, am fearful of the massive influence and power of the grain division of Elders. There can be no doubt that Mr John Elliott in his dual capacity as Chairman of Directors of Elders IXL and as Chairman of the Liberal Party of Australia has a conflict of interest, and therefore must be criticised in his endeavours and his company's endeavours to force through deregulation and use his parliamentary machine to do just that.

Since this debate has commenced I have indeed been surprised and indeed quite frightened by what I have learned. There is no doubt that Mr Elliott has been prompting his Federal members to support the deregulation program. He has further aided and abetted that position by having officers of his company address public meetings to support deregulation. Furthermore, he has paid employees who have, just in the past fortnight, purchased additional storage capacity in the United States of America.

Further to that, he has Mr Michael Furzer, who was the all American manager of Continental Grain for the United States of America—that is, the all American manager and not just the manager for the State of New York. Elders have financed, through an intermediary company, the efforts of Mr Ian Wearing, who has been travelling the nation supporting the deregulation push, allegedly as an independent consultant. Further, Elders has acquired the services of the former Chairman of the Australian Wheat Board, Sir Leslie Price, and has had Sir Leslie travel overseas to acquire that storage. Elders has also used Sir Leslie, picked his brains, to further the interests of Elders IXL.

It has been reported to me that Sir Leslie Price, acting in his capacity as an employee, told a group of grain handlers, involving at least six from a number of States present, that Ian Wearing was being paid \$120 000 to sell the story and he was being paid by ACIL Australia Pty Ltd, Canberra, which is a consulting firm. Sir Leslie Price told this group of grain handlers that Elders IXL had paid money to ACIL for the purpose of financing Ian Wearing. So, in this instance, Ian Wearing's activities must be seriously questioned, because he has become the paid pawn in the deregulation lobby, and his own independence and credibility must be questioned when this occurs. Furthermore, in the Donald Birchip paper in Victoria there have been open press statements saying that it is expected that Elders IXL representatives will be addressing the deregulation meetings.

It must be plain for all to see that Mr Elliott is working on a master plan. Eighteen months ago he purchased two sets of silos in America, worth some \$80 million. He openly said that he would set up 40 people around the world—and, believe it or not, Australia is one of the very few markets in the world, if not the only market, to which Elders does not have open access. It is these issues that are of concern to me. I have raised but some of the issues involved that have caused me a lot of concern. However, I guess the real issue is whether in fact our own Federal Opposition is united on this issue: regrettably, I have to say that that is not the case.

The National Party is united, united to the core on this, and I could quote statements made by every State leader of every National Party branch in this nation strongly condemning the actions of the Federal Opposition shadow Cabinet and being particularly critical of those Liberals who did not have the intestinal fortitude to stand up for what is right and for the grain growers of this nation. No doubt exists that the Nationals stand firm on this issue. I have been present at and participated in meetings of State members of Parliament of the National Party. I was present at and participated in the Federal Council meeting when this

issue was discussed and I know that I can speak for all of my colleagues, both State and Federal, in saying that this issue is fundamental to the very principles of the National Party and to the very principles of the grain producing areas of this nation.

Regrettably, that is not the case with the Liberals. Only one man, one member of the shadow Cabinet, the Hon. Wal Fife, had the intestinal fortitude to support the Nationals and to support orderly marketing. There are one or two other members of the Liberal Party, not in the shadow Cabinet, who have indicated some support for orderly marketing, and I refer to a letter to the editor from the Hon. Steele Hall. Mr Hall, who comes from a grain growing area, knows full well the feelings of the grain growers. Regrettably, the same could not be said for the Hon. James Porter and the Hon. Senator Tony Messner, members of the shadow Cabinet and the only two members representing South Australia, both of whom supported deregulation. The heat must be turned onto these members if they are to realise just where they are and what they are doing and that they are interfering with the lives of people. What is the motivation of these people?

The wheat industry is self-supporting. The farmers have paid for the establishment of that industry; they have paid for the orderly marketing; they have paid for the grain handling and storage of that industry. Government has had little or no input into that in South Australia. All it has done is to act as the guarantor and facilitator and, when that guarantee has been paid out, the grain industries have been left to their own devices. I support the concept of Governments being facilitators in an industry. The history of grain traders in South Australia has been abysmal. It has been to the decided disadvantage of the grain growers and it was for that reason and because of the lessons learned at that time that orderly marketing was established. From that time, development in the right way emanated from the knowledge that fair returns would be received from grain produced. There were still farmers in the 1950s who were paying off debts from the depression of the 1930s. These debts, in the main, occurred because of the squeezing and the indiscriminate nature of the business of many of those grain traders.

We must ask who will be the big grain buyers, and I believe I have hit the nail on the head by saying that Elders is trying to gear up to be in that position. It is paying people to act in an independent capacity, to go around selling the idea of deregulation. Elders, too, is having its officers attend meetings to sell deregulation. I am not quite so worried about that, because at least we know what its colours are. But when it is paying through an intermediary company the fares, fees and expenses of Mr Ian Wearing, who is allegedly acting as an independent consultant, the matter becomes much more questionable. Furthermore, I refer to the use of Sir Leslie Price. I say 'use', because there is no doubt that a gentleman who has contributed so much to the industry has been compromised. We can only put two and two together when we see him sent around the world to acquire storages for that purpose.

I do not doubt that there are problems with grain storage and handling in New South Wales and Victoria. There are problems and, principally, those problems revolve around, first, the fact that those State Governments own the storages and, secondly, the massive debts they have incurred. South Australia is leading the field in this instance, and South Australian Co-operative Bulk Handling and the Grain Handling Authority are to be complimented on the way in which they have handled the grain. Why should we as South

Australian growers suffer the consequences for the inefficiencies that have occurred in other parts of the nation?

With Mr John Elliott and Elders IXL making the greatest push (and already it is the greatest trader in this nation), so many of our farmers will be over the barrel and many of them who are now clients in a stock capacity may well be required to sell their grain through Elders. As we know, stock firms that have stock mortgages or have mortgages over their client's properties put phenomenal pressure on their clients and charge them full tote odds, usually plus additional penalties to service those loans. At the same time they demand that all the produce goes through their company.

I am making a plea to this House for security for our grain growers. That security can be achieved at no cost to the Government, and it must be a security that the farmers themselves know, accept and have been prepared to pay for in years gone by. They know from past experience that the trader system does not give them security. Other sections of industry, be they labour-intensive industries or manufacturing industries, are seeking security measures from the Government of the day. Major manufacturing companies are seeking ongoing commitments, and Government's pay to keep people employed. The Cattlemen's Union is seeking a register of overseas financing of land and property. All this measure seeks is an ongoing commitment to the orderly marketing system.

This issue has the support of every National Party member in the nation and I know full well that it has the support of the vast majority of farmers and grain growers in this State and, I venture to say, in the nation. It also has support from other sections of the community, including unions. The Semaphore sub-branch is united in its opposition to the proposal. I read from a motion to the conference, as follows:

That this branch rejects the proposals for privatisation/deregulation of the grain distribution and marketing network as proposed by the Royal Commission into Grain Storage, Handling and Transport by the Industries Assistance Commission inquiry into grain marketing.

It is considered that the proposals for privatisation/deregulation will lead to:

- the closure of most rail branch lines in this State
- the increasing domination of the grain transport task in SA by the agricultural business conglomerates such as Elders and TNT, etc.
- increase the use of contract labour, and non union conditions in the transport and handling task
- further depopulation of country areas as smaller producers are squeezed out and off their farms
- massive problems for local district councils to cover the greater increase in road damage
- increased road congestion, noise and pollution in port areas.

Those obvious statements have been recognised and pointed out by the union. In last week's *Stock Journal* an article appeared under the heading 'West Backs Kerin Plan', referring to Western Australian grain growers. I will read the article to the House to show how misleading things can be. The article was one of a series on the wheat deregulation saga and states:

The W.A. Pastoralists and Graziers' Association (PGA) is the second National Farmers' Federation association to support the Kerin plan for injecting competition on to the Australian domestic wheat market.

My point is that that is the support of the Western Australian Pastoralists and Graziers Association, not the grain growers. That group is associated with the National Farmers Federation, which has not come forward to support the grain councils of Australia in their opposition to deregulation. That association has nothing to do with the grain industry. On the same page of the *Stock Journal*, comments

of Mr Ian Wearing were reported. As I have already pointed out, he has been paid to go out and sell that story.

If the proponents of deregulation are serious, why do they not advocate the deregulation of the labour market and of manufacturing industry and get their grubby little fingers off those industries that have regulated themselves at their own request, at their own cost, for their own interests and at no cost to the rest of society, the Government and the rest of the taxpaying community? If Mr Kerin is serious, why does he not remove the \$2.50 per tonne surcharge on the rail system?

Some misguided Liberals have jumped on the band wagon of deregulation. They are the wets, and I excuse the dries who are, unfortunately, in the minority but who support orderly marketing. Perhaps I am wrong in my terminology. I apologise for not making mention earlier about the support for orderly marketing given by the honourable member for Eyre and shadow Minister of Agriculture. I understand from conversations with my interstate colleagues that Mr Gunn was the first and, until recently, only Liberal spokesman on agriculture who spoke up in support of marketing. I commend him for that, and I have said so in the press.

I applaud the stand that the member for Eyre has taken, and he has certainly supported me in an article in a similar vein. However, I am not convinced that all his colleagues are on side. Last week I was pleased to hear the member for Eyre claim that he could speak for the whole of the Liberal Party because, until recently, that was not necessarily the case. The same cannot be said for his Federal colleagues, and that is really where I am targeting my comments on this occasion. They need to be told that for the grain growing industries of this nation they must support orderly marketing. It is not a case of Mr Elliott telling them to jump; their response at the moment seems to be 'how high?' The current position is best explained in an article entitled 'Split possible over wheat marketing issue' in the country edition on page 8A of the *Advertiser* of 23 August. It states:

The National Party may break from the Liberal Party and 'go it alone' on the new wheat marketing legislation proposals if meetings with the industry are not successful in changing the Liberal Party's position.

The Opposition spokesman on primary industries, Mr Lloyd, told *On the Land* that the shadow Cabinet meeting, held two weeks ago in Brisbane, represented the first of many rounds in the debate over the policy the coalition would take on proposed changes to domestic wheat marketing.

Mr Lloyd said he had not wanted the proposals put on the table at the recent shadow Cabinet meeting and had not agreed with the decision by the Leader of the Opposition, Mr Howard, to do so.

Mr Lloyd stressed that the National Party was behind the Grains Council (GCA) and 'would not let wheatgrowers down'.

'Wheatgrowers expect the National Party to stand firm on greater flexibility of the Australian Wheat Board but stopped short of deregulating the domestic market,' he said.

Members of the Opposition front bench, including Mr Howard, Mr Lloyd, and Deputy Leader, Mr Sinclair, are due to meet with the GCA on 1 September before making a final policy decision.

Some Liberal Party MPs have said the Liberal position supports the Government's stance; that is, pro-deregulation of the domestic market. Further, they have said the meeting with the GCA is merely a 'face-saving' exercise for the National Party.

Mr Lloyd said 'only time would tell' what difference the GCA meeting would make to the coalition's decision.

However, the GCA is confident it can convince the Liberal Party that deregulation is not in the best interests of the wheat-growers. GCA Wheat Committee Chairman, Mr Don McGauchie said the council had received some support from the Prime Minister's Country Task Force and would meet with this committee soon.

Mr McGauchie, said the National Party had 'understood better, and more quickly than the Liberal Party, the depth of feeling within the grain industry'.

'And they know where their base is and they know what the position of the grain industry is. The Liberal Party will either

understand that or there will be major problems within the coalition,' he said.

Mr McGauchie said this was already happening in Victoria where National Party candidates were campaigning against Liberal Party candidates on the basis of differences about the wheat marketing legislation.

He said the GCA was not depending on a split in the coalition to make its point but hoped to convince the Liberal Party that its strong policy position satisfied the requirements the Party supported on wheat marketing.

The GCA was not involved in 'scare tactics', Mr McGauchie said, but firmly believed that deregulating the domestic market would lead to the gradual erosion of the Australian Wheat Board.

When questioned as to whether there was any contradiction between the proposed electronic marketing system for legumes that is largely a deregulatory move, and the anti-deregulatory position the GCA had taken over the wheat issue, Mr McGauchie said they were completely different situations.

I believe that that article adequately sums up the current political situation. I could quote, but will not because of the time it will take, letters and press statements from every National Party Leader in the nation which indicate a firm commitment to the retention of orderly marketing—so much so that most have called on National Party members of the Federal coalition, if necessary, to even go as far as breaking the coalition. Immediately after the Federal shadow Cabinet meeting, when the news came out, I wrote to my Federal Leader (Hon. Ian Sinclair) and said:

Dear Ian,

It was with great concern that I learned of the results of the shadow Cabinet meeting in which the Liberal Party, all except one, voted to support a submission of the IAC for the deregulation of the grain industry.

I was pleased to note that every member of the National Party stood firm on this issue, but that only one Liberal, Mr Wal Fife, supported the Nationals in their quest for the retention of orderly marketing.

I commend the National Party for its stand on this issue. However, I am concerned about the ramifications for the wheat industry should the Nationals not win this case.

I implore you to use all of your endeavours to see that the National Party's view on this issue is successful and, if that is not the case, then I strongly recommend that the National Party stand alone, even to the extent of breaking the coalition, should that become necessary.

*The Hon. R.G. Payne interjecting:*

**Mr BLACKER:** The National Party had to use its numbers and threaten to withdraw for the sake of the wool industry. Certainly, countless millions if not billions of dollars have been saved in favour of the Australian wool industry because of that decision, which was purely a National Party decision. The threat had to go through. Certainly, I know that the National Party has the capability of being able to win this argument on that basis. Indeed, if it does not, it will have every farmer in the nation against it.

I call on all members of the House to support my motion. To give it strength, I ask that, before any change be made to the orderly marketing system, there be a referendum of the growers affected—and I emphasise that—because so far the people who are pushing for deregulation are not the growers affected: they are the handlers, the wheelers and dealers and people further down the production chain. We do not have corner garage mechanics telling car manufacturers how to run their business. They are service agents down the line—the same situation as transporters and agents, who should not be playing a major role in the deregulation issue, as they seem to be doing. This decision should be left for the graingrowers themselves, those personally and independently involved. The final part of my motion states:

... before any change is made to the present marketing arrangements such change only be made after a full referendum of all registered growers of grain so affected.

I believe I have made my point. I believe firmly that farmers who are directly involved should have a say. After all, they

established the system. I call on the House to support the motion.

Mr De LAINE secured the adjournment of the debate.

### SOUTH AUSTRALIAN CO-OPERATIVE BULK HANDLING LIMITED

Mr BLACKER (Flinders): I move:

That this House strongly supports the South Australian Co-operative Bulk Handling Limited as the single receiver of cereals in South Australia.

By arrangement, I certainly do not intend to go to the same lengths on this topic as I did on my earlier motion because I know there is greater unanimity of support for the South Australian Co-operative Bulk Handling Limited in the retention of sole receivership rights. However, I want to make a couple of points and I would welcome debate from all members on this issue. South Australian Co-operative Bulk Handling Limited was set up in the early 1950s and financed by the growers who were levied sixpence a bushel on all of the grain. That finance was provided on a rollover basis so that the moneys were received and deducted from

Grain throughput volume average for the past five years—3.5 million tonnes

| tonnes (millions)  | 3.50  | 3.40  | 3.30  | 3.20  | 3.10  | 3.00  | 2.90  | 2.80  | 2.70  |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|  | \$    | \$    | \$    | \$    | \$    | \$    | \$    | \$    | \$    |
| Handling charge/tonne                                      | 12.46 | 12.79 | 13.13 | 13.50 | 13.89 | 14.30 | 14.75 | 15.23 | 15.74 |
| Total revenue generated/required (millions)                | 43.6  | 43.6  | 43.6  | 43.6  | 43.6  | 43.6  | 43.6  | 43.6  | 43.6  |
| CBH fixed costs  | 29.8  | 29.8  | 29.8  | 29.8  | 29.8  | 29.8  | 29.8  | 29.8  | 29.8  |
| CBH semi-variable costs                                    | 6.2   | 6.2   | 6.2   | 6.2   | 6.2   | 6.2   | 6.2   | 6.2   | 6.2   |
| CBH variable costs   | 4.9   | 4.8   | 4.6   | 4.5   | 4.3   | 4.2   | 4.1   | 3.9   | 3.8   |
| Total CBH costs  | 40.9  | 40.8  | 40.6  | 40.5  | 40.3  | 40.2  | 40.1  | 39.9  | 39.8  |
| Surplus required for system development and drought buffer | 2.7   | 2.7   | 2.7   | 2.7   | 2.7   | 2.7   | 2.7   | 2.7   | 2.7   |

The sensitivity analysis is based on maintaining constant surplus for system development and drought buffer in the light of declining throughput volumes.

The charge per tonne to the grower is adjusted to achieve this.

Mr BLACKER: The statistics that I have tabled give an explanation or a sensitivity to costs related to the handling of grain in South Australia. They are based on a five year average of 3.5 million tonnes received. The table gives a sliding scale with the reduced tonnage; obviously the higher the price per tonne, the higher the cost. I also seek leave to include another statistical table.

The SPEAKER: The honourable member gives the usual assurance?

Mr BLACKER: Yes, Sir.

Leave granted.

### BULK HANDLING AUTHORITIES SUMMARY OF INDEBTEDNESS, HANDLING CHARGES (Based on 1986-87 Annual Reports—in \$ millions)

|                          | GHA<br>NSW | GEB<br>Vic | BGQ<br>Qld | WACBH<br>WA | SACBH<br>SA |
|--------------------------|------------|------------|------------|-------------|-------------|
| Current Assets           | 122.6      | 55.7       | —          | 29.3        | 43.4        |
| Non-current Assets       | 242.9      | 367.6      | —          | 276.5       | 150.6       |
| Total Assets             | 365.5      | 423.3      | 0.0        | 305.9       | 194.0       |
| Current Liabilities*     | 54.2       | 23.8       | —          | 170.4       | 17.2        |
| Non-current Liabilities* | 213.9      | 86.2       | —          | 33.1        | 15.0        |
| Total Liabilities        | 268.1      | 110.0      | 0.0        | 203.5       | 32.2        |
| Net Worth                | 97.4       | 313.3      | 0.0        | 102.3       | 161.8       |
| Net Indebtedness*        | 145.5      | 54.3       | 0.0        | 174.2       | -11.2       |

\* SACBH and WACBH Liabilities include tolls levied on growers.

These amount to a total of \$25.5 million for SACBH and \$119.6 million for WACBH.

\* Net Indebtedness is taken as Total Liabilities less Current Assets.

\* The Commission of Audit in NSW has reported in its recently released report that the GHA in NSW will have a total

external debt of \$220 million against accumulated reserves of \$96 million.

the grain at sixpence a bushel and the funds were then used by the organisation on a 12 year non-interest basis. The funds were repaid to growers at the end of that period. Graingrowers themselves effectively organised the finance for the organisation. The effectiveness of the organisation has been amply demonstrated by the McColl Royal Commission which clearly identifies South Australia as the most efficient grain handling authority in the nation. Mr Speaker, I seek leave to have a table of statistics inserted in *Hansard* without my reading it.

The SPEAKER: Do we have the member's assurance that the information is statistical?

Mr BLACKER: Yes, Sir.

Leave granted.

### SENSITIVITY ANALYSIS—SACBH STORAGE AND HANDLING COSTS

|                            |              |
|----------------------------|--------------|
| SACBH fixed costs per year | \$29 800 000 |
| Semi-variable costs        | \$6 200 000  |
| Variable costs per tonne   | \$1.40       |

Semi-variable costs are those costs which are variable only in the context of large incremental changes possible only in the event of major changes in grain throughput volumes, that is, changes in grain throughput volumes greater than 25 per cent.

Variable costs are those costs that are directly variable with marginal variations in volume throughput.

external debt of \$220 million against accumulated reserves of \$96 million.

|   |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|
| Handling Charge/tonne                       | \$16.70 | \$14.71 | \$17.00 | \$16.73 | \$12.01 |
| (1986-87—wheat)                             |         |         |         |         |         |
| (SACBH 1987-88 charge)                      |         |         |         |         |         |
| (SACBH and WACBH inclusive of toll charges) |         |         |         |         |         |

Mr BLACKER: This table compares the grain handling rates of the various bulk handling authorities in New South Wales, Victoria, Western Australia and South Australia. Regrettably, the figures for Queensland are not included—something went wrong in drawing up the table. It clearly demonstrates that South Australia, with a handling charge of \$12 a tonne, surpasses New South Wales with \$16.70; Queensland, \$17; and Western Australia, \$16.73.

The submission to the Royal Commission into the Storage, Handling and Transport of Grain in Australia prepared by ACIL Australia Pty Ltd was financed by a number of authorities. The last sentence in the introduction of that document states:

It becomes abundantly clear throughout the submission that there are significant benefits to be achieved in the storage, bulk handling and transport of grain and that making these benefits a reality requires the deregulation of marketing.

I also draw to the attention of the House a list of those organisations which helped finance this report. I relate to the House the example of Western Australia where it became known that three of the banks, with whom we regularly conduct business, financed a submission to the royal commission on the basis of deregulation. The growers responded quite strongly to that submission and, in many cases, with-

drew their business from those banks. I am told that one of the branches has even had to close because farmers in that area withdrew support from that agency.

This motion is different from the first I moved; however, it adds full support to the South Australian Co-operative Bulk Handling Limited, an authority which is held in high repute and is given as an example. I am also given to understand that New South Wales and Victoria would dearly like to have their grain handling authority managed in exactly the same way as South Australia and, to a slightly less degree, Western Australia. Those two States have set the pattern and if the other States had followed that pattern the McColl royal commission would not have been a necessity. I seek the support of the House.

Mr De LAINE secured the adjournment of the debate.

### GOLDEN GROVE

Ms GAYLER (Newland): I move:

That this House congratulates the Government and the Golden Grove joint venture partners for ensuring—

- (a) that new housing development in Golden Grove offers a range of innovative housing types and prices for first home buyers, families, elderly people and single people;
- (b) that housing price rises have been moderated by a number of strategies; and
- (c) that employment in land development, house construction and community services is being stimulated.

The foresight of the Dunstan Labor Government's urban development policies of the late 1970s and the bold and effective urban strategy of the Bannon Government are exemplified in the Golden Grove Joint Venture development. Determined pursuit of that planned urban development under the Indenture Act is now contributing results to the State's economy, the land and housing development industries, for the employment of South Australians and, most importantly, for those finding new housing opportunities—residents and young families, particularly people from the north-eastern suburbs.

At the time the Government was negotiating the Golden Grove joint venture between the Delfin Property Group and the South Australian Urban Land Trust, we insisted on a number of important features in that arrangement. One was that the cost of allotments was to be constrained by deliberate policy; secondly, public and private housing was to be integrated within the development, and 25 per cent of the development was to be public housing under the auspices of the Housing Trust so that lower income households would not miss out. The next feature was that community facilities and services would be developed in a timely way and we would not be concentrating simply on bricks and mortar and worrying about all the other essential community infrastructure until later.

Finally, a range of housing types and choices to meet the differing needs of the emerging demographic pattern was to be developed so that eventually the 10 000 homes in the area would be satisfied by a range of different housing types. Those key features, along with the Government's urban development staging strategy, mean that Golden Grove is now playing a significant part in delivering affordable housing in metropolitan Adelaide and making an important contribution to the housing industry recovery in this State. The industrial park which is now under way will also be a model and provide additional employment opportunities in manufacturing and service industries in the region.

To date, since 1985, 2 000 allotments have been produced. Production of land has been running at 700 allot-

ments per annum and is now to be boosted to 900 allotments per annum for 1988-89, making Golden Grove the fastest selling new urban development project in Australia. With 800 homes completed to July 1988, a further 600 are now under construction.

The population of Golden Grove now exceeds 2 500, and development activity on the ground is now beginning to include the range of facilities necessary to meet that growing population. I refer to primary and pre-school facilities, which are also used for meetings of community groups. There are playgrounds and ovals; Pedare College is well and truly operating, and three secondary school campuses are now under way. A community house is due to be opened late this year and a child-care centre is being planned. The first neighbourhood shopping centre is due to open later this year. Plans are also under way for sporting facilities to be developed over the coming years.

The State Government has given this joint venture development very strong support by the essential infrastructure it has been prepared to fund in the area particularly in connection with the road network, water supply, electricity and school financing. All of that has enabled the joint venture partners to boost the pace of development and bring on construction, all of which contributes to a reduced holding cost for the whole development and those financing it.

The major development taking place has another important feature and that is in the range of housing types included. In the early two years or so, the traditional family home on the so-called quarter acre block was the predominant housing type because it was important to provide for that market and also get the development up and running. With the development of essential community facilities, the joint venture partners are now embarking on development of a greater range of housing at slightly higher densities and at a range of prices to suit the various segments of the market. Out of a total of 750 dwelling site sales in 1987-88, 300 were higher density dwelling sites, confirming a strong demand from a range of purchasers.

In 1987-88 ordinary housing allotments accounted for some 441 sales; courtyard, 195; duplex, 4; and medium density, 117. Courtyard homes have been particularly popular with the over 50s age group and with first home owners. In fact, they were snapped up very swiftly after being offered to the market.

In 1988-89 the Delfin Group proposes to add home units and town houses to that range of housing. Up until 30 June this year, 2 000 dwellings have been sold. Of those sales, 31 per cent have been detached dwellings, 10 per cent courtyard homes and 8 per cent medium density dwellings. The price range offered in Golden Grove is the envy of the other States (particularly the capital cities), especially when you take into account the quality of development in the Golden Grove area and the range of services provided to meet community needs. In the low income range of the three price categories, land plus dwelling costs are being offered in the range \$50 000 to \$70 000. When you compare that with interstate capital city prices in similar locations it is, as I say, an enviable achievement.

The buyer profile in Golden Grove shows that previously unmet needs in the north-eastern suburbs are now being met. The under 30s comprise 46 per cent of purchasers at Golden Grove, and they are often first home owners. Those over 55, at the other end of the age range, account for 7 per cent of the market, which means that those buyers looking for small or low maintenance homes for their latter retirement years are actually being catered for. Courtyard housing is particularly attractive to the over 45 age group, accounting for some 31 per cent of those sales. It also

appeals to those under 25, accounting for 18 per cent of those sales.

Of the residents in Golden Grove, 47 per cent come from the immediate Tea Tree Gully council area. That means that former residents and ratepayers, the sons and daughters of Tea Tree Gully families, along with elderly people in the north-eastern suburbs, are being catered for. Of the development taking place in Tea Tree Gully 73 per cent is in Golden Grove. It is pleasing to see that the development caters for a range of occupation and income groups, with 45 per cent coming from blue collar occupations and some 23 per cent from white collar occupations. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

### GOVERNMENT IRRIGATION AREA

**The Hon. P.B. ARNOLD (Chaffey):** I move:

That this House calls on the Government to proceed as a matter of urgency with the rehabilitation of those Government irrigation area distribution systems outstanding and to honour the undertaking given at the time of the commencement of the rehabilitation by the former Deputy Premier and Minister of Works, the Hon. J.D. Corcoran, that no irrigator in the State Government irrigation areas would be financially disadvantaged as a consequence of the work to be undertaken.

That commitment, which was given during the early 1970s by the Hon. Des Corcoran following the decision taken by the Dunstan Government to commence rehabilitation of Government irrigation systems, was quite clear and positive: no direct costs would be incurred by the irrigator concerned; in other words, that grower would not be disadvantaged as a result of the works to be undertaken.

Of course, the Government made this decision for two reasons: first, it was a positive decision to maintain employment figures; and, secondly, to appease the demands of the unions that the work be undertaken by Government day labour. However, as a result of that work being undertaken by Government day labour, the costs were exorbitant. It is fair to say that the costs already incurred in the rehabilitation of Government irrigation areas (which amounts to about 60 per cent of the areas to be rehabilitated) would have financed the rehabilitation of the total Government irrigation areas in this State had the work been undertaken by a competitive tendering and contract system.

The Government has proposed a system whereby the remaining 40 per cent of the rehabilitation will be undertaken half at Government expense and half at the expense of the irrigators in Government irrigation areas. That proposal is totally unacceptable, because it will create a situation where the growers, who unfortunately are irrigators within Government irrigation areas, will be distinctly disadvantaged compared to irrigators in private irrigation areas. Part of the proposal being presented by the Government is that, in an endeavour to reduce administration costs, the Government will (and I quote from the proposal) 'target reduction in administration expenses of 30 per cent by 1989-90 and a further 33 per cent over the next five years'.

The fact that it can reduce administration costs in Government irrigation areas by 63 per cent is an absolute indictment of the Government. If it achieves its aim, it will merely bring its performance into line with that of the Renmark Irrigation Trust and the first Mildura Irrigation Trust, which are private irrigation areas and which have existed for 100 years in this State.

The Government is asking the growers in the Government irrigation areas to pick up the inefficiencies of Government operations over the past 50 to 60 years. The Government has not been able to perform on a basis com-

parable to that of private irrigation areas, so it is saying that the growers must pick up that tab. During the rehabilitation process which has taken place in the Kingston, Chaffey, Waikerie and Berri irrigation areas, numerous growers have commented that, sooner or later, the Government would try to put the rehabilitation costs back on to the growers. They were concerned about the extremely inefficient methods being used but, whenever comments of that nature were raised by ratepayers in the Government irrigation areas, officers of the E&WS Department would assure those ratepayers that that would not be the case: that it was not their concern, and that the tab was to be picked up by the Government. However, their concerns have now become a reality. On top of the normal rates and rate increases, the Government is now trying to extract \$15 million from irrigators in Government irrigation areas.

At the end of 10 years irrigators in State Government irrigation areas will pay rates 40 to 50 per cent higher than any other comparable irrigation area in the nation. Of course, that is totally untenable and cannot be sustained by any Government, now or in the future. I venture to state that, if the Government goes down this path, all hell will break loose within the next three or four years when growers realise just what commitments are being forced on them.

The Minister would well recognise that there is no way on earth that we can allow irrigation rates in Mildura or Renmark to be \$10 000 a year and the rate for comparable irrigation properties (in area and production) in Berri or Barmera to be \$15 000. It must have an enormously devaluing effect on the properties within Government irrigation areas. I questioned E&WS representatives on this matter at a public meeting and asked them what investigations or studies they had done to determine the effect on the value of properties in State Government irrigation areas. They had to acknowledge that they had not considered that matter, but they believed that it would be very slight. Of course, that is absolute rubbish!

If one property is charged \$4 000 or \$5 000 a year more in irrigation rates, that must have a devaluing effect on that property of anything up to \$50 000. No one in their right mind would go into a State Government irrigation area and pay \$5 000 a year more in rates than for a comparable property in Mildura or Renmark. As I said before, there is absolutely no way on earth that the Government can sustain that situation and force growers to pay for inefficiencies that have occurred over the past 50 or 60 years.

That highlights the situation in relation to the statement made by Senator Richardson following the Murray-Darling Basin Ministerial Council meeting held in Adelaide. In the *Advertiser* of Saturday 13 August, Senator Richardson stated:

A milestone had been reached yesterday with the adoption of a multi-government salinity and drainage strategy for the Murray-Darling Basin which would result in a net benefit to the basin of \$335 million.

People in the Riverland are well versed in the programs being put forward and what has or has not been done. I refer to the editorial in the *Murray Pioneer* of Tuesday 16 August, soon after that statement by Senator Richardson. The editorial is headed, 'Stable gate shut after horse has bolted?', and states:

The latest moves to combat River Murray salinity, announced after the ministerial council meeting in Adelaide on Friday, sound very impressive. But until detailed plans are released it does seem that the politicians might well be accused of 'grand-standing'.

Upgrading of the water distribution systems in this area has been frustratingly slow and only recently the State Government came up with a scheme for growers to meet part of the cost of the upgrading scheme. This is hardly the action of a government committed to salinity mitigation, when it runs an inefficient distribution system which contributes directly to the groundwater

build-up through leakages and indirectly because it does not allow growers to irrigate as efficiently as those on pipeline systems.

And where are the incentives for growers to install the latest irrigation systems? Some taxation incentives would boost equipment installation without seriously depleting the taxation coffers. The comments in the *Murray Pioneer* clearly indicate the frustration which is occurring in irrigated areas of South Australia and the lack of sincerity as far as the respective Governments are concerned. On paper, the proposal of the Murray-Darling Basin Ministerial Commission is excellent, and I applaud it, but until such time as the three State Governments and the Commonwealth come up with the funds to put into effect the proposal in the statement made by Senator Richardson, it amounts simply to grandstanding and is absolutely farcical. To gain \$335 million worth of benefit, then hundreds of millions of dollars of capital have to be spent on necessary works, not only in mitigation schemes but also on improved on-farm practices.

Last week in this House I asked the Minister of Water Resources a question about South Australia's capital commitment this year and in the next five years and the capital commitment of Victoria, New South Wales and the Commonwealth over the same period of time. I received a response yesterday which indicated that, rather than hundreds of millions of dollars being committed, the situation is that the combined annual commitments of the three States and the Commonwealth over the next three years, on average, is less than \$10 million. That makes an absolute farce of the statement made by Senator Richardson that the Murray-Darling Basin Ministerial Commission is serious about getting on with the job.

Yet, the South Australian Government is looking to extract some \$15 million out of the State Government irrigation areas, through its ratepayers, to pay for half the outstanding rehabilitation work—because of the appalling methods that were utilised in the early stages and because costs were allowed to get completely out of hand. Some 40 per cent of the State Government irrigation areas are unrehabilitated, which means that the growers in those unrehabilitated areas are not competitive with others. Unless a grower has a modern irrigation system providing water at all times, modern irrigation practices cannot be put in place. If the modern irrigation practices cannot be put in place and the water is not available seven days a week, then, of course, irrigators cannot take advantage of the off-peak weekend reduced power rates that can be taken advantage of in the rehabilitated areas and the private irrigation areas. So, the growers in the unrehabilitated areas miss out all around.

During the period of the Tonkin Government's administration we altered the practice of the Labor Government whereby the moneys that were utilised in relation to on-farm connections were offered to growers in the form of a grant if they were to upgrade the irrigation system on their property. Most of the growers took advantage of this offer. It had the effect of providing a modern irrigation distribution system and improved irrigation practices on the properties concerned. Thus, the amount of water being pumped from the river was significantly reduced, wastage was reduced dramatically and productivity was improved.

The Government has to get its act together. The work must be carried out by competitive tendering and undertaken by contract. The Government has no alternative but to proceed with the rehabilitation of Government areas. It is presiding over some of the most antiquated irrigation systems in the nation. Its own credibility is at stake in terms of the Eastern States and the Commonwealth. If it does not get its own house in order, there is no way it can bring pressure to bear on the Eastern States and the Commonwealth to be party to the salinity mitigation program.

The figures provided to me yesterday by the Minister of Water Resources clearly indicate that the contribution being made by the Federal Government to the very small program over the next three years is still totally inadequate. I have stated on numerous occasions previously that, until the Commonwealth Government picks up the major portion of the costs of the Murray-Darling Basin works that need to be undertaken, very little progress will be made. Human nature being what it is, Victoria and New South Wales will not contribute 50 per cent of the capital required. We are talking about anything up to \$1 000 million, and those States will not provide half of that money to improve the quality of water in South Australia, even though they might have created much of the problem. It has not occurred elsewhere in the world. The only way that the matter has been resolved is by the federal government of the country concerned picking up the lion's share of the capital commitment and the States providing a much reduced share. I have continually stated that the Federal Government should be picking up 70 per cent of the capital cost involved and the three States the remaining 10 per cent each. Until that occurs, very little will happen.

The rehabilitation of the Government irrigation areas must go ahead. It is not financially feasible, on the basis proposed by the Government, and I call on the Government and the House to support the motion to get the rehabilitation work back on line and proceeding forthwith.

**The Hon. R.G. PAYNE** secured the adjournment of the debate.

## HOUSING TRUST RENTS

**Mr BECKER (Hanson):** I move:

That this House condemns the Government and in particular the Minister of Housing and Construction for permitting the South Australian Housing Trust to increase rents by 36 per cent from February 1987 and for using the Family Allowance Supplement and War Veterans' Disability Allowance as assessable income for the purposes of setting rents for Trust tenants and notes the huge increases are greater than real wage, pension and CPI increases over the same period.

*Mr Tyler interjecting:*

**Mr BECKER:** The member for Fisher cannot contain himself. He says, 'Keep it brief—you would put it up more'. I inform the junior member of this House, who will not be here after the next election, that he does not know what he is talking about. He has never made a worthwhile contribution to the community of this State; he has made no economic contribution to the State whatsoever. The Liberal Party established the South Australian Housing Trust just over 50 years ago. It built up and established a brilliant record of housing for the people of this State. And it took this incompetent Government just two years to turn it into a deficit.

This Government has absolutely destroyed the Housing Trust. For those members on the back bench—the eternal know-alls of this House—I will look at the statistics since this House resumed after the winter recess. On Tuesday 9 August, a petition was presented to this House by the member for Mount Gambier urging the Government not to increase Housing Trust rents above 25 per cent of the net income received in each dwelling. The member for Hanson presented a petition from 992 residents urging the Minister to rescind rent increases by the South Australian Housing Trust and restrict future increases to no more than the percentage rises in average weekly earnings.

*Members interjecting:*



**Mr BECKER:** I can understand why the member for Spence is getting a little bit jumpy about it because he and the Premier share the areas from which the signatures were obtained. On Tuesday 23 August I presented a petition urging the Government to limit Housing Trust rental increases to one per year and not to consider the family allowance supplement and war veterans' disability allowance as income. Yesterday, Wednesday 24 August, the member for Flinders presented a petition from 465 residents urging the Government to restrict the proposed rent increases for tenants of the South Australian Housing Trust. In a short time, 2 035 signatures have been obtained from Housing Trust tenants complaining in one way or another about the huge increases in Housing Trust rents.

Since the last State election, Housing Trust rents have increased by 44 per cent. All members are aware of the rent freeze that was applied prior to the 1985 election. What a sham that was! What a con trick on the Housing Trust tenants and the people of South Australia! Members also know of the economic damage that that rent freeze did to the South Australian Housing Trust, as was mentioned in the Auditor-General's Report and in the trust's annual report. It cost the trust over \$2 million. I bet it cost more than that, but that is what the trust stated it cost. During that period and after the election, building societies were not permitted to increase interest rates for housing loans. Apart from the Premier, the Minister and one or two others, no-one in this House knows that that decision almost broke the building societies in South Australia. That is how stupid and foolish this Government has been in playing around with people's money and with the housing industry in this State. No Government should ever be allowed to get away with that; it should be condemned for its policies.

On 1 July 1986, Housing Trust rents went up by 8 per cent. A grand announcement followed that, as from 1 February 1987, Housing Trust rents would increase by 5 per cent in February and August of 1987 and 1988, in addition to the CPI increases in August of 1987 and 1988.

**Mr Groom:** What would you have done?

**Mr BECKER:** Right on cue the member for Hartley interjected. I would never have got the Housing Trust in the financial mess that his Government has got it into. Liberal members would not have made such bungling decisions and interfered with Housing Trust management as we have witnessed from the Minister of Housing and Construction and the honourable member for Hartley's Government. He knows it. He knows that the South Australian Housing Trust was well run and well managed under a Liberal Government. He also knows that the Liberal Party has always encouraged and helped wherever possible to provide affordable home ownership. It will continue to do that as a major priority in its platform.

Let us return to the petitions. Why have so many tenants of the Housing Trust from such a wide area—country and metropolitan—complained? Throughout the whole metropolitan area there is dissatisfaction with the affairs of the South Australian Housing Trust: rental offices have been closed; offices are now closed on Saturday mornings; and tenancy offices have been removed from large blocks of flats. As a result, many elderly Housing Trust tenants now feel vulnerable. They feel that their safety can be questioned at times because an employee of the Housing Trust is not on site.

The trust is the only organisation with such large blocks of flats that does not have a caretaker on site. Most, if not all, private enterprise blocks of flats of 24 and upwards have a caretaker or manager on site to assist the tenants and to look after the property.

Let us look at the reason for the family allowance supplement. The Prime Minister tells us that no child will live in poverty after the next few years; that is what the Commonwealth Government is doing to assist families in need. However, the family allowance supplement is included as income by the South Australian Housing Trust. The veterans disability allowance—a small, pitiful compensation—is paid to those who were prepared to put their lives on the line for the defence of this country so that I and future generations could enjoy the freedom and opportunities that we have. Those who were unfortunately injured or who suffered some health disability are given some compensation. So, the Housing Trust, with the concurrence of the Government, decided that it would include that allowance as being income in assessing rents for these tenants.

Again, these war veterans have missed out, and some of the rent increases in my electorate were in the vicinity of \$9 a week. That is poor compensation for those who were prepared to defend this country and to whom we owe so much. That is how we treat them—tax the guts out of those who were prepared to put their lives on the line. This small amount of compensation will never repay those people for what they did. That is why there are continual complaints from annoyed tenants who are dissatisfied with what has happened.

Every member of this House knows that over the past few years it has been difficult to manage on a family budget and to provide for the necessities of life. It is difficult when one week a man has a job and the next week he is made redundant. This State has the highest unemployment it has had for decades, and very little will be done about that. We now have a hard core of unemployed persons. One can imagine the frustration that they feel. A large number of people are on disability allowances, sickness benefits, workers compensation—all waiting to be compensated in one way or another. These people are experiencing frustration and suffering, and as soon as they get a little bit of money they have to declare it and the Housing Trust increases their rent.

Those who are managing carefully to survive on their limited and fixed incomes are suddenly hit with an extra 20 per cent rent increase over and above the cost of inflation. What has the CPI been? The great hoax of the Hawke/Keating Government; the great excuse to increase anything and everything—everything will be increased in line with inflation. That would be all very well if wages went up that way, but the average worker has not experienced that. That is why the people in the Labor electorates are jumping up and down and petitioning this Parliament. So that members opposite can understand it, the petition states:

That we most strongly oppose the increase to rents paid by tenants of the South Australian Housing Trust recently imposed by the Minister of Housing and Construction firmly believing them to be unfair and oppressive to public tenants.

That these increases are unfair as they greatly exceed increases in tenants' incomes and the present rate of inflation. In fact, tenants' incomes are falling and further imposts will cause hardship for many individuals and families.

The rent rises are unjustified, as public housing standards are falling and building purchase programs are in decline.

That these increases amount to a selective tax on public tenants to pay for a deficit in the Minister's budgeting which they did not create.

Your petitioners therefore pray that your honourable House will call on the Minister for Housing and Construction to immediately revoke the announced rental increase and to restrict future increases to no more than percentage rises in average weekly earnings.

The disappointment of these people is one of the features of the current Government's housing policy. They feel that they have been betrayed, that the Government has deserted them at a time when they were looking for assistance and

help. The most important basic need in the community is to provide affordable accommodation. Indeed, I have received numerous letters and I want to read one from a young person who wrote to me, as follows:

I am on a widow's pension and receive \$35 per week maintenance. I have two children.

First, Mr Hawke led all low income households to believe that they would receive the family allowance supplement, but not so, if you're on a pension. His excuse was that pensioners already get it. He gave pensioners an extra \$5 per week, not the promised \$22 per week.

Now, he is taxing the children's maintenance, he takes 50c in the dollar above \$15 per week! That money belongs to the children; what right does he have to take half?

On top of this, any pensioner who receives maintenance did not get the pension rise due on 23 June! Social Security told me that I'd be lucky if I get a pension rise in two to five years time! I am horrified and devastated. While everything is rising in cost around me the pension doesn't increase. Social Security even told me that some pensions actually decrease. Mr Hawke promised, 'No poverty stricken child in Australia by 1990.' What is he doing?

On top of all this, the Housing Trust considers maintenance as income and so they take a percentage in rent. Social Security does not consider maintenance as income anymore, only because a pensioner can earn \$64 per week and not affect the pension—but a child can't receive maintenance without Mr Hawke grabbing half.

If I can earn \$64 per week then why can't I receive \$35 per week for my children? Maintenance should be the same amount, being \$64, before Mr Hawke can touch it!

To add to the financial pressure, I have been in the Housing Trust since 1977. It took 10 years for my rent to double. In July 1987 I was paying \$26.50 in rent. Since then I started receiving \$35 per week in maintenance—not for me—but for my children. Since July '87 my rent has increased to \$36.50 per week, with a letter saying that, because I received \$35 per week maintenance, my rent should be \$45 per week and will increase over the next few months till it reaches \$45 and then go up accordingly. This will mean that my rent will have all but doubled again in less than 18 months—what previously took 10 years!

I have always been grateful for a pension and for the Housing Trust, but I used to be able to manage and now it has become so hard. My pension hasn't doubled in 18 months. But what has really got to me is that the Housing Trust takes rent from my children! Mr Hawke takes half, so what's the point of any child receiving maintenance.

So, this is how the Labor Government affects me, so there must be thousands in the same boat: please help us to get this Government out. Expose Mr Hawke for what he is and what he is doing. If for no-one else, then for the sake of our children. Also, I would like to know what the Liberal policy will be on these matters. Whether the Liberals intend to leave as is, or if they intend to introduce a fair system.

It will be fairer than what people are getting now. The letter continues:

I should add that I cannot go back to work as I have a young baby born 12 weeks premature who is in constant need of operations and she has a brain shunt and has to be watched 24 hours a day.

I would not put that responsibility on anyone and, after what she and I have been through, I will not be parted from her. I can only hope that you will look into this matter on behalf of myself and those in a similar situation.

I think that that is typical of many of the letters I have received from Housing Trust tenants right around the metropolitan area. As the State budget is due to be delivered today and we have not yet received the Auditor-General's report, which will provide us with up-to-date figures on the financial position of the South Australian Housing Trust, I seek leave to continue my remarks later.

Leave granted; debate adjourned.

## FEDERAL TAXATION

**Mr BECKER (Hanson):** I move:

That this House condemns the Federal Government for continually taxing the workers' pleasures; namely beer, cigarettes and petrol at the rate of CPI increases automatically applied each six

months, further fuelling inflation and eroding living standards for workers.

It is incredible—I was always taught that three things are never taxed—beer, cigarettes and petrol—because they are the workers' pleasures. They are about the only things that the average worker has left that he can enjoy.

**Mr Rann:** How would you know?

**Mr BECKER:** I have been something that the member for Briggs will never be: I was a member of my union—I was on the Federal executive for seven years—and I was proud of it. The member for Briggs may be the member of a union, but he will never aspire to anything more than that. That experience gave me the greatest understanding and appreciation of the problems of workers in this country—have no doubt about that. If one wants to talk about being brought up in the school of hard knocks—by God, that taught me a lot. We know that many union disputes are settled around the corner and if the honourable member wants to step outside and go around the corner he can at any time he likes. He is a drifter.

Under the Hawke-Keating Government the workers of this country have been hit the hardest that could possibly be imagined. I know that not everybody enjoys a cigarette or is encouraged to smoke, but if the worker wants to do so, why can't he? On 2 February 1984 the recommended price before excise of a packet of Winfield 25s was \$1.79; after excise it was \$1.83, a 4.1 per cent or 4c increase. On 2 February 1985 there was another increase of 2.6 per cent or 3c, which took the cost of a packet of cigarettes to \$1.95. On 2 August 1985 there was a 3.8 per cent or 4c increase which took the cost of a packet of cigarettes to \$2.02. On 4 February 1986 there was a 4.3 per cent or 4c increase and the cost of a packet rose to \$2.09.

On 1 August 1986 there was a 4 per cent or 4c increase which meant that a packet of cigarettes then cost \$2.15. On 4 February 1987 there was a 5.6 per cent or 7c increase which meant that a packet of cigarettes then cost \$2.25. On 14 August 1987 the increase was 3.45 per cent or 4c a packet, making a cost of \$2.32. On 1 February 1988 there was an increase of 2.5 per cent or 3c, making the cost of a packet of cigarettes \$2.39. On 1 August 1988 the increase was 3.5 per cent or 4c which meant that a packet of cigarettes now costs \$2.54. In the middle of that period there were several increases for the manufacturer.

On 2 February 1984 the cost of a packet of cigarettes increased by 37c purely and simply because of the CPI. Purely and simply because of the impact of inflation the Government ripped out this extra 37c. The Federal excise and State taxes on a typical packet of Winfield 25s is as follows: Federal excise duty is 36.6 per cent and the State licence fee is 18.3 per cent. This means that State and Federal Governments get 54.9 per cent (almost 55 per cent) in fees.

The retail margin is 16.5 per cent, and the manufacturer distributor gets 28.6 per cent. This means that, on every packet of Winfield 25s costing \$2.54, 93c goes to the Federal Government, 46.5c to the State Government, 42c to the retailer and the manufacturer distributor gets 72c. That is on the recommended retail price of cigarettes and, as a considerable amount of discounting goes on, one can imagine that the retailer would not get such a high profit. That is how much the Federal Government has benefited from that so-called pleasure of the past, on behalf of the worker. Let us be honest: some jobs are stressful and after a pretty solid few hours of work in days gone by it was nice to sit down, have a quiet cigarette, a cup of tea and go back to work. It is a pity that the dear old smoko is a thing of the past, but certainly in some respects, it helped a lot of people to relax.

*Mr Tyler interjecting:*

**Mr BECKER:** The member for Fisher has to be the most ill-informed person in this House. There is no scientific evidence in that respect. There are theories but nothing to say that cigarette smoking causes lung cancer or anything else.

*Members interjecting:*

**Mr BECKER:** There is just no truth in it. You can go on with all the theories you like. Their next greatest pleasure of course—

*Mr Tyler interjecting:*

**Mr BECKER:** There have been 11 increases. The excise rate per litre was 63c. As at August 1988 it is 88.403c per litre, so there has been a 25c per litre increase in the excise on beer. It has been going up consistently by 1c, 3c and 4c at a time, so the poor old worker has been savagely hit. Before the 1983 CPI increases, the recommended retail price for a 750 ml bottle of beer was \$1.30. Of that \$1.30, 45c was Federal Government tax and 7.7c State tax, so that meant 52.7c tax on a \$1.30 bottle of beer. A 375 ml stubby cost 77c of which 22.5c was Federal tax and 4.4c State tax, making 26.9c tax to the Government. Information I have received from the South Australian Brewing Company is that the price of an average bottle of beer will drop by about 18c and that of a stubbie by 7c or 8c following Tuesday night's budget, that is, assuming that retailers pass on the full reduction (and that is the trick). Of course, the Australian Hotels Association determine the actual price charged over the counter.

*An honourable member interjecting:*

**Mr BECKER:** There have been 11 increases. The excise rate per litre was 63c. As at August 1988 it is 88.403c per litre, so there has been a 25c per litre increase in the excise on beer. It has been going up consistently by 1c, 3c and 4c at a time, so the poor old worker has been savagely hit. Before the 1983 CPI increases, the recommended retail price for a 750 ml bottle of beer was \$1.30. Of that \$1.30, 45c was Federal Government tax and 7.7c State tax, so that meant 52.7c tax on a \$1.30 bottle of beer. A 375 ml stubby cost 77c of which 22.5c was Federal tax and 4.4c State tax, making 26.9c tax to the Government. Information I have received from the South Australian Brewing Company is that the price of an average bottle of beer will drop by about 18c and that of a stubbie by 7c or 8c following Tuesday night's budget, that is, assuming that retailers pass on the full reduction (and that is the trick). Of course, the Australian Hotels Association determine the actual price charged over the counter.

The current recommended retail price of a bottle of beer is \$2.07, and this will go down to \$1.89, of which 48.3c will go to the Federal Government and 12.5c to the State. So, the tax on a \$1.89 bottle of beer to the State and Federal Governments will in future be 60.8c. So, one-third of the recommended retail price of a bottle of beer goes to the State and Federal Government. The price of a 375 ml stubbie will fall from \$1.20 to \$1.13. Of that tax, 25.3c will go to the Federal Government and 7c will go to the State; that is, 32.3c tax.

The tragedy is that, if the automatic excise increases continue every half-year, as they have, the price will be back up very quickly because the 20 per cent sales tax factor will accelerate the excise rate. Compared with the previous system this has the potential to raise prices more quickly, even though the base has been lowered. So, dear old Keating gave us something in one hand that looked quite good, and everyone is saying that it is the 'beer budget'. Well, I believe it is the 'gamblers' budget'. In typical Keating fashion, he has not spelled out that the 20 per cent sales tax factor will accelerate the excise rate more quickly than it has in the past. So, if I was an average worker I would enjoy my bottle of beer for all I could now under the new rate, because the chances are that Keating will knock it off, anyway.

*An honourable member interjecting:*

**Mr BECKER:** There is no proof about cigarettes and beer—let the worker enjoy himself. The worst excise that has ever been brought into this country is, of course, the petrol excise. There have been nine CPI increases since February 1984. The automatic CPI increase was for 42.95c per litre, with 2.51c State tax and 9.4c Federal tax. Therefore, the Governments were taking about 12c in tax on a 43c litre of petrol. There have been nine increases, and the

State tax is 4.69c per litre and the Federal tax is 21.5c. Therefore, the State and Federal Governments are taking 26c out of every litre of petrol—they are benefitting very nicely.

Any taxes on petrol are inflationary. As far as South Australia is concerned petrol taxes have the worst impact because the foodstuffs and manufactured goods that are brought into South Australia from other States are generally carted by road or diesel trains. Of course, that is where the huge consumption of these fuels means that the Federal Government benefits greatly by those taxes. Those taxes mean the costs are added to the wholesale price and eventually become the recommended retail price of those goods. It is highly inflationary because by reducing the cost or the tax on beer the Federal Treasurer has said that the CPI will drop .5 per cent. We have just heard that within a short period that that impact will be almost nil because of the 20 per cent sales tax that will be brought in. So, Mr Keating's figures are a sham; they are quite rubbery in that respect.

The working man has been dealt a severe blow by the Hawke-Keating Government. There is a little bit of relief in the short-term but in the long-term, unless they cut out these continued increases, I see little chance for them. However, we must take a closer look at the Federal budget and the impact on the workers in this State. To do that I seek leave to continue my remarks later.

Leave granted; debate adjourned.

## DEVELOPMENT INVESTMENT

**Mr S.J. BAKER (Mitcham):** I move:

That this House views with concern the performance of the Government in discouraging investment in and development of this State and notes specifically—

- (a) the enticement of entrepreneurs to spend \$2 million on a feasibility study for Jubilee Point;
- (b) the lack of action taken against building unions which have continually disrupted and damaged major construction projects;
- (c) the lack of action against dissident elements on the Australian submarine construction site, resulting in multi-million dollar contract losses to this State;
- (d) *ad hoc* policies on development which have left investors no clear operational guidelines and created a climate of great uncertainty;
- (e) encouragement of the Myer Remm development despite the likelihood of exorbitant building unions demands;
- (f) the closure of Beverley and Honeymoon uranium mines;
- (g) special benefits and assistance provided to enterprises of poor potential to the exclusion of other projects;
- (h) lack of expertise within the Government tendering system which has resulted in huge outflows of money interstate and overseas to the disadvantage of local firms; and
- (i) taxation practices which have acted as a disincentive to investment.

By moving this motion, I am attempting to put the development debate, as initiated by Tim Marcus Clark, into true perspective. It is somewhat amazing that the statements made by Marcus Clark have caused such a furore. What has really changed over the past 12 months, or, indeed, over the past five years? Earlier this year, the Liberal Opposition released a document, which received but limited coverage, on the state of the South Australian economy. Clearly, this State has not been performing to its full potential for a variety of reasons. Whilst not all blame can be sheeted home to the Bannon Government in that the issue of State development is quite complex, the inescapable fact is that Premier Bannon has failed to exercise leadership.

Further, I would charge the Premier with actually inhibiting the advancement of this State either through lack of action or faulty decisions. I need not remind the House that South Australia is clearly lagging in most areas of economic activity. Statistics on unemployment, construction activity,

retail sales, income, bankruptcies, gross State production, motor vehicle sales and population growth provide a bleak picture in comparison to the national scene.

What is clearly not understood by the Government is that this State needs a dynamic influence to reverse this situation. It may not be easy, but then a Government is elected to take the hard decisions for the wider benefit of its constituency. The fact is that no hard decisions were taken at the appropriate time, with the result that the State is languishing whilst its neighbours progress. I will briefly analyse the items listed to reinforce this important point. First, when the proponents of Jubilee Point presented their proposition to this Government—

*My Tyler interjecting:*

**The DEPUTY SPEAKER:** Order!

**Mr S.J. BAKER:** —Premier Bannon was not shy in publicising the development—

*Mr Tyler interjecting:*

**The DEPUTY SPEAKER:** Order!

**Mr S.J. BAKER:** —and associating his Government with it. The overwhelming impression created was that the marina—

*Mr Tyler interjecting:*

**The DEPUTY SPEAKER:** Order! I call the member for Fisher to order. The honourable member for Mitcham.

**Mr S.J. BAKER:** —which was fully backed by the Government, was important to the boating industry and important to the development of the State. One could have been forgiven for assuming that the environmental impact statement was but a mere formality. The debacle that followed provided a clear signal to future developers that the Labor Government could not be trusted to support development projects which had received its blessings.

Even more important was the realisation that the Premier did not possess the innate integrity to inform the developers that the project would not be allowed to proceed until considerable sums of money had been wasted. If he had been honest, the Premier would have informed the luckless proponents at a much earlier stage that, because of the strength of the environmental lobby, he had insufficient intestinal fortitude to make the scheme work. I noticed he stood idly by whilst officers of the Department of Environment and Planning embarked on a campaign of attrition to stop the project. This process went on for well over two years. Surely, the two key items which had to be satisfied were sand movement and resistance to storm. The developers were continually being asked to modify, at considerable cost, their plans with respect to density, building heights and general layout of the development to fit in with the demands of one group of public servants, whilst another group was girding its loins to destroy the project. Little wonder that investors are not prepared to risk their money in this State.

Secondly, the ASER project has made many headlines over the past few years. Members will remember that site clearance first commenced in November 1984. In November this year, four years will have elapsed since the project commenced. For anyone in this House who shrugs his or her shoulders, I would remind them that a recent Hyatt development (of similar size) in Queensland took but 18 months to complete. The inglorious history of union disruption is well documented in press reports. It is not my intention to regurgitate a sad and sorry history of non-performance. There is little doubt, however, that had the Premier played a constructive role in assisting the project by taking strong action against militant elements within the BWU and BLF, the State could have been saved from severe embarrassment and millions of dollars saved.

Whilst the Premier refuses on the grounds of commercial confidentiality to reveal the final price of the project, the over-run is expected to be in excess of \$100 million. But that represents only part of the damage bill. What about the reputation of this State with its so-called superior industrial relations record? What about the emergence of the building unions as a controlling influence within the building industry? What about the effect of this sordid saga on potential investors? We have lost far more than \$100 million in the process, and one person must accept responsibility, namely, the Premier.

My third point involves the submarine project. The Bannon Labor Government received many well deserved accolades for securing the submarine construction site for South Australia. Whilst some have argued that the project involved recycling taxpayers' money and did not represent a true dynamic in the Australian economy, that viewpoint did not take account of the marvellous potential for this State to put its skills on display to the rest of the country and, indeed, the rest of the world. Pay-offs in terms of generating a highly skilled, technologically literate work force and a reputation for performance and excellence were there for the taking. I can only observe that, if first impressions count, which they inevitably do, the building unions under the watchful eye of Premier Bannon displayed sheer contempt for this State and our international reputation.

Despite protestations by Premier Bannon and Minister Arnold, there is no semblance of doubt that South Australia has been short-changed. Yesterday it was bow and midships for the first submarine—I wonder what tomorrow will bring. We were warned by the Federal Minister and the constructors, but no notice was taken. 'No working days lost' is the feeble response from the Government benches. That is only a quarter truth—considerable delays in letting of overlapping parts of the construction phase did occur. Interestingly, the guerilla warfare was halted only by the Government paying off the building unions with higher site allowances retrospective to day one of the project. Thirty pieces of silver was the price of compromise. Decisive action by our Premier was again lacking in abundance.

Fourthly, I refer to the matter of planning. Planning in this State is in tatters. Contrast the actions taken by the Government to suspend the City of Adelaide Plan to enable the ASER development to proceed with:

- (a) the Jubilee Point debacle;
- (b) the use of section 50 of the Act to prevent a church lawfully establishing itself in Unley;
- (c) *ad hoc* policies applied to heritage preservation;
- (d) the intransigence of the Environment and Planning Department in approving supplementary development plans submitted by councils;
- (e) conflicting advice provided by different entities within that department; and
- (f) the proposed destruction of the Northfield agriculture complex at massive cost to the taxpayer.

The bottom line is that no developer has any perception of what is expected by this Government. Not only is the process unduly complicated, but it is subject to the wishes and whims of those administering the Act. It is a very unhealthy state of affairs.

The fifth matter involves the Myer-Remm development. Among the depleted ranks of developers and constructors, the most popular topic around town is the future of this project. Let me assure the House that the most disappointed group in town, should this project not proceed, will be the building unions. Rumours have proliferated over the past six months as to the price that will be demanded for the privilege of employing BWIU and BLF members. About

nine months ago, I was informed by a reliable union source that the project would be used to set new standards in worker pay and conditions, building on the plateaus established on the ASER, State Bank and Centrepoint projects. The targets would be a considerable lift in site allowances (up to 50 per cent) and shopping vouchers worth \$500 to each on-site worker. Earlier this year it was communicated to me that the ante would be increased and involve a doubling of the value of the shopping vouchers.

Two other sources confirmed that an up-front payment representing 2 per cent of the total construction cost would be demanded of the contractors before work proceeded (that is, \$10 million if the project cost was of the order of \$500 million). The only point of conjecture was whether the up-front payment was to be treated as a performance incentive or would flow to the unions themselves. Time will tell, if the project proceeds, whether the unions are successful in their designs. The developers can, however, be assured that they will receive no support from the Premier in any fight with the unions, notwithstanding the project's potential to give Rundle Mall a much-needed face lift, and despite the benefits accruing to the State.

Sixthly, as to uranium mining, everyone in this House is aware of the history of Roxby Downs and the attempts made by Premier Bannon, as the then Leader of the Opposition, to stop the project. Of lower profile, but of no less significance to the mining industry, was the closure of the Honeymoon and Beverley uranium mines. The decision defies logic. It signalled to the industry at large that mineral exploration and exploitation was not welcome in South Australia by the Bannon Labor Government.

By ultimately accepting Roxby, the Premier, in principle, ruled in favour of uranium mining. In doing so, he declared void all those arguments so heatedly expounded in this Chamber on the dangers of uranium mining, nuclear weapon proliferation and nuclear power station disasters. How could he then justify closing down Honeymoon and Beverley? Even the strident anti-nuclear lobbyists must have been perplexed. What he revealed, and everyone should have noted it at the time, was that he was a quick-fix merchant, inconsistent, and ever ready to placate extreme elements within his Party at someone else's expense. Not the stuff to inspire confidence in exploration effort.

I now deal with the seventh point. Government assistance is all about picking winners, not about subsidising losers at taxpayers' expense. Was the Premier really serious about coming up with \$100 million to secure the Sarich engine project for South Australia? No-one in this Parliament, nor possibly in this State, would be competent to judge the probability of success of the Sarich engine, given that it has been already 15 years in the making, still requires substantial modification, has been exposed to the genius of the scientific world, and is protected by patents which are more commonly breached than observed by our enterprising Asian neighbours. If the Premier was merely posturing for the public it was a cheap political trick. If he was serious, his decision-making capacity must be somewhat suspect. What would those small to medium size South Australian companies short of expansion capital have been thinking when the Premier revealed that he had \$100 million with which to play two-up?

Government assistance is a vexed question. Myriads of papers have been written on the folly of State Governments engaging in a concessions auction to obtain new enterprises. The conclusion drawn by all respected economists is that the exercise becomes counter-productive: the ultimate costs often outweigh the benefits. The exceptions are those firms/projects that are integral to a development strategy (such as

the Playford industrialisation). According to the Bannon formula, what these economists should appreciate, however, is that politics is about perceptions rather than reality.

In recent times, we have had a software firm from Western Australia, Armtech, and IPL take the Government for a ride. These are the well documented examples. There must be many others contained within the files of State Development. Inevitably, it is the local firms paying top dollar to borrow on the open market which are overlooked. The line between bankruptcy and boom can be a matter of one or two percentage points at particular stages of development. The ultimate irony is that the millions of dollars wasted in IPL could have, in the appropriate quarters, generated large numbers of jobs and activity. This is not to suggest that the Labor Government is a total loser. There are exercises in faith, such as the Liberals' Technology Park and Labor's Manufacturing Centre which are sound investments in our future.

My eighth point involves the tendering process in the Government. This process is in urgent need of overhaul. Members may well remember the tender for the security system at Mobilong Prison which went to an American firm, despite the fact that Vision Systems had developed a superior system utilised in high security establishments overseas. The local firm did not receive proper consideration because of the lack of suitable expertise in the State Government to fully evaluate the alternative tenders (or was it a case of a closed mind?). No attempt was made by the Bannon Government to reverse the decision, because it was all a little too hard. This year, trench diggers were ordered from America when a local alternative existed at a competitive price. The excuse given was that the officer using the American machine was comfortable with the model he had previously used, thus the specifications were written to achieve just that result.

Recently, the fire trucks contract found its way to Victoria. Again, there was sufficient local expertise to deliver the product at a competitive price. In the medical area, I have received a number of complaints about medical equipment being ordered from overseas when an equal or superior product exists in little old Adelaide. The only problem is that the brand name is not recognised by those responsible for ordering. The fault lies with the Bannon Government. We are talking not about subsidies but about good business practice.

Finally, taxation is a major issue among employers, large and small. Payroll tax is often referred to on both sides of this Parliament as being an iniquitous tax on employment. Its key position within the State Government revenue base, however, does not allow for its elimination. But it must remain continually under review to ensure that it does not retard employment prospects in this State when considered in the context of payroll tax measures operating in other States.

Two areas of tax which do aggravate the business community are water rates, which bear no resemblance to water usage in the vast number of commercial premises, and land tax. With respect to land tax, the current policies clearly discriminate against lessees of properties which form parts of larger holdings. It is outrageous that a lessee of a single property worth \$60 000 pays zero land tax, while that same lessee leasing property forming part of a property parcel worth in excess of \$500 000 pays \$1 097.

*Ms Gayler interjecting:*

**Mr S.J. BAKER:** Well, we have put enough pressure on the Government to change its mind over the period. All members of this House would have received pleas from business constituents distressed by mammoth increases in

their land tax bills. Despite this matter receiving considerable publicity through Opposition efforts, and despite the fact that businesses are bleeding, the Bannon Government has allowed the anomalies and inequities to prevail. Indeed, in this House, our Premier suggested that such individuals deserved no consideration whatsoever. Developments require tenants. A lack of desire to 'go it alone' by potential entrepreneurs, because of the heavy tax burden, inhibits development and expansion.

Whilst each factor outlined above, of itself, is not critical, collectively they represent a damning indictment of Government negligence, impoverished decision making and quick-fix solutions which have retarded this State's economic growth. Whilst there are some elements in the conservation movement who would wish to stop any form of development, I do suggest that they are a very small minority. The populace of this State does want jobs. We do not need to sell our souls for development dollars nor need to sacrifice the important facets of the Adelaide lifestyle by increasing the range of resources available to visitors and locals alike. Those of this House who have travelled to Europe would appreciate the many fine examples of heritage co-existing comfortably with new and exciting projects. It is the will and the vision which counts.

Let us be quite clear. This State has to demonstrate a capacity to perform to attract investment dollars. There is a relationship between development dollars and job investment dollars. The first, if properly managed, creates the impression of a dynamic State, a State which is willing to exert itself. This then creates a favourable climate for job investors, who demand performance first and, secondly, place value on lifestyle. For the sake of this State, I challenge the Premier to stop looking around for others with which to share the blame. The task is difficult enough without having a State leader who continues to look inward with one eye on the poll results rather than outward to the future.

My final word is about this State's future. There is every reason to expect that Adelaide and environs will, in the next 5-10 years, become the place in Australia to live and work. We will follow overseas trends as people reject the larger cities, with their pollution and congestion, for more congenial environments. Strong State leadership is going to be critical in solving the many dilemmas and conflicts. Mr Bannon, I doubt your capacity to handle the challenges ahead.

**The Hon. R.K. ABBOTT** secured the adjournment of the debate.

#### CONSTITUTIONAL REFORM

**Mr TYLER (Fisher):** I move:

That this House applauds the Federal Government for its commitment to constitutional reform as shown by the establishment of the independent Constitutional Commission; acknowledges that the involvement of the community in the work of the commission sets it apart from all previous attempts to reform the Constitution; recognises that the work of the Commission as reflected in its reports and those of its advisory committees establishes the blueprint for the future of constitutional reform; and further, this House urges all members of Parliament to work with all other Australians committed to the principles embodied in the four referendum questions to ensure they are approved at the referendum of 3 September 1988.

During the adjournment debate this afternoon I will refer in more detail to this motion. I point out to members—

**The DEPUTY SPEAKER:** The honourable member will not be able to address this matter in a grievance debate in view of the fact that he has a motion before the House.

**Mr TYLER:** It is very disappointing that I will not have a chance to speak on this matter. Some members opposite have been very selfish in hogging this morning's agenda. I urge all members to formally support the referendum proposals that will be decided on early next month. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

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

#### APPROPRIATION BILL

The Governor's Deputy, by message, recommended to the House of Assembly the appropriation of such amounts out of Consolidated Account as were required for all the purposes set forth in the Estimates for Payment for the financial year 1988-89 and the Appropriation Bill 1988.

#### PETITION: INNER RING ROUTE

A petition signed by 482 residents of South Australia praying that the House urge the Government to extend the metropolitan inner ring route to ensure the safety of road users was presented by Mr Duigan.

Petition received.

#### PETITION: MORPHETTVILLE TRAFFIC LIGHTS

A petition signed by 76 residents of Morphettville praying that the House urge the Government to install traffic lights at the Cliff Street-Plew Avenue-Morphett Road intersection was presented by Mr Oswald.

Petition received.

#### MINISTERIAL STATEMENT: WORKERS COMPENSATION

**The Hon. R.J. GREGORY (Minister of Labour):** Yesterday, during Question Time, the member for Mitcham raised a number of allegations—

**The SPEAKER:** Order! The honourable Minister is seeking leave?

**The Hon. R.J. GREGORY:** I seek leave to make a statement.

Leave granted.

**The Hon. R.J. GREGORY:** Yesterday, during Question Time—

*Members interjecting:*

**The Hon. R.J. GREGORY:** —the member for Mitcham raised a number of allegations regarding the Waterside Workers Federation's involvement in a workers compensation claim and I undertook to find out full details of the honourable member's claim and provide a report to the House. However, before providing those details, I point out that on inquiring into the case it quickly became evident that once again we had an instance of the Opposition's providing a highly edited version of the incident that could easily have been cleared up with one telephone call.

If the honourable member had done so, Mr McKechnie, Secretary of the union, would have finally discovered who the shadow Minister of Labour was and the member for Mitcham would have been advised of the facts of this case and may not have found it necessary to raise the issue in

the House. I would like to be charitable and think that perhaps the reason that unresearched questions—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. R.J. GREGORY:**—are so often asked is that the members of the Opposition simply do not know how to work a telephone.

**The Hon. E.R. GOLDSWORTHY:** I ask you to rule, Mr Speaker, on the relevance of what the Minister is putting before the House in terms of your explanation to the House on 11 August when you said that you intend to—

**The SPEAKER:** Order! There is no point of order. This is a ministerial statement, not Question Time.

**The Hon. R.J. GREGORY:** The only alternative I can think of is that the Opposition deliberately sets out to waste the very valuable time of the House, not to mention my own time and that of my staff. The facts in this case are very simple. It began when a member of the Waterside Workers Federation believed that he was suffering work related hearing loss and requested his union to advise him on how to seek compensation for this loss.

He was advised by his union to see his general practitioner who would have referred him to a specialist to have the necessary audio tests carried out, the result of which would have been easily interpreted by the specialist who would then have been able to advise him whether he was suffering from noise induced hearing loss or not. After consulting his GP and the specialist and incurring accounts totalling \$270, the worker returned to the Waterside Workers Federation for further advice, saying he was unsure whether the specialist deemed him to be suffering from noise induced hearing loss or not because the specialist was non-committal.

The federation wrote to the specialist requesting a report on the tests carried out on their member. The specialist wrote back saying that he would be happy to provide a report, but only after receiving a fee of \$100. It was then that the secretary of the federation wrote back to the specialist as follows:

I refer to your letter dated 5 August 1988 and regret that I cannot comply with the direction you recommend without first knowing whether Mr X is indeed suffering from industrial deafness. It is a catch 22 situation: you wanting payment before furnishing a report and I am unable to provide funds for the report until written assurance is given that the man has incurred a compensable injury, in this case industrial deafness. If you would provide a written note to the effect that the man has industrial deafness, we will be prepared to dispatch \$100 to obtain the report.

Anyone with even the slightest knowledge of the Industrial Conciliation and Arbitration Act would be aware that unions are not permitted to grant money to members.

*Mr S.J. Baker interjecting:*

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

**The Hon. R.J. GREGORY:** In fact, the financial restrictions on unions are quite onerous, a fact of which the member for Mitcham should be well aware as it was his Party which introduced those changes. The tenor of the member for Mitcham's question implied that Mr McKechnie had behaved in an improper manner. However, a close study of the papers kindly supplied by the member for Mitcham and other documents supplied by the Waterside Workers Federation show that Mr McKechnie's actions were simply to ascertain whether his member was suffering from a compensable injury.

If the union member had not been suffering noise induced hearing loss, it would have been possible to save the doctor considerable time and effort in compiling an unnecessary report and also to save the union member a further \$100

on top of the \$270 he had already incurred. I also find the actions of the doctor in this case questionable, as it suggests he was more interested in getting his hands on a further \$100 than his patient's welfare. Mr McKechnie has advised me that this is the first time in over 150 similar cases that any such queries have been raised.

#### ABERFOYLE PARK SOUTH PRIMARY SCHOOL

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

Aberfoyle Park South Primary School (Revised Proposal).

Ordered that report be printed.

### QUESTION TIME

#### STATE ELECTION

**Mr OLSEN:** I address my question to the Premier. Does the Government still hold the view, put to the House in 1985 when it amended the Constitution to provide for fixed and four year parliamentary terms, that 'the real advantages of the proposal... are the removal of the potential for cynicism and opportunism from the decision-making processes that apply to elections' and, if so, is the Premier prepared to give an unequivocal undertaking here and now that this Parliament will run its full term until February 1990?

**The Hon. J.C. BANNON:** Budget day finally flushes him out. I have been wondering who started all the rumours which are running in the press, and now the question from the Leader of the Opposition reveals all. I subscribe to what I said then. That legislation, as I recall, provides for a minimum term of three years, but there would have to be certain conditions, such as the Government losing confidence on the floor of the House, for it to go to the people within that four-year term. Four-year terms allow Governments to plan for longer term developments, which I think is very important.

It is interesting that apparently the Leader of the Opposition and his Party do not favour such terms. If I was to take my cue from the Leader's view, obviously we would not be going to the polls in that time. The Liberal Party is asking us to vote 'No' in a constitutional referendum that will provide four-year terms at the national level. That is very interesting indeed and extremely cynical. The Leader infers that it is cynical and opportunist to have early elections, but at the same time he favours restricting the term of the Federal Parliament. I am very interested in the Leader's question. I simply say, 'Yes', I have not changed my views as expressed then.

*Members interjecting:*

**The SPEAKER:** I call the Leader and the honourable Minister of Public Works to order. The honourable member for Price.

#### ISLAND SEAWAY

**Mr De LAINE:** Can the Minister of Transport say whether the operation of the berthing ramp on the *Island Seaway* is simply a matter of pushing a button, as the Leader of the Opposition told Parliament early this week and repeated on radio this morning, or is there a more complicated proce-

ture? Can the Minister also advise whether the operation of the ramp is involved in a union demarcation dispute?

**The Hon. G.F. KENEALLY:** I thank the honourable member for his question.

*An honourable member interjecting:*

**The Hon. G.F. KENEALLY:** Yes, because I have taken the opportunity to have this matter researched. I think that the statements made by the Leader of the Opposition in his question on Tuesday, and particularly his statements on 5DN this morning, need to be corrected. I think it is essential that the public record should show the real facts. The operation of the trailership bridge is not as simple as 'pressing a button'. To change the bridge from one deck to another (or to position the bridge initially) necessitates hoisting the link span to the raised (parking) position; raising the bridge to take weight off the support pins; withdrawing the support pins; lowering (or raising) the bridge to the required level; inserting the support pins; lowering the bridge on to the support pins; lowering the bridge suspension ropes to ensure that no weight is taken by the ropes during the loading operation; and lowering the link span into the new position. The execution of this operation involves a control panel. It is necessary to execute three keying movements, observe eight indicator lights and operate 10 control buttons and one manual lever.

*Members interjecting:*

**The SPEAKER:** Order! I call the member for Victoria, the member for Alexandra and the member for Bright to order. The honourable Minister.

**The Hon. G.F. KENEALLY:** Let me say once more to the House that I consider this to be a very important and sensitive issue. I wish that my parliamentary colleagues on the opposite side would treat it accordingly. A clear understanding of the above procedures is essential to avoid serious accidents. It should be noted that two previous incidents in connection with the operation of the *Troubridge* have occurred. The first was in April 1983 at Kingscote when a vehicle moved on to the bridge in a situation in which the support pins had not been inserted thus bringing down the bridge. The second was in the mid 1960s at Port Adelaide when a similar situation occurred.

The time involved in bringing the bridge into position is approximately five minutes. The Department of Marine and Harbors provides a 'call out' service 24 hours a day, seven days a week. This service provides an electrician competent to operate the bridge within 10 to 15 minutes of call-out.

In this instance, R. W. Miller & Co., the operator of the vessel, decided that it did not want to use the bridge. R. W. Miller & Co. has also advised that it is quite satisfied with the present service arrangements and does not see a need for any of its personnel to be able to operate the bridge. This was confirmed this morning in discussions with Mr L. Nell, the local manager of R.W. Miller and Co.

With regard to the issue of alleged demarcation, the electrical Deputy Shop Steward at the dockyard has advised that the union has no objection to someone other than Department of Marine and Harbors qualified staff operating the bridge in the event of an emergency. Of course, the requirement is that the person is competent to do so. However, as mentioned, R.W. Miller and Co. does not see a need for such an arrangement. Department of Marine and Harbors personnel have operated the trailership bridge ever since the *Troubridge* came into operation more than 25 years ago. I think it is important that the truth be recorded in this place so that the people of South Australia know what the Leader of the Opposition is attempting to do.

**The SPEAKER:** The honourable Deputy Leader of the Opposition.

*Members interjecting:*

**The SPEAKER:** Order! The honourable Deputy Leader of the Opposition has the call, not the Leader.

## STATE ELECTION

**The Hon. E.R. GOLDSWORTHY:** In view of the Premier's failure to give a direct and unequivocal answer to the Leader of the Opposition's question and, in view of the Premier's confidence that the second question in the referendum will be carried, does he intend to call an election before September next year?

**The Hon. J.C. BANNON:** I am well aware of the sensitivity of members opposite with respect to this matter. I am sorry that this press speculation has created uncertainty amongst them and struck sheer fear into their hearts. They will just have to rely on the answer that I gave to the Leader of the Opposition.

## MURRAY RIVER LOCKS

**Mr HAMILTON:** I was wondering about the reshuffle on the other side—

**The SPEAKER:** Order! That is comment.

**Mr HAMILTON:** Can the Minister of Water Resources provide details of progress with regard to the recent tender called for the replacement of lock—

*Members interjecting:*

**The SPEAKER:** Order! Will the honourable member resume his seat for a moment. If the honourable Deputy Leader of the Opposition persists with his disruptive interjections, he will be named.

*The Hon. E.R. Goldsworthy interjecting:*

**The SPEAKER:** Any reflection on the Chair will also lead to his being named. The honourable member for Albert Park.

*Mr Gunn interjecting:*

**The SPEAKER:** Order! The honourable member for Albert Park will resume his seat. As the Chair recalls, the honourable member for Albert Park prefaced his question with a remark which was out of order and to which I drew his attention as being comment. The honourable member for Albert Park.

**Mr HAMILTON:** Can the Minister of Water Resources provide details of progress with regard to the recent tender call for the replacement of lock cranes along the Murray River? I understand that this matter was one of the very important items discussed at the Murray-Darling Basin Ministerial Council meeting held recently in Adelaide.

**The Hon. SUSAN LENEHAN:** I would like to thank the honourable member for his important question. I am only too pleased—

*Members interjecting:*

**The Hon. SUSAN LENEHAN:** It is interesting that this extremely important issue relating to water resources and water in Adelaide is treated as a joke by the Opposition. However, I take it very seriously and I am only too pleased to bring the honourable member—

*Members interjecting:*

**The SPEAKER:** Order! The honourable Minister is entitled to be heard. The honourable Minister.

**The Hon. SUSAN LENEHAN:** Thank you, Mr Speaker. I am only too pleased to bring the honourable member up to date on this matter. I am pleased to announce that a South Australian firm, Banbury Engineering of Newton, is the successful tenderer for this project. This contract which



is for supply of up to ten cranes and which is worth \$2.7 million is part of the \$6.4 million upgrading and replacement program for weirs and locks along the Murray River. It was given the go ahead at the Murray-Darling Basin Ministerial Council at its recent meeting in Adelaide on 12 August. I am sure that at least one member of the Opposition will be pleased with that information, and that is the member for Chaffey, who at least shows some interest in what is happening along the Murray River.

*Members interjecting:*

**The Hon. SUSAN LENEHAN:** No, quite right. Under the contract, Banbury Engineering will construct and deliver up to 10 hydraulically operated cranes incorporating the latest engineering technology. These cranes will replace the 60-year-old motorised hand operated cranes of yesteryear about which many people have expressed concern with regard to their safety. I have personally observed one of these cranes in action and I, too, am concerned about the safety aspects.

This will greatly reduce the hazards associated with lock operations in times of high flows and floods. These cranes are destined for the weirs and locks in South Australia and New South Wales, and I am pleased to inform the House that, under the shared scheme, South Australia contributes one-quarter of the cost of these cranes.

### ISLAND SEAWAY

**The Hon. TED CHAPMAN:** Will the Minister of Transport withdraw and apologise for comments which he made in this place on Tuesday and which he repeated outside this House today that, in relation to the coronial inquiry into the death of a passenger on the *Island Seaway*, the Opposition was 'trying to make political capital out of it' and did not have 'the same regard' to the feelings of the bereaved family? This morning I received a letter from a close member of Mr Forst's family, from which I would like to quote:

I am writing to you in relation to the death of Mr Allan Forst—and the writer goes on to identify the close family relationship to the deceased. The letter continues:

I would like to thank you for—

*The Hon. J.C. Bannon interjecting:*

**The Hon. TED CHAPMAN:** If I could have the attention of the House without the interjections of the Premier, it would be useful, with respect, Mr Speaker.

**The SPEAKER:** I ask the Premier to extend—

*Members interjecting:*

**The SPEAKER:** Order! I ask the Premier to extend the same courtesy to the honourable member for Alexandra as the Chair has asked the House to extend to the Premier. The honourable member for Alexandra.

**The Hon. TED CHAPMAN:** Thank you, Sir. The letter continues:

I would like to thank you for raising the issue and undoubtedly this assisted in the establishment of a coroner's inquiry which is quite proper under the circumstances.

The letter continues:

Although it might be seen as causing some additional stress to the family, a number of the people including family members are deeply concerned with the events surrounding this tragic event and in light of information now available a full and proper inquiry is not only required but also welcomed by those of us who wish to know the full facts of this case.

In any event if the final result helps to prevent any similar future tragedy then this would justify the steps taken thus far. Finally, I would add that there are many questions to be answered and hopefully these will be given proper attention during the investigation.

**The Hon. G.F. KENEALLY:** No, Sir, I will not apologise or withdraw. I understand the reason why the member for Alexandra is trying to salve his guilty conscience.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. G.F. KENEALLY:** On Tuesday the member for Alexandra asked me whether I knew why I had not called for a coroner's inquiry. He said, 'Is the Minister telling me that he does not know that there is a coroner's inquiry already under way?'

The investigation by the police had started before the question by the honourable member and the Leader of the Opposition was asked in this House. The status of the coroner's inquiry at the moment is that the Coroner is trying to determine whether or not a coronial inquiry is necessary. That is a decision that the Coroner can make, and he can make it whether or not this matter is debated in this House or outside this House.

This gentleman's death, and his name, was mentioned in this House by the Leader of the Opposition. It was followed up by the member for Alexandra. And never mind the questions that were asked; members should read the explanations of those questions. They were in the most exaggerated and emotive terms. We know that the press generally in South Australia were very responsible in the way they dealt with that on Tuesday evening. As a result of an article in this morning's *Advertiser*, the Leader of the Opposition was on 5DN. If anyone heard the honourable member on 5DN this morning and then asks me to apologise and withdraw, it is ludicrous. It is the Leader of the Opposition who should apologise and withdraw for the totally and absolutely outrageous performance not only in this House but also in the public sector.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. G.F. KENEALLY:** There is no doubt in my mind and in the mind of all sensible and decent people in this State that the Opposition will do anything to score a political point. I think that I am the only one who—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. G.F. KENEALLY:** —on Tuesday expressed sympathy and concern about the family; it was not the Leader of the Opposition.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. G.F. KENEALLY:** It was not the member for Alexandra. I had drawn the matter to the attention of this House and, later in the day, the honourable member got up to make a personal explanation because he was forced into it. Opposition members, when I was answering, loudly jeered and laughed and tried to treat the whole matter with ridicule, as they do regarding every matter of sensitivity. It is this Party, this Government, that has shown concern about the matter and it is the Opposition that has tried to bring a personal tragedy into the political arena. That is a disgraceful performance by someone who tries to present himself as the alternative Premier of South Australia.

*Members interjecting:*

**The SPEAKER:** Order!

*Members interjecting:*

**The SPEAKER:** Order! Any member who interjects whilst the Chair has risen to his feet to call order will be named.

### ISLAND SEAWAY

**Mr TYLER:** Can the Minister of Transport inform the House whether the Kangaroo Island resident, the late Mr

Forst, who, I understand had a heart attack on the *Island Seaway* on Wednesday last week, was, to quote the Leader of the Opposition on radio 5DN this morning, 'carried up 7 metres of spiral stairway, unconscious, over the shoulder of another person, that is, a crew member, and then down the gangway to the waiting ambulance'?

**The Hon. G.F. KENEALLY:** I thank the honourable member for his question and, has already been stated, these matters are being investigated by the Coroner with a view, if necessary, to a full coronial inquiry. However, the statements made on 5DN by the Leader of the Opposition cannot go without the truth being put to the people of South Australia. In fact, what the Opposition did here on Tuesday was clear, if people had listened to the introduction to this morning's interview with the Leader. The Leader then had the opportunity to put things right, but he did not do so. The report of the radio interview reads as follows:

**BYRNE:** The Leader of the Opposition, John Olsen, claims in Parliament that because of a demarcation dispute the ferry's berthing ramp couldn't be lowered—or ramp—couldn't be lowered and it in fact caused or possibly caused—

**OLDS:** It contributed in some way to this chap's death.

**BYRNE:** Yes.

**OLDS:** Because ambulance officers couldn't get there as quickly as they might otherwise have been able to do.

**BYRNE:** Exactly what I was going to say.

**OLDS:** We've got John Olsen on the line this morning. Good morning, John.

So, the Leader of the Opposition had the opportunity then to put to the people of South Australia the truth concerning the allegations that he made here on Tuesday and his failure to do so would seem to indicate that his aim then was fully realised on 5DN this morning.

During that interview the Leader claimed that the unconscious gentleman had to be carried up 7 m of spiral stairway over the shoulder of another person, a member of the crew. Apart from the fact that there is no spiral staircase there at all, this gentleman was not slung over the shoulder of a crew member. That is an absolutely disgraceful reflection on the quality of the attention given to Mr Forst by the crew. The transcript of the radio interview continues:

**BYRNE:** Do you think perhaps that the crew people who were involved in this realised the situation? Did they know that the man was gravely ill?

**OLSEN:** Well, he, as I understand, had a large cut on the forehead and was bleeding from that and in fact was unconscious in the lower deck. That would certainly bring to anybody's attention that the matter was serious.

In another part of the interview the Leader said that the gentleman was lying on the lower deck for an hour and a half.

**Mr Olsen:** I didn't.

**The Hon. G.F. KENEALLY:** It is clear. The transcript states:

**OLSEN:** . . . out of vehicles for the overnight stay in Adelaide. We understand about an hour and a half later the gentleman was found collapsed in the lower deck and as a result—

There was a clear implication in what the Leader said this morning on 5DN.

**Mr Olsen:** You have it wrong.

**The Hon. G.F. KENEALLY:** I have the transcript. I want to relate to the House—

*Members interjecting:*

**The SPEAKER:** Order! The Minister will resume his seat. Notwithstanding the strong feelings that have obviously been expressed on this matter, I ask honourable members to deal with the questions and the answers with appropriate courtesy and decorum. The honourable Minister.

**The Hon. G.F. KENEALLY:** Thank you, Mr Speaker. This is indeed a serious matter. I have received a report from R.W. Miller, the operator, whose personnel attended

the deceased. I shall not read the preliminary comments. The report states:

On first discovery, Mr Forst had a weak pulse and was breathing in shallow breaths. He was unconscious. The Third Officer called a married couple, who were still retrieving effects from their car, and asked them to obtain assistance while the Third Officer remained with Mr Forst. The married couple went to the gangway and met Mr Jeff Christie, a steward, and explained that a man was unconscious on the lower vehicle deck.

He had been left unattended for a minute and a half. The report continues:

An ambulance was called and more assistance attended the lower vehicle deck, being both passengers and crew. . . . Able Seamen Peter Hyde and Jim Lindop went to the bridge and obtained the oxy viva, they went directly to the lower vehicle deck with the Second Officer, Mr R. Westly. Second Officer checked the pulse of Mr Forst and found it fibrillating, he commenced CPR [resuscitation]. He was revived by the Chief Engineer, Mr L. Porrit.

In 10 minutes the ambulance personnel were there attending the gentleman on the lower deck:

. . . the blue Falcon was pushed aside and a passageway was made for removing Mr Forst to the upper vehicle deck and hence ashore.

In discussion with R.W. Miller personnel, the ambulance officers decided that the best thing to do was to lift the patient up the staircase to the upper deck.

*An honourable member interjecting:*

**The Hon. G.F. KENEALLY:** The ambulance had a stretcher. All ambulances have stretchers and I thought that the honourable member would know that. The officers decided not to use the stretcher, although they had a stretcher with them. The report continues:

The Chief Engineer continued to administer CPR and preparations were made to move Mr Forst.

As some members would understand, the Chief Engineer must be qualified in first aid. In fact, the Chief Engineer provides first aid on the vessel when it is at sea. The report continues:

Mr Forst was moved with the assistance of as many people as possible. Due that CPR was still being administered a stop was made at the following points and CPR readministered.

I point out that the gentleman weighed 15 stone and that at least four of the vessel's staff were carrying him, with the ambulance people attending. According to the report, CPR was readministered in the following places:

1. Before storm door on lower vehicle deck;
2. Midway up stairs from lower vehicle deck to upper vehicle deck;
3. Outside upper vehicle deck;
4. Before gangway.

And it continues:

Mr Forst was moved off ship and into ambulance. The undersigned (Mr Maroc, Project Engineer) went with Mr Forst in the ambulance and CPR was administered up to arrival at hospital. The undersigned (Mr Maroc) stayed at the hospital with Mrs Forst and tried to comfort her until her daughter arrived.

It is these people who members of the Opposition are suggesting to the people of South Australia were somehow or other negligent in their duty, the people who performed magnificently in a critical situation and looked after the welfare of this gentleman as best they could, and as well as anyone could in the circumstances, providing him with the appropriate level of medical care.

*Members interjecting:*

**The SPEAKER:** Order! Notwithstanding that members on both sides have shown by their questioning a great deal of interest in the topic on which the Minister is replying, I ask him to wind up his remarks as quickly as possible.

**The Hon. G.F. KENEALLY:** I will, Sir. The operators of the vessel (R.W. Miller), for whom the crew work, decided with ambulance personnel that the most appropriate course

to follow was to take the patient up the staircase and into the ambulance. They believed that that was the quickest and the best action to take in the circumstances.

*Members interjecting:*

**The Hon. G.F. KENEALLY:** Members opposite are still sneering, shaking their heads and ridiculing. I understand clearly what they are on about.

### HOSPITAL WAITING LISTS

**The Hon. JENNIFER CASHMORE:** I direct my question to the Minister of Health. How many of the 500 people claimed this morning by the Minister to have been removed from waiting lists at the State's public hospitals booked themselves into private hospitals for their elective surgery, moved interstate or actually died waiting? In this morning's *Advertiser* the Minister is quoted as saying that, over the past 12 months, waiting lists at the State's public hospitals fell from 6 844 to 6 330. However, information leaked to the Opposition this morning reveals that, for the Queen Elizabeth Hospital alone, 239 people were removed from waiting lists in the 12 months to 30 June: 142 because they sought and received treatment elsewhere; 57 because they moved from the area; and 40 because they died waiting for elective surgery.

**The Hon. FRANK BLEVINS:** I thank the honourable member for her question. I will obtain the answers that she has requested. It seems to me a bit strange that today the Opposition is into the politics of death. It seems to want to make a political issue out of people's sadness and bereavement. However, if that information is available I am only too pleased to obtain it and present it to the House.

**Mr Lewis:** Sit down.

**The Hon. FRANK BLEVINS:** The member for Murray-Mallee says 'sit down'. To me that is a challenge, but on this occasion I will take his advice and sit down. That information will be freely available to the House. I see no reason for the honourable lady to grandstand and say that the matter was leaked to her—it will be public information, and it will be available to everyone.

### FIXED ODDS BETTING

**Mr DUIGAN:** Can the Minister of Recreation and Sport advise on the progress of the working party which was established by the Minister in June this year to investigate fixed odds betting? The report of the committee of inquiry into the racing industry, which was released earlier this year, recommended, amongst other initiatives for the racing industry, the introduction of a fixed odds totalisator betting service. On 22 June this year the Minister announced the establishment of a working party chaired by the Hon. Jack Wright to investigate and report on the likely impact of TAB fixed odds betting on the South Australian racing industry. The working party was initially asked to report to the Minister by 31 July.

**The Hon. M.K. MAYES:** I thank the honourable member. I know that he has an abiding and long-term interest in the industry and I am sure that many other members of the community of South Australia are very interested in discovering the progress of the working party which has been chaired by the Hon. Jack Wright. The situation is that, as the honourable member correctly reported to the House, the Nelson inquiry, which concluded in October 1987, has released its report for public comment. There were numer-

ous recommendations including one with respect to fixed odds betting.

In January this year, the South Australian TAB also recommended that we look at legislation to introduce TAB fixed odds betting. Consequently, in June Cabinet considered my submission with respect to fixed odds betting and a number of other amendments to the Racing Act. Cabinet resolved that I should establish a working party to investigate and report on the likely impact of fixed odds betting on the racing industry; and recommend proposals to promote the long-term viability of all sections of the racing industry.

As we know, from a report in this morning's paper on the progress of the SAJC, there has been a turnaround of something in the order of \$830 000. That has come about partly as a result of good management, and also because of the relations that exist between the SAJC and the Government. The fixed odds betting working party, under the chairmanship of Jack Wright, has progressed very successfully. Of course, there is some need for the committee to report urgently. There has been some problem with the constituency of the committee because they are all very busy people who are involved in, or related to, the industry. Consequently, I have extended the date by which the committee is to report, but I hope to make it available to Cabinet for consideration within the next month.

I believe that the report will address a number of key issues in the racing industry, and I am sure that the committee's scrutiny of fixed odds betting will essentially assess the likely impact upon the industry in this State. I hope that that recommendation will be made public after Cabinet's consideration. I assure the honourable member that the impact on the industry is something that the Government will be very concerned about and will address with great interest because many people related to this industry have a very keen interest in what comes out of this committee's report. I can assure the honourable member that the attitude of the industry will be taken into account when considering the matter.

### NEW ZEALAND TIMBER COMPANY

**Mr GUNN:** I wish to ask the Minister of Forests a question.

*An honourable member interjecting:*

**Mr GUNN:** Yes, I do, and I hope that he knows the answer. Does the Minister fully endorse the rearrangement of the borrowings of IPL (New Zealand) approved by his predecessor in March this year; will he reveal who currently holds the preference shares in the company, worth \$NZ50 million, which were issued in March and June this year; and when are those shares redeemable?

**The Hon. J.H.C. KLUNDER:** I did not hear the entire question, but I think I know the shares to which the honourable member refers. The facts were made plain in a press release by my predecessor and, from memory, the shares are redeemable on 30 September.

### TOURIST DEVELOPMENT PROPOSALS

**Ms GAYLER:** Has the Minister for Environment and Planning analysed the consequences of the Opposition's opposition to significant tourist development proposals associated with two national parks and the Mount Lofty Summit? All three significant tourist development proposals (namely, the resort at Wilpena Station, the Mount Lofty

Summit complex and the planned tourist facilities for Flinders Chase on Kangaroo Island) were opposed by the shadow Minister of Tourism and Environment and Planning in a speech which she made on 11 August.

*Members interjecting:*

**The Hon. D.J. HOPGOOD:** Perhaps I could respond to that disorderly interjection by reading the speech myself, because I have it in front of me. What I say in very specific response to the member for Newland is that the role that the member for Coles has played in this matter is really quite mischievous, because it seems to me that she has played for one or two cheap cheers and has made one or two commitments which she knows she will never be in a position to deliver. I will not make the usual politician's point that she will never be in office in order to fulfil those commitments; although that may be accurate, that is too easy an answer.

The opportunities for tourist developments associated with parks in this State are limited and they have been shown to be limited by the way that we have been able to test the market. So far as I can see, although I hope there will be many large tourist developments in South Australia over the next few years, I think it is unlikely that there is the potential for developments associated with parks beyond those that are already well planned. For example, we looked at Innes as a possibility, but the market simply was not interested; there was no suggestion that it would be a realistic investment. The member for Goyder would know that area extremely well and may want to verify that statement.

Under any reasonable time frame (which might bring the honourable member's Party back to Government) these things will be up and running and I am sure that the member for Coles would not want to pull them down. Even so, I am amazed at some of the aspects of opposition that the honourable member displayed. The honourable member opposes a swimming pool associated with a tourist complex at Wilpena—a swimming pool! Mr Reg Sprigg, who runs a modest sized tourist operation at Arkaroola further north in the Flinders Ranges, has had a pool for some considerable years. I am not sure that that has had any particular impact on that surrounding area. In fact, I think that it has been a considerable adjunct to that area.

*The Hon. Jennifer Cashmore interjecting:*

**The Hon. D.J. HOPGOOD:** I invite the member for Coles to consider the fact that the area at Wilpena about which we are talking was purchased outside the park.

*The Hon. Jennifer Cashmore interjecting:*

**The SPEAKER:** Order!

**The Hon. D.J. HOPGOOD:** We may proclaim that area as an extension of the park for administrative convenience. How otherwise does that change the environmental realities of that area? It was part of the park; it was a station or a pastoral run.

*Members interjecting:*

**The SPEAKER:** Order! The honourable member for Coles cannot repeatedly interject in that fashion. The honourable Deputy Premier.

**The Hon. D.J. HOPGOOD:** I do not blame the honourable member, but I will wind up. The area—

**The SPEAKER:** Order! I trust that the honourable Deputy Premier is not reflecting on a ruling of the Chair?

**The Hon. D.J. HOPGOOD:** No, not at all, Sir. I was merely giving the honourable member her due as a human being, under some pressure from this answer. Neither the area which is planned for the Wilpena development, nor the area which is planned for the summit development has historically been part of parks. They have been adjacent to parks, as is Mr Sprigg's pastoral land. I understand from

talking to the late Don Simmons, once our Minister for Environment and Planning, that there was once a serious discussion with Mr Sprigg about the possibility of Arkaroola being included in the Gammon Ranges park.

Had that happened, would it seriously have been suggested that Mr Sprigg should siphon the water out of his pool, fill it up with something and grow geraniums on the top? The whole thing is ridiculous. In the circumstances of the present debate in South Australia about the appropriateness of various forms of development, the role being played by the honourable member has been quite mischievous. I do not really believe that she is backed up by her Leader or by other members on that side of the House. If, in fact the Leader of the Opposition—

*Members interjecting:*

**The SPEAKER:** Order! The honourable Deputy Premier cannot brandish documents.

*The Hon. Jennifer Cashmore interjecting:*

**The SPEAKER:** Order! I warn the honourable member for Coles.

**The Hon. D.J. HOPGOOD:** If the Leader of the Opposition supports the member for Coles in relation to this speech, let him say so now and let the people of South Australia hear it.

#### NEW ZEALAND TIMBER COMPANY

**The Hon. H. ALLISON:** My question is directed to the Minister of Forests. Following IPL's (New Zealand) further trading loss of \$1.5 million last financial year, bringing its accumulated losses to \$NZ6 million, what financial forecasts have been made for the trading position of the company this financial year, and has the Government set any deadline for a decision on whether or not to maintain its investment in the company?

**The Hon. J.H.C. KLUNDER:** I thank the honourable member for his question. Yes, there was a \$1.5 million deficit last year. I indicated that to the House in a ministerial statement I made at the first available opportunity. In fact, to some extent I was punting on the result of the last month which was not clear at that stage, but the figure turned out to be \$1.5 million or near enough and \$6 million for the time being. Anyone is entitled to have a guess about what the future will bring. A number of studies have been carried out. In the past year, IPL (New Zealand) did not perform as well as the study had indicated it might.

*Members interjecting:*

**The Hon. J.H.C. KLUNDER:** That probably does not come as a surprise to anyone in this House. In terms of whether or not I would still be prepared to sell the company if it comes good, all I can say is that that is a kind of dilemma that I would rather like to face.

*Members interjecting:*

**The SPEAKER:** Order! The honourable member for Hartley.

#### THAILAND TRADE LINKS

**Mr GROOM:** Will the Minister of State Development and Technology provide details on the infrastructure and support that the State Government is providing to companies seeking to develop trade links with Thailand? Thailand has a rapidly developing economy and the future forecasts for its growth are promising. I am informed that many South Australian manufacturing companies are currently actively seeking trade links with South-East Asian countries.

One problem brought to my attention is that the resources required by small and medium size firms to access such markets are limited and, without assistance, such markets may prove to be out of their reach.

**The Hon. LYNN ARNOLD:** I thank the honourable member for his question. It is certainly true that Thailand offers great promise in growth prospects for South Australian companies. It is the second fastest growing economy in the ASEAN region. It is also an economy with which transport links will become even better in the future. First, there will be direct flights commencing between Adelaide and Bangkok with the coming of Thai Airways early next year and Qantas is moving a significant proportion of its hub operations out of Singapore to Bangkok, yet again increasing the Australian-Thailand connection.

With respect to the action of the South Australian Government in this matter, this Government is the first State Government in Australia to pursue this connection with Thailand. We have now signed an agreement with a leading Thai company for it to represent South Australia commercially within Thailand—the first State Government to have done this. The company that we have signed with is Loxleys (Bangkok) Limited, a very large conglomerate that is well respected in the Thai market. I recently went on an exploratory mission to Bangkok to pursue further matters in relation to that agreement and also to explore the nature of the companies that we should include in a trade delegation to Thailand early in 1989. I believe the prospects are very promising indeed. The first tangible outcome of my most recent visit was the announcement by the Charoen Pokphand Group Vice President, Dr Ajva, who will visit South Australia in late September, to assess the irrigation industry in South Australia and the prospects for agri-business development within Thailand.

Further, I am able to announce that there will be a group visit by representatives of the Thailand software industry to South Australia in October for discussions with respect to software exports to Thailand. A joint agreement has been signed with the South Australian Software Export Centre, which, as members will know, is actively supported financially by the South Australian State Government.

I can also advise, as a result of a telex received earlier this week from Loxleys, that that company has appointed the first full-time trade development officer who will look after South Australia's commercial interests on its behalf. That officer, Miss Marisa Kuvanant, is a graduate in business management. She will take up her position with Loxleys immediately and we look forward to her coming to South Australia in the near future for extensive briefings on the South Australian economy.

That is the kind of support that the State Government is providing to promote the commercial links between Thailand and Australia, and it is the first State Government to do that. It certainly counteracts the negative opinions that are so gratuitously cast by members on the other side. It is also indicative that this Government is keen to assist proactively the work of business in this State to seek out international investment and trade links.

### WORKCOVER

**Mr S.J. BAKER:** Will the Minister of Labour obtain a report from WorkCover detailing the total cost to date of software development for the WorkCover computer and the expected date that the system will be fully functional and provide that report to Parliament on the next day of sitting?

**The Hon. R.J. GREGORY:** I thank the member for Mitcham for his question. I will endeavour to provide a report from WorkCover at the earliest possible opportunity.

### NORTHERN SURVEY

**Mr ROBERTSON:** Can the Minister of Lands provide details of a joint Army and Department of Lands survey, which I understand is about to be commenced in the Far North of South Australia? Members would be aware of the work of Mr John Douglass in the Remote Sensing Unit and some of the valuable information yielded by that unit on the impact of farming and grazing over the past 150 years, especially in the arid lands.

I am also told that that particular form of imagery has certain export potential. In this instance I appreciate that the job of mapping the State is rather more than that technology can stand. Can the Minister tell the House how it will be achieved and how much it will cost?

**The Hon. SUSAN LENEHAN:** I thank the honourable member for yet again coming up with a most perceptive question. As the honourable member is probably aware—

*Members interjecting:*

**The Hon. SUSAN LENEHAN:** Well, I think we would all like to have the honourable member's breadth of general knowledge and depth of understanding.

*Members interjecting:*

**The Hon. SUSAN LENEHAN:** No, I am not joking. As the honourable member is probably aware, surveyors and geophysicists now make use of modern satellite-based surveying instruments to fix their position on the ground. These instruments—and I am providing this information for the benefit of other members of the House as well—called global positioning system (GPS) receivers, acquire signals from the NAVSTAR series of navigation satellites owned by the US Navy, and the data thus collected is processed in a computer to calculate accurate positions and heights. To do this it is necessary to know how the satellite system relates to the existing State survey system. This is best achieved by placing the receivers on a series of known points and comparing the positions thus determined with the true values.

Because the information obtained is of strategic value to both the Army and the South Australian Department of Lands, both the department and the Australian Army Survey Corps have agreed to join forces and share the cost of carrying out the survey in the Far North. The area to be covered is north of the transcontinental railway to the Northern Territory border and from the Western Australian border to the Queensland border and covers approximately three quarters of the State, being in the district of Eyre.

The exercise has been named Operation Longwalk and will commence on Monday 28 August and take about 30 days to complete. The project will involve nine members of my department and 10 members of the Royal Australian Army Survey Corp 4th Field Squadron. Out of a total cost of \$300 000 the Lands Department will pay \$140 000 and the Federal Government \$160 000. I would like to record publicly my appreciation of the co-operation between the State and Federal Governments in this exercise, as I believe it is another important step in using high technology to gather valuable information.

### RETIREMENT VILLAGES

**The Hon. D.C. WOTTON:** As the Minister of Community Welfare tomorrow celebrates two weeks in this port-

folio, has she confirmed the validity of recent public claims by the Commissioner for the Ageing that hundreds of older people in South Australia are victims of 'rip offs' by operators of retirement villages and, if so, does she agree that breaches of the Retirement Villages Act should have been referred to the Corporate Affairs Commission and any allegations of false promises made by operators referred for action under either the Trade Practices Act or the Fair Trading Act?

**The Hon. SUSAN LENEHAN:** I guess that I am aware and I thank the honourable member for taking such a close personal interest in my parliamentary career. I am delighted that he follows my movements through the portfolios with such interest and involvement. Obviously, I must be doing an extremely good job for the honourable member to be so concerned with my areas.

**The SPEAKER:** Order! The honourable Minister is replying to a question and not delivering a *curriculum vitae*.

**The Hon. SUSAN LENEHAN:** I am aware of the whole question that has been raised.

*Members interjecting:*

**The SPEAKER:** Order! The honourable Minister.

**The Hon. SUSAN LENEHAN:** I do not think that members opposite want to hear the answer, but they will get it if they wait. I am aware that the Commissioner for the Ageing has raised the whole matter of retirement villages and probably has provoked a worthwhile discussion in the community. The office of the Commissioner receives complaints that fall under five headings: contracts; promises not kept; management style; care not delivered; and especially matters such as termination, departure, and refunds.

**An honourable member:** Give us the details.

**The Hon. SUSAN LENEHAN:** I intend to whether or not you like it. As the Commissioner pointed out in the speech referred to by the honourable member, the office receives complaints only from dissatisfied customers and not from the many people in retirement villages who have no complaint. Complaints have been levelled against all sectors of the industry, and a committee comprising representatives of the Commissioner for the Ageing, the Crown Solicitor—

*The Hon. Jennifer Cashmore interjecting:*

**The Hon. SUSAN LENEHAN:** If the honourable member listens, she will hear the answer.

**The SPEAKER:** Order! Will the honourable Minister resume her seat for a moment. The Chair will extend a degree of tolerance simply to remind the honourable member for Coles that she has been warned. The honourable Minister.

**The Hon. SUSAN LENEHAN:** Thank you, Mr Speaker. The committee to which I was referring comprises the Commissioner for the Ageing and the Crown Solicitor (or their representatives), the Commissioner of Corporate Affairs, and the Commissioner of Consumer Affairs. This committee has met regularly during recent weeks to gather facts and explore the options. So, the honourable member might like to note that. Comments reported by the Commissioner have had most favourable responses from consumers and, although the Commissioner has highlighted certain problems, the whole situation is certainly not at any crisis point and cooperative discussions between the industry, consumers and the Government will pave the way for a resolution of the problems, unlike the solution suggested by the Opposition, which is not to work cooperatively with all sections of the industry but rather to rush in with a boots-and-all approach and alienate all and sundry. I congratulate the Commissioner for the Ageing on the responsible way in which he has handled this issue.

*Members interjecting:*

**The SPEAKER:** Order! I call the honourable member for Heysen to order. The honourable member for Spence.

### BHP DEVELOPMENT

**The Hon. R.K. ABBOTT:** Can the Minister of State Development and Technology say what is the position of Broken Hill Pty Company Ltd at Whyalla and whether it will remain a key employer in that city and, if it will, for how long? I ask this question following reports that BHP has decided to go ahead and exploit reserves of the Iron Duke deposit. This move is necessary because reserves at Iron Baron will be exhausted in 1990.

**The Hon. LYNN ARNOLD:** The decision by BHP in respect of the Iron Baron ore lode guarantees a future for Whyalla certainly well into the next century. Indeed, there is capacity for a further 20 years development on that site. As a result, BHP is looking at an investment of \$200 million in a continuous caster operation, although this again causes the Opposition to despair at news of investment in South Australia. BHP is considering a further \$20 million blast furnace relining. As the member for Whyalla knows and actively supports, BHP employs 3 700 people in Whyalla. Its steelworks have performed particularly well under the steel plan considering that the investment made available to it in recent years has been small compared to investments made in the company's operations in other States. In fact, the bulk of the production of BHP at Whyalla at various times in recent years has been exported. They are, in fact, a source of blooms, long products, and also a source of rail, and the hardened rail itself has been an interesting export winner for BHP. It is clear that the recent decision by BHP will give Whyalla a significant economic boost for many years to come.

### ABORIGINAL AFFAIRS CONSULTANT

**Mr LEWIS:** Will the Minister of Aboriginal Affairs confirm that a former Premier (Mr Dunstan) is being paid a consultant's fee of \$500 a day for advising the Government on legislation to increase Aboriginal self-determination?

**The Hon. G.J. CRAFT:** A statement was made some months ago about the services of Mr Dunstan being provided to the South Australian Government to help in the development of policies in the area to which the honourable member has referred. The sum to be paid was announced at that time and was a matter determined by the Commissioner for Public Employment.

### GRAND PRIX

**Mr RANN:** Is the Premier concerned about the announcement that Queensland is bidding to stage a Formula One Grand Prix from 1991? It has been reported that a \$13 million motor sport complex is being built between Brisbane and the Gold Coast and that the developers want to stage a Formula One race immediately before or after the Australian Grand Prix in Adelaide.

**The Hon. J.C. BANNON:** This matter received widespread publicity and some concern was raised by that publicity that this was an attempt by those in Queensland to take the Formula One Grand Prix from Adelaide and transfer it to another site. We have seen these reports periodically: there was a rash of them about the time of last year's

Grand Prix. It just indicates the high envy factor that the Grand Prix attracts from other parts of Australia.

As I understand it, the proposal was based on a decision to replace raceways already existing in Queensland with a new facility. The one at Surfers Paradise has been closed and a new facility is being built up to Formula One specifications, and it was that which suggested that some attempt would be made to take the Formula One race from Adelaide. First, I am advised that no request, proposition or anything of that nature has been made to the Formula One Constructors Association or to the Confederation of Australian Motor Sport. Secondly, we are in the middle of fairly intensive negotiations for an extension of our contract and, during the course of those negotiations, there has been no indication whatsoever of dissatisfaction with Adelaide as the site for such a successful event. Indeed, the comment has been made frequently that it would be very foolish to put such success in jeopardy by trying to reproduce it somewhere else in Australia in unknown and untried circumstances.

Thirdly, the suggestion was that, even if they could not take the Formula One race from Adelaide, a second Formula One event could be staged at the circuit near Brisbane. Again, I suggest that this is a bit of a pipedream. First, the number of Formula One races that can be held during a season is limited and there is considerable competition for venues. Secondly, there is no question that venues on the west coast of America or parts of Europe would have precedence over any extra venue here in Australia, purely on the basis of population size. I suspect that these reports are very much part of the wishful thinking that looks enviously at a great event staged here in Adelaide and tries to get it somewhere else. We certainly do not intend to let that happen.

#### PERSONAL EXPLANATION: FOUNDATION SOUTH AUSTRALIA

**Mr INGERSON (Bragg):** I seek leave to make a personal explanation.

Leave granted.

**Mr INGERSON:** My recent question of the Minister of Health concerning 'Quit' badges was asked on behalf of one of the officials of the Olympic Council. He was concerned that unreasonable conditions had been stipulated by the Director of the new foundation in negotiations with the Olympic movement in order to receive its \$100 000 grant. It was his belief that wearing the 'Quit' insignia was requested. By asking the question, I obviously supported the Olympic official's concern. It is unfortunate that the second part of the question, which is important for future negotiations with all sporting bodies, was not answered, and that only personal abuse was forthcoming from the Minister instead.

#### PERSONAL EXPLANATION: FOUNDATION SOUTH AUSTRALIA

**The Hon. FRANK BLEVINS (Minister of Health):** I seek leave to make a personal explanation.

Leave granted.

**The Hon. FRANK BLEVINS:** Without wishing to have a debate with the member for Bragg by way of personal explanations, I point out that he has said that the second part of his question was not answered by me yesterday. I will again quote from the letter from Foundation South Australia, signed by Jim Jarvis, which stated quite clearly:

I can also assure you that the suggestion that all clubs which receive money from Foundation South Australia will have to wear 'Quit' badges has never been raised in trust discussions.

That was clearly stated yesterday.

*Members interjecting:*

**The SPEAKER:** Order! The Chair cannot condone a private dialogue across the Chamber, and I call the member for Bragg to order.

*Mr Ingerson interjecting:*

**The SPEAKER:** I warn the honourable member for Bragg for continuing to interject after being called to order.

#### SITTINGS AND BUSINESS

**The Hon. D.J. HOPGOOD (Deputy Premier):** I move: That the House at its rising adjourn until Tuesday 6 September at 2 p.m.

Motion carried.

#### PAPERS TABLED

The following papers were laid on the table:

By the Treasurer (Hon. J.C. Bannon):

Financial Statement of the Premier and Treasurer, 1988-89.

Ordered to be printed (Paper No. 18).

Estimates of Receipts, 1988-89.

Ordered to be printed (Paper No. 7).

Estimates of Payments, 1988-89.

Ordered to be printed (Paper No. 9).

Economic Conditions and the Budget, 1988-89.

Ordered to be printed (Paper No. 11).

The Budget and its Impact on Women, 1988-89.

Ordered to be printed (Paper No. 81).

Capital Works Program, 1988-89.

Ordered to be printed (Paper No. 83).

The Budget and the Social Justice Strategy, 1988-89.

Ordered to be printed (Paper No. 30).

Certificate Required under Standing Order No. 297.

South Australian Government Financing Authority—Report, 1987-88.

State Bank of South Australia—Report, 1987-88.

#### APPROPRIATION BILL

**The Hon. J.C. BANNON (Premier and Treasurer)** obtained leave and introduced a Bill for an Act for the appropriation of moneys from Consolidated Account for the year ending on 30 June 1989; and for other purposes. Read a first time.

**The Hon. J.C. BANNON:** I move:

*That this Bill be now read a second time.*

Its purpose is to appropriate funds from the Consolidated Account to meet expected payments, both recurrent and capital, in 1988-89.

This Budget builds on and carries forward the Government's achievements in the management of this State's finances over the last six years and signals our determination to see those advances continue to the benefit of all South Australians.

This is a Budget of balance. It addresses the principal areas of industry, of commerce, of family welfare, of job creation, and of the need to exercise responsible control over Government spending.

This is a Budget which sets the scene for a brighter, more prosperous, more rewarding economic climate.

And this is a Budget which will lay before all South Australians the opportunities which are only possible within a soundly managed economy.

Our financial house, after some of the hardest years facing any Australian Government since the Great Depression, is now very much in order.

We have finally finished paying the bills of the previous Liberal administration. We have faced up to massive reductions in Commonwealth funding.

And we have redoubled our efforts to attract investment to this State, to help create solidly based employment, and to ensure that those families and individuals least able to cope have the care and support of all appropriate agencies.

This Budget has been framed with every South Australian in mind. It addresses the needs of families; the concerns of business and industry; the frustrations of a State which has been on the receiving end of national funding cuts and forced to grapple with a downturn in overall economic activity.

It is a Budget of careful optimism, directing advantages and creating opportunities.

In terms of the State's finances, we have:

- **CREATED** a Consolidated Account surplus for 1987-88;
- **RETIRED** the accumulated Consolidated Account deficit;
- **ACHIEVED** a 17 per cent reduction in borrowings in 1987-88; and
- **REDUCED** the State's net debt in absolute terms for the first time on record.



Mr Speaker, the State's finances are now firmly under control. The \$63 million Consolidated Account deficit we inherited in 1982 is entirely removed. State debt as a proportion of Gross State Product has been reduced by over 25 per cent.

Building on this result and looking ahead, we plan to achieve a balance on the Consolidated Account in 1988-89.

In terms of revenue, there will be:

- no increase in taxation rates in 1988-89;
- benefits from a significant increase in the payroll tax threshold; and
- relief for land tax.

On the expenditure side, within the overall framework of restraint, we have developed a number of initiatives including most notably a social justice package of \$20 million.

### **ECONOMIC CONTEXT**

The Australian economy and the South Australian economy are both heavily influenced by developments overseas. Last year the Budget was set in circumstances of subdued economic activity for South Australia. However, in looking forward to 1988-89 it is possible to be more optimistic.

The strength of the world's industrial economies over the past year has substantially exceeded expectations. A year ago, it had been widely expected that world trade imbalances would bring about a slowdown in growth. These fears were reinforced by the sharemarket collapse last October.

In the event growth has continued to be strong and forecasts for the next year or two have been progressively raised.

Real growth in OECD economies is expected to be around 3 per cent in 1988 and 2.5 per cent in 1989. Despite this, inflation is expected to increase only slightly.

All the major economies are expected to grow, with the strongest increase being expected in Japan, which is particularly encouraging for Australia.

Reflecting the brighter international outlook, the outlook for Australia has also improved.

The Federal Government expects reasonably strong growth in 1988-89.

Business investment is expected to grow strongly in real terms, a trend which is particularly gratifying.

The rate of inflation is expected to fall further.

However, the current account deficit is not expected to improve much at all in 1988-89 and, as the Federal Treasurer has recently noted, our debt burden has still not been stabilised. Australia's foreign debt is still high by OECD standards. Strenuous efforts must continue to reverse this situation. South Australia is playing and will continue to play its part in the nation's response.

The outlook for the South Australian economy is more encouraging than it has been for some time.

Although South Australia continues to have a very low share of national retail sales and new motor vehicle registrations, other indicators are showing signs of significant improvement. Full-time employment has been increasing rapidly in 1988 and there has been strong growth in other indicators such as property transfers, energy sales and business telephone sales.

The local economy will, in the Government's view, match the reasonably strong national growth rate in 1988-89 as the benefits of Roxby Downs, the submarine project and further major non-residential construction projects take effect.

In terms of its impact on the Budget, however, this growth will in no way offset overall reductions in Commonwealth funding.

### **COMMONWEALTH-STATE FINANCIAL RELATIONS**

For the third consecutive year, there will be a reduction in the real level of funds available to the States from the Commonwealth and under the Global Borrowing Limits in 1988-89.

For South Australia the Premiers' Conference result means an effective reduction of 5.1 per cent in real terms in general revenue assistance, hospital grants, general purpose capital assistance and specific purpose payments. This is an effective reduction of \$130 million against maintenance of funding in real terms.

In addition our Global Borrowing Limit has been reduced by \$42.5 million to \$258 million compared with \$350 million only two years ago.

The Government supports the overall economic policy approach being taken by the Federal Government. We believe, however, that the necessary reductions in public spending should be more fairly balanced between the three levels of Government.

The clear evidence is that the States have borne much more than their fair share of the burden. Commonwealth payments to the States have been affected far more severely than the Commonwealth's own programs.

For example, of the spending reductions of \$982 million announced in the Economic Statement on 25 May 1988, reductions in financial assistance grants to the States constituted \$650 million or about two-thirds. Local government has also borne a smaller relative share of Commonwealth cut backs than have the States.

While recognising the need for a reduction in public sector borrowing generally, it should be recognised that State governments are responsible for providing the majority of public services and public infrastructure in Australia. While the Commonwealth also provides some important functions such as defence, its role in service delivery is much more indirect.

As I have noted on a number of occasions, there is in my view significant scope in particular for the Commonwealth to reduce its administrative costs by removing overlap and duplication with State administration. I welcome the moves made by the Commonwealth to streamline its administration over the last twelve months but much more needs to be done in this area.

The State is affected not only by the Commonwealth's general decision on total funding to the States, but also by decisions on South Australia's share of funding. In this context, the latest review by the Commonwealth Grants Commission is a matter of concern.

The Commission has recommended, and the Commonwealth Government accepted, that South Australia's relative share of general revenue assistance should be further reduced by approximately \$15 million per annum. While this is to be offset by special revenue assistance of \$10.2 million in 1988-89, this assistance is only guaranteed for 1988-89. There is thus the real prospect of a further reduction in South Australia's share of Commonwealth funding in 1989-90 and subsequent years.

In addition, the Grants Commission is to review its relativities annually, rather than every three years which was previously the case. This is also likely to disadvantage South Australia.

Accordingly, it is important that the financial strength of 1987-88 is not frittered away but is used to help buttress the State against further deterioration in Commonwealth funding.

This will be the third year of major reductions in Commonwealth funding and further general reductions in the future are possible.

We faced a reduction in 1986-87 of 1.5 per cent in real terms, in 1987-88 of 5.7 per cent in real terms and now a further loss of income of 5.1 per cent in real terms; a total reduction of 11.8 per cent in real terms over the three years.

This year, general revenue and hospital grants are expected to fall by \$94 million in real terms.

General capital assistance is expected to fall by \$5 million in real terms.

Other specific purpose payments have been reduced by \$31 million in real terms.

The total reduction in general and specific purpose funding in real terms is \$130 million.

The Global Borrowing Limit which restricts borrowing by the South Australian Government Financing Authority, the Electricity Trust of South Australia, other semi-government authorities and the local government sector has also been reduced from \$300.8 million to \$258.3 million, a reduction of \$61 million in real terms.

Altogether these reductions add up to \$191 million in real terms. What they mean is that, despite inflation, Commonwealth general purpose funding and our borrowing authority will be lower in money terms this year than in 1987-88.

### **1987-88 RESULTS**

The Budget introduced last year provided for a financing requirement of \$355 million and an overall cash deficit of just over \$14 million.

In the end result, there was an overall improvement of almost \$49 million, producing a financing requirement of \$310 million and an overall cash surplus of \$34.4 million.

On the revenue side, the Budget benefited from buoyancy in the property market and increases in employment, with a net improvement in overall receipts of \$63.3 million.

In terms of recurrent payments, Members will recall that no allowance was made in the 1987-88 Budget for the second tier wage increase. Despite this, the Government's program of tight financial control limited the over-run in recurrent payments to \$13.6 million, only 0.3 per cent of total payments and just over one-third of the gross cost of the second tier.

In this context Mr Speaker, I would like to make particular mention of the efforts made by departments and agencies and their officers to restrain expenditure during the year. The Government appreciates the strenuous efforts made by agencies to stay within their budgets, despite the additional need to absorb the second tier. Their efforts have significantly contributed to this satisfactory result.

The result for the State public sector as a whole was also very satisfactory.

SAFA achieved a surplus of \$279 million in 1987-88 representing strong growth compared to the \$220 million achieved in the previous year. The result reflects some important abnormal and extraordinary items and was achieved after setting aside a substantial amount as a provision for general contingencies.

The State's net indebtedness fell absolutely in 1987-88 from \$3 958 million at the end of June 1987 to \$3 908 million at the end of June 1988. This is a remarkable achievement, the first time on record in which South Australia's indebtedness has fallen absolutely. As far as we are aware - given the paucity of data published by other Governments - it has no parallel in other States.

Overall this is a very good result, but it is also a very necessary result in view of the reductions in Commonwealth funding in this year and possible further reductions in subsequent years.

#### **PRESENTATION OF THE 1988-89 BUDGET**

Before outlining the 1988-89 Budget, I would like to refer to a number of changes in the presentation of our accounts which require explanation. Since coming to office, the Government has taken a number of steps to improve overall financial management in the State public sector and to ensure greater accountability to Parliament and the community. I referred to a number of changes in last year's speech.

In presenting this Budget I would like to refer to further advances in this area. These changes have no net impact on the overall budget result but they do affect comparisons between years. The major changes that have been made include:

- revised arrangements for presentation of interest costs in the Budget, whereby the interest costs of eight major agencies will be allocated directly to those agencies;
- new accounting arrangements for the Engineering and Water Supply Department and for the Department of Services and Supply under which both agencies will account for their operations through deposit accounts and which are designed to encourage the thrust for efficiency in these agencies;
- cross charging of a number of support services direct to agencies, namely government office accommodation, government employee housing, language services and audit services;

- revised arrangements whereby agencies will have some direct responsibility for workers compensation payments;
- more flexible arrangements for budgeting for maintenance and minor works for school buildings; and
- proclamation of ETSA as a semi-government authority, with SAFA providing all future borrowings required by ETSA.

I stress that these changes have no net impact on the Budget. The reduction in receipts of \$406.2 million is completely offset by an equivalent reduction in payments. However, the result will be improved financial management, with full accountability to Parliament.

In the past, interest costs associated with borrowings from the Budget have been shown predominantly under Treasury Department appropriations. By attributing a significant proportion of those costs direct to the agencies responsible, Parliament will be able to assess the real cost of the services provided by those agencies.

In the case of the Engineering and Water Supply Department, the new arrangements will facilitate a much broader commercial approach to its financial management, including the presentation of its annual accounts to Parliament on a full commercial basis. Similarly, in the case of the Department of Services and Supply, the new arrangements are associated with setting the Department explicit targets for financial performance.

The introduction of full cross charging of government office accommodation and employee housing, language services and audit fees will provide Parliament with information on the full cost of these services and provide agencies with greater awareness of the true cost of the services.

The revised arrangements for workers compensation are designed to ensure that agency managers are fully aware of and involved in management of workers compensation claims during the first twenty one days.

More flexible arrangements for budgeting maintenance and minor works for school buildings will ensure that work is carried out in line with operational priorities to the greatest extent possible and will provide flexibility to reallocate resources towards asset maintenance and replacement in schools in situations in which this is a priority.

ETSA's inclusion in centralised borrowing arrangements administered by SAFA is a major step towards completing the rationalisation of borrowing by the State's public sector and will result in improved overall efficiency and subsequent cost savings for ETSA. This arrangement will have no net effect on the Budget. Although there will be no interest recovery from ETSA into the Budget in 1988-89, this will be fully offset by a reduction in interest payments otherwise made from Consolidated Account to SAFA. The new arrangements do, however, affect comparisons of Consolidated Account interest payments and recoveries between years.

The Financial Statement contains further details of these changes, together with tables which allow revenue and expenditure in this Budget to be compared with previous years, allowing for the adjustments made necessary by these changes in presentation.

## **BUDGET OBJECTIVES AND STRATEGY FOR 1988-89**

I would now like to turn to the objectives of the Government in setting this Budget.

As in previous years, the outlook facing the Government in framing the 1988-89 Budget has been that firm decisions would have to be taken to reduce expenditure to the level of resources available.

As I have already noted, Commonwealth payments, which comprise over half the State's revenue, are unlikely to grow at all in 1988-89. The real reduction in funding is marginally less than last year but is still very substantial.

A real decline of this magnitude cannot reasonably be offset from the State's own revenue sources. Accordingly, we have made a number of firm decisions to reduce expenditure growth and to reduce the budget financing requirement.

The Budget strategy for 1988-89 has four main elements.

First, it contains significant restraint in expenditure.

The Budget provides for no real growth in net expenditures, which are expected to grow by 6 per cent on a comparable basis, the same as the expected inflation rate.

Second, there is a significant reduction in the projected financing requirement and consequently a reduction in future interest costs.

The 1988-89 Budget provides for a financing requirement of \$226.1 million, more than one third below the level budgeted for and more than 25 per cent below the level achieved in 1987-88. This is a reduction of some 31 per cent in real terms below the level achieved in 1987-88. It will be the lowest level, in constant price terms, for five years. However, it is to be emphasised that the financing picture is considerably different when the focus shifts from the Consolidated Account to the public sector as a whole.

Third, there is a major reallocation of resources in line with the Government's economic and social objectives. The budget provides \$17.9 million for major initiatives, plus a major reallocation of existing resources by agencies. In particular, the Budget provides funding for a range of important social justice initiatives.

Fourth, there will be no increases in tax rates and a number of concessions for taxpayers.

## **REVENUE**

Total revenue is expected to grow by 6.6 per cent in 1988-89 on a comparable basis, before bringing forward the balance of SAFA's 1987-88 surplus of \$74 million. This is only slightly ahead of the expected rate of inflation. This situation results in particular from the substantial reduction in Commonwealth payments. Excluding the SAFA contributions in both years, receipts will grow by only 4.7 per cent, a fall of 1.2 per cent in real terms.

Despite this, however, the Government has decided not to increase tax rates.

Instead we have decided to offer two major concessions. First, measures are to be taken to alleviate the impact of land tax on small business. Second, the payroll tax threshold is to be increased.

In discussion of land tax it is important to analyse the factors which lead to increases in the revenue raised. The most important of these by far is rising land values. Rising land values are essentially the product of demand, which is heavily influenced by perceptions about the return which can be generated from land in particular locations. Thus, the factor which gives rise to increases in land tax also influences capacity to pay land tax.

There are, of course, other influences which require the impact of land tax to be reassessed from time to time. These include the progressive tax scale, the principle of aggregating all holdings in one ownership, and the fact that tenants are frequently at a disadvantage in negotiating leases with landowners.

Against this background the Government considers it appropriate to restructure the land tax scale for 1988-89 and to provide a rebate of some of the duty which would otherwise be payable.

It is not feasible to eliminate the effects of aggregation without removing the generous exemption now built into the tax scale and taxing land at a flat rate. The Government does not consider this to be an appropriate response to the circumstances. However, it does favour a much simpler tax scale as a means of relating tax increases more closely to increases in value; this will involve reducing the present six steps in the scale to three. Moreover, it proposes a generous rebate of the tax calculated in accordance with the new scale.

These measures will reduce estimated land tax revenues, by about \$11.5 million from about \$75 million to about \$63.5 million. Overall, the land tax revenues in 1988-89 should increase at a rate closely in line with increases in land values.

I would like to turn now to payroll tax. Together with Queensland, South Australia is the only State or Territory which does not impose a payroll tax surcharge on large employers. The maximum rate payable in South Australia is 5 per cent. This is reflected in Grants Commission comparisons which demonstrate that payroll tax is much lower in South Australia than in the other States.

Nevertheless, the Government is conscious of the fact that the exemption level has remained at \$270 000 for two years, and accordingly a two stage increase in the exemption is proposed. From 1 October 1988, it is proposed to increase the exemption level to \$300 000 and from 1 April 1989 to \$330 000. These measures are estimated to reduce payroll tax receipts in 1988-89 to about \$4 million below what they would otherwise have been. In a full year the increase to \$330 000 should benefit taxpayers by about \$8 million.

There are two other matters of importance to be noted in relation to taxation. First, as was announced at the Premiers' Conference, the exemption of Commonwealth business enterprises from payroll tax has been removed from 1 July 1988. This is estimated to add \$20 million to this State's revenue in a full year. However, 90 per cent must be passed on to the Commonwealth through a reduction in general revenue assistance.

The net benefit to South Australia will only be \$2 million in 1988-89. This measure does however inflate the estimates of payroll tax collections and should be allowed for in looking at the total revenue figures shown in the Budget.

Second, the Government plans to intensify measures to reduce taxation avoidance and evasion more generally. Measures taken in 1987-88 to amend the Stamp Duties Act have had a significant impact on reducing avoidance and evasion and contributed directly towards the increased revenue generated. The Government's intention to combat avoidance and evasion will be continued in 1988-89 with provision of additional resources for the inspection and statutory functions of the State Taxation Office.

Allowing for the taxation concessions to which I have just referred, taxation receipts are expected to grow by less than 3 per cent in real terms after allowance is also made for changes in payroll tax arrangements which will see Commonwealth business enterprises paying payroll tax as from 1 July 1988.

As I noted last year, economic commentators are increasingly discussing taxation in relation to the Gross Domestic Product, or in our case, the Gross State Product. This comparison enables a judgement to be made on the taxation burden on the economy and the community.

In those terms, South Australia will fare extremely well in 1988-89. On a comparable basis, taxation is expected to fall in relation to Gross State Product.

Taxation in South Australia also remains low in relation to most other states. Based on 1987-88 preliminary estimates produced by the Australian Bureau of Statistics, per capita taxes, fees and fines in South Australia were \$295 lower than those applying in New South Wales, \$258 lower than those applying in Victoria, \$109 lower than those applying in Western Australia and \$66 lower than those applying in Tasmania. These figures will be revised as actual budget results become known for all states but I expect that the overall relationship will be maintained.

SAFA continues to play a key role in revenue generation in this State. Of other revenues received by the Government, the most important item is the planned increase in the contribution of SAFA from \$205 million in 1987-88 to \$300 million in 1988-89. It should be noted too that an additional \$74 million from the 1987-88 SAFA surplus is to be carried forward into 1988-89, although even without this measure, the financing requirement would still fall in money terms in 1988-89.

## **EXPENDITURE**

Total net expenditure is expected to grow by 6.0 per cent in 1988-89 on a comparable basis. The bulk of government expenditure comprises net recurrent payments, which are expected to grow by 7.4 per cent. I will deal separately with the capital program.

In general, departments have been required to identify savings of up to 5 per cent in respect of the 1988-89 Budget. This is an increase from the maximum level of 3 per cent applied last year. The actual level of savings required for each agency varies, in accordance with the Government's economic and social priorities. However, savings of \$33 million have been made below no policy change funding levels. In addition, further savings of \$1 million have been made through the continued application of the Government's policy of restricting the number of administrative and executive officers employed by agencies.

An essential component of expenditure restraint is the continuing need to improve efficiency and productivity in the public sector. The decisions made by industrial tribunals



as part of awarding the second tier wage increase provide an important opportunity to achieve further efficiency. Substantial efforts have been devoted to implementing such measures in association with the second tier during 1987-88 and this will continue in 1988-89. To provide agencies with assistance in this area, a Productivity Fund of \$1 million is to be established to provide loans to agencies for measures leading to identifiable increases in productivity.

Salaries and wages represent about half of recurrent payments. As a result there is a direct link between public sector employment and movements in salaries and wages. The State, of course, has little influence over decisions on wage and salary levels. Wage restraint to date has made it possible to adapt to reductions in Commonwealth funding without massive staff reductions.

If in the future wages and salaries grow more quickly than the State's total revenue, the only option will be even more significant staffing reductions than have occurred in the past. Continued wage restraint is thus critical to the maintenance of adequate services and employment levels.

Over the five years to June 1987 the total public sector workforce grew by 3.6 per cent in South Australia. I emphasise that that is the total public sector including statutory authorities such as the State Bank, the State Government Insurance Commission and the Health Commission. Most of this growth is in fact accounted for by statutory authorities. The departmental workforce grew by only 1.2 per cent, with much of that occurring in education and agencies responsible for law and order; police, courts and prisons.

In terms of the public service, at the end of June 1988, employment in budget sector agencies including the Health Commission was 1177 full-time equivalents less than at the same month in 1987.

Over the coming year the existing freeze on Public Service recruitment will be retained. We expect that over the twelve months to June 1989, employment in budget sector agencies including the Health Commission will decline further by approximately 380 FTEs.

One of the Government's major achievements over the last twelve months has been in restraining workers compensation costs. Greater attention to workers' health and safety and more determined efforts to provide rehabilitation have been of great benefit to individual workers and to our overall finances. The total cost of workers' compensation to the Budget in 1988-89 is expected to be \$58 million compared to \$63 million in 1987-88.

The other major area of expenditure under recurrent payments is gross interest. On a comparable basis, interest payments from Consolidated Account, including those to SAFA and other statutory authorities, will fall in money terms by 4.3 per cent in 1988-89, some 9.7 per cent in real terms. This reflects reductions in Consolidated Account borrowing and reductions in interest rates.

#### **CAPITAL WORKS PROGRAM**

The Commonwealth is looking to the States to further reduce their borrowing levels. To this end the Loan Council program level is being maintained in nominal terms and the Global Borrowing Limits have been further reduced.

In response to similar pressures last year we reduced our budgeted overall works program by about 7 per cent in real terms from the 1986-87 program level.

As has been pointed out in previous years, a large portion of the capital spending in the public sector is financed other than through the Consolidated Account. In particular, the whole of the ETSA program and much of the Highways Department works are not funded through the Account. It is therefore important to recognise that the Consolidated Account capital figures cover only a portion of the overall program.

In 1987-88, the portion of the program funded from the Consolidated Account bore the brunt of the reduction in the program; the draw from the Account was 12 per cent less than the comparable figure for 1986-87, and represented approximately an 18 per cent reduction in real terms. A similar reduction is not proposed for 1988-89; nor would it be appropriate or sustainable.

While mindful of the Commonwealth pressure for reductions, we have taken three other important factors into consideration when framing our works proposals. The first is the effect on employment levels, the second is the continued need to provide and maintain our basic infrastructure, while the third is our ability to fund a significant part of the program without recourse to borrowings.

With respect to employment, the Commonwealth's strategy of restraint in public capital expenditures is intended to lead to an upswing in the level of private sector investment. In this regard there are encouraging signs, particularly in the housing area.

Since coming to office, the Government has given high priority to its housing program, and to increasing its stock of decent and affordable public housing to meet the needs of the South Australian community. In this regard, the trend towards smaller family units has led to a change in the demand pattern for housing, with increased emphasis being given to one and two bedroom units.

As part of the strategy to meet this change in emphasis, the Housing Trust is engaged in a sale and replacement program as well as constructing additional units. The housing program for 1988-89 will continue this pattern. However, in view of the increased activity in the private sector and our reduced financial capacity, the program level will be somewhat less than the targets set for 1987-88.

The aim is to have a works program involving 1500 construction commencements together with 475 purchases and conversions to replace units either sold in 1987-88 or planned to be sold in the coming year, a total of 1975.

In conjunction with the upturn of activity in the private housing area, the program should ensure that there is no adverse impact on overall employment opportunities in the housing sector of the construction industry.

As part of the Government's program of rationalising housing for its employees, the Office of Government Employee Housing will purchase from the Housing Trust in 1988-89 over 400 houses that it currently rents from the Trust for the use of Government employees. This one-off transaction, while it will reduce the nominal size of the Trust's housing stock, will provide the Trust with \$15.5 million of interest free funds to apply to its building program.

Funds will be provided to the State Bank to enable a further 2500 loans to be made available under the Home Ownership Made Easier concessional loan scheme in 1988-89.

In other areas of our capital works program, the proposals have been structured around the need to provide and maintain the fabric of basic infrastructure. We cannot afford to cut back to such an extent that we are unable to provide the basic infrastructure needed to encourage the private sector investment for which the Commonwealth and State are striving.

The areas being given particular emphasis in the 1988-89 program funded from the Consolidated Account include:

- acceleration of the construction of the Happy Valley water filtration plant;
- the provision of schools and preschool facilities in developing areas; and
- hospital upgradings.

After allowing for the accounting changes mentioned previously, the direct draw from the Consolidated Account for the capital works program will be \$558.3 million, a reduction of about 3.5 per cent in nominal terms.

A more meaningful comparison of the program level supported by the Consolidated Account is obtained by looking at the proposed gross works programs of the agencies funded from the Budget. This takes account of both funding from the Budget plus funds directly generated and retained by the agencies themselves. After adjusting for accounting changes these programs will increase by approximately 2 per cent in real terms.

Taking an even wider view, gross capital expenditure for the entire State public sector, including agencies such as ETSA which are not funded from the Budget, will increase by approximately 5 per cent in real terms.

This figure for the State public sector for 1988-89 is boosted by:

- expenditures by ETSA rising from \$170 million to \$213 million, primarily in relation to the construction of the interconnection to the eastern states' grid; and
- \$11 million expenditure by the Pipelines Authority of South Australia on the natural gas pipeline connection to Whyalla.

## **FINANCING**

In 1987-88 the Consolidated Account financing requirement was reduced significantly from \$406.3 million in 1986-87 to \$309.8 million. This year it is planned to reduce it further to \$226.1 million; a decline of \$180.2 million over two years or 44 per cent.

Including authorities such as SAFA and ETSA in particular, total public sector borrowing is expected to be only slightly higher in 1988-89 than in 1987-88. However, in contrast to 1987-88 when the State's holdings of cash and investments rose, there will be a substantial run down in such holdings in 1988-89.

Overall, net State indebtedness is not expected to grow in relation to Gross State Product. This means that we expect to be able to maintain net indebtedness at an historically low level in relation to Gross State Product in 1988-89.

## BUDGET PRIORITIES

As in previous budgets, the Government has given priority to provision of community services.

Central to this budget strategy is the Government's Social Justice Strategy, \$20 million of funding for social justice initiatives. Together with Commonwealth funds that will be attracted by that expenditure, this will mean a total of \$25 million will be spent for social justice purposes in 1988-89.

Important components of the planned expenditure on the Social Justice Strategy include:

- \$2.8 million for co-operative housing;
- \$1.9 million for the Back to School Strategy, assisting schools to provide greater opportunities for students most in need;
- \$675 000 for development of initiatives to assist students with social and behavioural problems;
- \$434 000 for health education in schools, including funds for curriculum development and training programs for teachers;
- \$2.2 million for provision of essential services to remote Aboriginal communities;
- \$900 000 for Aboriginal employment and training in the public service;
- \$750 000 for the Supported Accommodation Assistance Program;
- \$685 000 for employment and training opportunities for the disadvantaged; and
- \$557 000 for the Health Commission to upgrade disability services.

In addition the Government intends to maintain its commitments to nurse education and to the provision of further funding for ancillary teaching staff.

Similarly in the area of technical and further education the Government will increase State effort in the face of significant reductions in Commonwealth funds in 1988 in the order of \$3.8 million.

Given the substantial reduction in Commonwealth funding, the course of action open to the Government would have been to either substantially increase the general administration fee or to impose a general reduction in courses, or a combination of both. These options have been rejected. However, it has been decided to put TAFE students on the same basis as other tertiary students by imposing an administrative charge for associate diplomas. No other changes are proposed, and in the case of associate diplomas the decision will be modified if necessary in the light of any Federal Budget proposals on charging graduates for their education.

The Government acknowledges the responsible attitude taken by many employers in their own provision of workforce training and in their generous contributions to training agencies such as TAFE colleges. In the current climate of economic reform there is a growing awareness both of the need for an expansion of workforce skills and of the fact that contributions to the cost of skill development need to be made by all beneficiaries; by the community, certainly, but also by employers and employees who benefit from training programs. For this reason the Government will in the present financial year

explore avenues for the enhancement of non-government contributions to training programs.

Funding for promotion of tourism also receives priority in this Budget. South Australia is in an excellent position to make major advances in tourism, with significant spin-offs for our economy. In recognition of this potential, the advertising and promotion budget of Tourism South Australia is to be increased by 49 per cent to \$4.8 million in 1988-89.

Work is also expected to commence on an Exhibition Hall as part of the Convention Centre during 1988-89. The estimated cost of the project is \$15.9 million of which \$7 million is expected to be spent during 1988-89.

### **CONCLUDING COMMENTS**

This year the Budget Speech is being published separately from what were previously the attachments to the Financial Statement which will now be known as the Financial Statement, with improved presentation of information for Members.

There is also a new information paper this year, The Budget and the Social Justice Strategy 1988-89.

The form of the Appropriation Bill is similar this year to last year.

Clause 1 is formal.

Clause 2 provides for the Bill to operate retrospectively to 1 July 1988. Until the Bill is passed expenditure is financed from appropriation authority provided by Supply Acts.

Clause 3 provides a definition of Supply Act.

Clause 4 provides for the issue and application of the sums shown in the First Schedule to the Bill. Sub-section (2) makes it clear that appropriation authority provided by Supply Acts is superseded by this Bill.

Clause 5 provides authority for the Treasurer to issue and apply money from the Hospitals Fund for the provision of facilities in public hospitals.

Clause 6 makes it clear that appropriation authority provided by this Bill is additional to authority provided in other Acts of Parliament (except, of course, in Supply Acts).

Clause 7 sets a limit of \$20 million on the amount which the Government may borrow by way of overdraft in 1988-89.

Mr Speaker, this Budget marks the achievement of two major themes of the Government:

- the restoration of a sound financial position; and
- the introduction of an ongoing program of social justice.

But the Government is also concentrating on the important task of encouraging further economic development.

Since this Government assumed office, the level of economic activity in the State has grown by 28 per cent in real terms. This followed a period of three years when the economy actually shrank.

Since April 1983 more than 70 000 jobs have been created in South Australia.

These achievements have flowed from actions by this Government to strengthen the financial capacity of the South Australian economy. Our policy over the last five years has been to build the foundation for the more sustained development of the South Australian economy, in a variety of areas; the finance sector, the corporate sector, tourism and manufacturing. While all of these steps have been individually successful, the important thing is that their combined impact is and will be much greater.

In the finance sector these actions include the establishment of the State Bank of South Australia, establishment of the South Australian Government Financing Authority, establishment of Standard Chartered's Head Office in Adelaide, creation of Enterprise Investments and the strengthening of the operations of the State Government Insurance Commission.

In the corporate sector, the Government has assisted the development and maintenance of major companies.

Tourism and property development have proceeded at an unprecedented level, highlighted by Government support in the ASER complex, the Adelaide Convention Centre, Adelaide Casino, the Golden Grove housing estate, Lincoln Cove and the Grand Prix.

The manufacturing sector has seen Government involvement and encouragement continuing in key areas including the submarine project, the Centre for Manufacturing, Technology Park, TAFE Colleges, the Whyalla Technology Centre and the South Australian Development Fund.

This year marks the opening of the massive Roxby Downs mine and further planned developments include the Galaxy Refinery and the Whyalla Gas Pipeline.

This Government has sought through these actions to ensure that the restructuring of the South Australian economy which has been occurring since the early 1980's takes place swiftly.

In this Budget and elsewhere I have already announced more than \$20 million, in a full year, of assistance and concessions to small business to assist employment creation. These include the Payroll Tax concession of \$8 million, the Land Tax concession of \$11.5 million and commercial electricity tariff adjustments of \$3 million.

Further strategic policy directions will be developed in the coming months.

Mr Speaker, 1987-88 opened as a year of difficulty and uncertainty. This was compounded by the October sharemarket crash. It has ended however on a much more optimistic note. I believe that the 1988-89 Budget will enable us to build on this sound base and turn optimistic prediction into reality.

In commending the Budget to the House, I would like to put on record my appreciation of all those involved in formulating the budget and its accompanying information papers. South Australia continues to present the fullest and most accessible financial information of any Australian Government. The Under Treasurer and his officers should be particularly commended for this.

I commend the Bill to the House.

#### Explanation of Bill

**The Hon. B.C. EASTICK** secured the adjournment of the debate.

### ELECTION OF SENATORS ACT AMENDMENT BILL

Second reading.

**The Hon. G.J. CRAFTER (Minister of Education):** I move:

*That this Bill be now read a second time.*

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

#### Explanation of Bill

It seeks to make amendments to the Election of Senators Act 1903 to bring it into line with recent machinery amendments to the Commonwealth Electoral Act 1918. The two amendments to the Commonwealth Electoral Act relate to time limits in the Federal electoral timetable. One amendment increases the maximum period between the issue of the writs and the return of the writs from 90 days to 100 days. This will avoid the need for the Commonwealth Parliament to meet in early February if a Federal election were held in mid November as, under the Constitution, Parliament must meet within 30 days of the return of the writs. It could also be a useful precaution against the possibility of a long delay before all Senate vacancies are filled, given the manner in which the Senate scrutiny is now required to be conducted.

The other amendment removes the 20 day and seven day limitations from the provision relating to the extension of time for holding the election and returning the writs. It was made on the basis that both limitations served no useful purpose. For example, in relation to the Senate writs, it is possible that any problems that might delay the return of the writs would not have emerged within the 20 day period.

Clause 1 is formal. Clause 2 amends section 2 of the Act by providing that the date fixed for the return of the writ must not be more than 100 days after the issue of the writ. Clause 3 amends section 3 of the Act by removing the 20 day time limit before or after the date fixed for the polling, within which the Governor may exercise the powers set out in that section. The clause also repeals subsection (3) which provides that a polling day must not be postponed under section 3 of the Act at any time later than seven days before the time originally appointed.

**Mr S.J. BAKER** secured the adjournment of the debate.

### CRIMINAL INJURIES COMPENSATION ACT AMENDMENT BILL

Second reading.

**The Hon. G.J. CRAFTER (Minister of Education):** I move:

*That this Bill be now read a second time.*

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

In 1987 the Criminal Injuries Compensation Act 1978 was amended to increase the maximum amount of compensation payable to victims of crime from \$10 000 to \$20 000. It was intended that only victims injured after the amendment came into operation should be entitled to the increase in compensation and compensation has been awarded on that basis.

The question has now arisen as to whether the 1987 amendment achieved its intended effect. Both the Solicitor-General and the Parliamentary Counsel consider that the 1987 amendment only applies to causes of action arising after the amendment came into operation. However, a 1974 Supreme Court decision suggests that the amending Act applies and operates at the time when compensation is assessed, although the amendment to section 16 of the Acts Interpretation Act passed by this Parliament in 1983 (amending Acts do not affect pre-existing rights) should now lead to this case being overruled.

The doubts caused by the 1974 decision can only be resolved by litigation. To save unnecessary litigation it is preferable for the Act to be amended to make it clear that only victims of crime who were injured after the amending Act came into operation are entitled to have their compensation assessed on the basis that the maximum amount of compensation payable is \$20 000. This is what was intended and is only fair to those victims of crime who have had their compensation assessed on that basis.

Clause 1 is formal. Clause 2 backdates the amendment to the commencement of the Act so that there can be no doubt that the various increases in compensation levels that have occurred over the years all only operated prospectively, not retrospectively. Clause 3 inserts a new section that provides for the assessment of compensation to be made under the Act as in force when the offence giving rise to the injury was committed.

**Mr S.J. BAKER (Mitcham):** This Bill is being rushed through the House because of difficulties that have arisen in the South Australian legal system. In fact, the matter is so complicated that only the lawyers can say why those difficulties have arisen.

*Members interjecting:*

**Mr S.J. BAKER:** True, lawyers are a law unto themselves: they make their rules and they break their rules. As I understand it the original Criminal Injuries Compensation Act provided certain limits on compensation to apply at that time. This meant that, if the legislation was amended subsequently, the new limits would apply when the amending legislation was passed. Under the Acts Interpretation Act, however, I have always understood that, if action is taken against the person (in this case against the Crown), it shall be dealt with under the legislation appropriate at the time and not under the new legislation if there has been a later amendment.

I understand that, because the relevant provision in the Criminal Injuries Compensation Act was removed in 1983, it was doubtful whether the compensation limits that had been imposed applied at the date of their enactment or whether they were to apply retrospectively and cover the whole period of operation of the Act, in fact right back to 1972. That sounds like an administrative and legal bungle.

I understand that there is a dilemma in the courts at present, with a judge questioning whether the compensation limit applying in a certain case should be \$10 000 or \$20 000. However, to prevent other difficulties arising, irrespective of the outcome of that case, the Attorney-General is seeking

the indulgence of this Parliament so that everyone will understand that, whenever new provisions are enacted, any action taken shall be deemed to be at the time of the occurrence in question rather than at any other time.

This is a confused issue, but I believed that I understood the matter after I had read the speeches of both of my legal friends in another place. The Opposition supports the Bill. However, I wish to ask the Minister representing the Attorney-General whether, if Parliament must enact special provisions in this legislation that tie the law in relation to what was commonly understood, Parliament must also now enact a similar provision in every other statute. Perhaps the Minister could reply to that question either on second reading or in Committee.

**The Hon. G.J. CRAFTER (Minister of Education):** I thank the Opposition for its support of this measure and for facilitating its expeditious passage through this House. The Bill provides relief for persons who are seeking recompense before the courts as a result of their sustaining injuries in a criminal situation.

I am sure that no honourable member wants people in such circumstances to be put through prolonged litigation in order to clarify the law. This measure simply clarifies the law with respect to the payment of criminal injuries compensation to a group of people in the community who are caught as a result of an interpretation of the law brought down some years ago by the Supreme Court. Now this matter will be put beyond doubt.

In answer to the member for Mitcham, I point out that the people who have been revising the Statute law in South Australia have very thoroughly and to the best of their ability assessed the circumstances that may arise as a result of amending legislation which consolidates the Statutes. However, one cannot predict the judgments of courts and, indeed, the interpretation that they place upon particular Statutes. It may be that other legislation will need to be amended in similar circumstances, although I understand that that is not expected to occur in many cases.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Date as at which compensation is to be assessed.'

**Mr S.J. BAKER:** Will the Minister confirm that the cost of litigation currently occurring as a result of a judge querying whether the \$10 000 limit or \$20 000 limit applies will be funded by the Government? If so, what amount is involved?

**The Hon. G.J. CRAFTER:** I do not have any precise information on that matter. I can only presume that, with the passage of this legislation, the necessity for the continuation of that litigation will be reviewed.

**Mr S.J. BAKER:** I am sure that it will be reviewed but I understand that considerable costs have already built up in the system. Can the Minister advise accordingly?

**The Hon. G.J. CRAFTER:** I do not have any information before me to assist the honourable member. If the honourable member knows it, I suggest that he be satisfied with the information that is already in his possession.

Clause passed.

Title passed.

Bill read a third time and passed.

#### ADJOURNMENT

**The Hon. G.J. CRAFTER (Minister of Education):** I move:

That the House do now adjourn.

**Mr OSWALD (Morphett):** I bring to the attention of the House an article which appeared in the December 1987 bulletin of the South Australian branch of the Australian Medical Association and which refers to the AIDS epidemic in Australia. The letter was written by Dr Frank Altmann, a general practitioner in Murray Bridge, and it highlights the dilemma with which many physicians in this country are having to contend in advising patients and the public generally about their attitude towards the spread of AIDS. I will quote in detail from this excellent letter, which was provided to me by a very senior South Australian medical specialist, as follows:

Congratulations to your recent correspondents for having the courage to speak out on the controversial AIDS education issue. They put to shame those of us who have remained silent for too long.

Irene Jaensch justly commends the Education Department for its factual and sensitive program. May I add my thanks also to the teachers who have volunteered to present it.

There is an understandable lack of value judgments in the content, because it has never been the role of the school to teach our children right from wrong. That responsibility rests with their parents.

But Darryl Goodwin sounds a timely warning. When the behaviour of certain people adversely affects the health of others, then surely this becomes a moral issue—even more so if the end result is fatal. No amount of discussion about alternative life-style options can deny this fact.

In my own profession, preventing the spread of infectious diseases and protecting the rights of innocent people have been inviolate principles since the time of Hippocrates.

In the early years of my career, public health authorities stipulated by law that I track down tuberculosis contacts, report syphilis sufferers, hound drunken drivers, and certify the mentally dangerous. This part of my work was to be effected without fear or favour.

In more modern times our legislators have urged me to harass cigarette smokers, side walk the infirm motorist, and even inform on parents merely on the suspicion that they may be harming their children.

I am well paid to perform these duties in the public interest, and receive a deserving reprimand if I neglect them.

Yet now we are faced with the most lethal epidemic in modern history, the rules seem to have suddenly changed. The tough combined approach of medical science, backed by protective legislation, seems to have softened.

I receive volumes of indecisive instructions from a diversity of advisory bodies with the occasional positive fact camouflaged in a heap of social jargon.

I am told not to discriminate against the major perpetrators of this infection for fear of offending and driving them underground. I am supposed to accept the very actions which spread the lethal virus as being a normal variation of pleasurable human behaviour.

I can sympathise with members of the public who feel confused by this official attitude because, frankly, I am totally flabbergasted.

So what sort of advice does a conscientious country doctor give to his anxious patients in a relatively law abiding, conservative community? Probably the best approach, as always, is to just tell the truth.

AIDS is a complex medical and social disease which is still evolving, as witness the recent dramatic increase in female cases in America.

Despite a great amount of scientific research there are many unknown factors in its origin and spread, while no cure has been discovered.

In our present state of knowledge in Australia there are three major risk factors—male homosexuality, intravenous drug abuse, and promiscuity. If those words offended you then substitute—being gay, main-lining, and sleeping around.

But the words don't really matter, because any attempt to soft talk around the facts is merely evading the truth with fairy tales.

For parents who are genuinely concerned, but feel confused and unsure, here is some basic advice to give your children. None of it is original, but copied from several great authorities whose teachings I admire—

- tell your daughters never to be intimate with a boy who has injected himself with drugs;
- tell your sons never to let other men use them as girls;



- tell them both that sleeping around with different partners is just not worth the risk;
- encourage them that the safest way to live is with one single partner whose background they know, in a trusting relationship, preferably for life;
- most importantly of all show them by your own example that this advice has meaning to you.

If your children choose not to accept this advice, let them know that you disapprove of their actions, but will still love and support them.

Warn them that the advertised precautions are not foolproof, and that they must accept the consequences of their choice if they fail because no amount of medical treatment, Government aid or social welfare will be of any help, then!

Finally, be prepared to wear the labels 'prejudiced, narrow-minded and bigot' from certain sections of the outside world. But remember your children are your most precious possession and the only part of you which can be left behind to build a better world.

Perhaps one day in middle age, you will receive the most rewarding accolade of all 'Thanks, mum and dad—at least you always told us the truth.'

The letter is signed by Dr Frank Altmann of Murray Bridge. I think that that article says what is in the minds of the majority of parents and medical practitioners of this country: that, in this whole debate, we must be very frank about the way we speak to people. An element of the community says that AIDS must not be talked about for fear of it going underground.

I am at a loss to know why this attitude prevails. As the good doctor says early in his letter, in the past he was virtually commanded by the hypocritical oath to advise people that, if they had a disease which could wipe out tens of thousands of people, he had a moral obligation to come forward. However, an atmosphere now seems to pervade society that, because it is AIDS, we must not talk about it. We are talking about a disease which, if not checked, has the capacity to wipe out the human race. It is a very serious matter and I am surprised at the reluctance of people to get out into the community and talk about it. I commend Dr Altmann for having the fortitude to go into the public arena and put his thoughts down so well on paper.

**Mr TYLER (Fisher):** I am delighted to participate in this adjournment debate because I want to use this opportunity to talk about housing in South Australia. I believe that good housing and urban services are a measure of the community's well-being; indeed, they are fundamental to its well-being. The housing and planning policies of the Bannon Labor Government are concerned with not only the provision of homes but the provision of services and amenities needed by a community, which include shops, schools and places of employment. The budget that has just been handed down demonstrates once again this Government's commitment to those fundamental policies of community well-being.

By world standards most South Australians now enjoy excellent levels of housing services. Home ownership rates are high, having risen to 70 per cent (an upward trend). Standards are also high with low density housing, good quality buildings and well located urban amenities. Public housing provided by the South Australian Housing Trust is world-class with good quality new homes being provided and a substantial upgrading program now underway.

Public housing comprises over 10 per cent of all homes built in South Australia which, I suppose, is low by United Kingdom and European standards, but it is significantly higher than northern America. It is interesting to note that when I was in America a few years ago one of the very depressing things that I saw was homeless families on the streets. I vividly remember seeing families with their children and all their worldly possessions—everything they owned—in a shopping trolley, sitting on park benches in

Central Park. It is tragic to see whole families—not just one or two but dozens of them—in that condition, completely without a roof over their head. I also saw many examples of homeless men in New York sleeping on park benches with only newspaper covering them. This is a shocking situation to actually witness and I am very pleased that in Australia we do not have those sorts of sad situations. With the social justice strategy that the Premier announced earlier today, I am sure that the problems of poverty and of the unfortunate circumstances in which people in our community find themselves will be addressed. And it is the strategy of not only the Bannon Labor Government but also the Hawke Labor Government.

The value of home building in South Australia during the first three years of the Bannon Government (1982 to 1985) was estimated to be in the order of \$1.5 billion, reflecting record levels of activity. From this outlay thousands of jobs have been created within the industry and in other associated sectors. Housing has thus proved again its status as a vital industry, not only as a community necessity but also as a key economic stimulus. Over its almost six years of office, the Bannon Government has sought to increase housing activity and stimulate the local economy. Housing has a major effect in other areas due to the requirement for furniture and furnishings, bricks and timber. Housing developments also require roads, transport, schools and shops. It is estimated by the CSIRO that, for every \$1 million spent on housing, about 63 jobs are created, of which 50 are in the local economy.

South Australians are very fair-minded, and they have long espoused fairness and equity as a proper objective of government. Equity has now become a major principle of the Commonwealth-State Housing Agreement following renegotiation of the agreement by the Federal and State Labor Governments. The most important housing equity issue is how to fairly share the assistance given by Governments. On that note, I draw to the attention of the House a question that I asked the Minister of Housing and Construction last week. I asked whether the Government intended to continue with the State's refinancing scheme initiated in 1983 under the State Government's Home Ownership Made Easier program. At that time I pointed out that about 90 per cent of the people in my electorate are buying their own homes. This figure is well above the State and Australian averages.

I also pointed out to the Minister and the House that in the time that I have been a member of this House I have referred a number of my constituents to the Housing Trust to take advantage of this very good scheme. One of the problems that I have experienced in my three years as a member is that many people who buy their own home become over-committed and experience extreme financial stress. It is an unfortunate fact of life that people like to buy all their furnishings and establish their gardens as quickly as possible. Unfortunately, during the process, in the early stages many people overcommit themselves. As a result, many marriages are placed under strain and, in my area, an increasing number of marriages are breaking down.

Another consequence is that the Family Court settlement usually means that the house is sold. In effect, I suppose that the person who has custody of the children must try to find alternative accommodation. It is sad but true that today many families are under financial stress. Last week the Liberal Party released its policy on home ownership and housing in general. At the time the Minister described it as an unbalanced, superficial and empty housing policy. The policy states that the Liberal Party intends to renegotiate the Commonwealth-State Housing Agreement. The

Liberal Party actually means—but does not have the guts to say—that it will attempt to abolish it.

*Mr S.G. Evans interjecting:*

**Mr TYLER:** As I said, the Liberal Party policy is unbalanced, superficial and empty, and it is aimed at the selfish people in our community—the greedy rather than the needy.

*Members interjecting:*

**Mr TYLER:** It is interesting that members opposite are interjecting, but in recent weeks the Liberal Party has deliberately tried to appeal to the bigots in our community. The needy have just been pushed aside. The Liberal Party aims its policy at the greedy and the bigots.

*Members interjecting:*

**Mr TYLER:** Members opposite can scream all they like, but they do not have one piece of social justice in their platform. They do not have a compassionate bone in their bodies. I am glad that South Australia has a very compassionate Minister of Housing and Construction. He should be congratulated for his assurance that he does not intend to abolish the excellent refinancing scheme, which has helped over 1 000 families in this State. The State Government has spent in excess of \$30 million on the program, which has helped many people in my electorate.

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

**The Hon. TED CHAPMAN (Alexandra):** I am not sure, but I think it was a fellow called Greiner from New South Wales (a Liberal Leader who became Premier of that State about three or four months ago) who, during a luncheon in South Australia, made a statement to a number of my colleagues. He said something like: 'In order to win Government, one must forever support the Leader'. Indeed, as I recall, he also said, 'Even if your Leader is wrong, you still go out there and support him', or words to that effect. On this occasion, I do not have the difficulty of having to consider whether or not I should support the Leader when he is wrong because, as usual, today, yesterday and Tuesday he was right. It is with respect to a statement that he made on Tuesday—

**Mr Tyler:** He was wrong.

**The DEPUTY SPEAKER:** Order!

**The Hon. TED CHAPMAN:** —about that unfortunate incident on the *Island Seaway* to which I wish to refer. The question that the Leader of the Opposition (John Olsen) raised in this place last Tuesday was:

Will the Minister of Transport take immediate action to ensure that the berthing ramp of the *Island Seaway* can be operated at all times in an emergency?

That was the end of the question.

**Mr Tyler:** What about his explanation?

**The Hon. TED CHAPMAN:** In his explanation he cited at some length a sequence of events which led up to the incident that has been canvassed in this House on each day of this week. The details contained in that explanation were prepared in my office on Tuesday morning. Prior to their being mentioned in this House and, indeed, prior to their even being discussed with any other member of the Party, I personally checked the details of that explanation with none other than the General Manager of R.W. Miller and Co. (Mr Laurie Nell).

Subsequently, a direct representative of Howard Smith and Associates of Sydney, Mr Bruce Moroc, who is an engineer stationed in South Australia, also checked those detailed items to ensure that they were accurate and that they described the real position. We came into the House with not only a Leader who was equipped with a sequence of events of the previous Wednesday night which led up to

the need for the ramp at Port Adelaide, but also with a schedule of facts that had been prepared and checked with authorities who represent the Government in South Australia's shipping service.

*Mr Tyler interjecting:*

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

**The Hon. TED CHAPMAN:** The explanation which subsequently set the Minister alight and got him all excited and in a froth on Tuesday, and again today, was that which was reported specifically in today's *Advertiser* where a demarcation dispute was referred to. At no stage did the Leader of the Opposition this week, or at any other time in this place, refer to a demarcation dispute. He said that an industrial demarcation existed at the *Island Seaway* berthing point at Port Adelaide. That was—and still is—the case. It will continue to be the case in relation to the lifting and lowering of the *Island Seaway* ramp. The demarcation means what it says, that is, that there is a marked barrier between what one identified and authorised officer can do and what others in the area cannot do. I am sure that every honourable member understands what I mean.

The conflict has occurred between what the Leader of the Opposition actually said last Tuesday during Question Time (as reported in *Hansard*), and that which is reported on page 3 of today's *Advertiser*. I can understand officers of the union, people from the wharf labour fraternity and officers from R.W. Miller and Co. at Port Adelaide taking a newspaper report on face value, as I understand they did today in relation to that page 3 article. Understandably, they were rather upset when they saw a reported reference to a demarcation dispute when it did not properly reflect the facts as contained in *Hansard*.

What I cannot understand, and I fail to accept, is that the Minister, who has been around here for nearly as long as any other member in this House, should stand up here today and use that situation to abuse the Leader of the Opposition and other members on this side, and indeed abuse his role and office as a Minister, to try to put on the record a position that he knew—and had in fact witnessed—was just not true.

I know that there are some limits on what one can say about our colleagues with respect to reflecting on their personalities, but I cannot recall a situation in this place in 15½ years as blatant as was the Minister's disregard for the truth today or at any stage when he has debated the subject of the *Island Seaway* in recent times. Let me just say in conclusion how disturbed I am about this subject and how untruthful the Minister has been on a number of aspects of this deal.

**The DEPUTY SPEAKER:** Order! I ask the honourable member to sit down. I point out to him that there are limits to the things he can state in a grievance debate. If he wishes to continue along the line that he is adopting, he ought to raise that matter in a substantive motion. The honourable member for Alexandra.

**The Hon. TED CHAPMAN:** All right; I think the message is clear, as is my concern for the drift in responsibility of Ministers that has been experienced in this place in recent times. Let me conclude with these remarks. Last year the Opposition sought to raise a number of questions in relation to the planning of the *Island Seaway* and, each time we asked a question of the Premier, the Minister of Transport or other Ministers who might have been considered appropriate to receive those questions, the matter was picked up by the Minister of Marine who claimed to be responsible for the development of the plans and the construction of

that ship. He took it on board for the period until the commissioning of the vessel.

We in the Opposition sought to continue to question that Minister (Minister Roy Abbott) on the subject after the commissioning and he duckshoved and said, 'It is the responsibility of the Minister of Transport.' Now this week the Minister of Transport says, 'It is not my responsibility. I am not the Minister responsible for that service,' and he went further than that on Tuesday of this week by saying, 'R.W. Miller and Co. is not the agent of the Government in relation to the operation of this ship.' In other words, he has not only abdicated his role; he has not only acted irresponsibly; he has indeed walked away from this vessel and from his responsibilities as Minister acting on behalf of the Government. He has walked away from the long-standing understanding on this side of the House that R.W. Miller and Co. is—

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

**The Hon. TED CHAPMAN:** —in fact the agent of the Government, and indeed I can understand the protection—

**The DEPUTY SPEAKER:** Order!

**The Hon. TED CHAPMAN:** —of the Chair for the Minister when he is—

**The DEPUTY SPEAKER:** Order! Will the honourable member take his seat please.

**The Hon. TED CHAPMAN:** Oh, sorry; right.

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

Motion carried.

At 4.45 p.m. the House adjourned until Tuesday 6 September at 2 p.m.