HOUSE OF ASSEMBLY

Tuesday 22 August 1989

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

LONG SERVICE LEAVE (BUILDING INDUSTRY) ACT AMENDMENT BILL

His Excellency the Governor, by message, recommended to the House of Assembly the appropriation of such amounts of money as might be required for the purposes mentioned in the Bill.

HIGHWAYS ACT AMENDMENT BILL

His Excellency the Governor, by message, recommended to the House of Assembly the appropriation of such amounts of money as might be required for the purposes mentioned in the Bill.

PETITION: LOCAL GOVERNMENT BOUNDARIES

A petition signed by 10 080 residents of South Australia praying that the House urge the Government to reverse its decision to create a City of Flinders and review the process for changing local government boundaries was presented by Mr S.J. Baker.

Petition received.

PETITION: HARTLEY LANDFILL

A petition signed by 45 residents of South Australia praying that the House urge the Government to stop the proposed landfill at Hartley was presented by the Hon. Ted Chapman.

Petition received.

PETITION: BRIDGEWATER RAIL SERVICE

A petition signed by 6 064 residents of South Australia praying that the House urge the Government to establish a rail service to Bridgewater was presented by the Hon. D.C. Wotton.

Petition received.

QUESTIONS

The SPEAKER: I direct that written answers to the following questions on the Notice Paper, as detailed in the schedule that I now table, be distributed and printed in *Hansard*: Nos 12, 14, 21, 27, 44, 53 and 55.

PAPERS TABLED

The following papers were laid on the table:

By the Minister of Community Welfare (Hon. D.J. Hopgood)—

Adoption Act 1988—Regulations—General.

By the Minister of Education (Hon. G.J. Crafter)—

Commercial and Private Agents Act 1986—Regulations—Licence Exemption.

Trade Standards Act 1979—Regulations—Swimming Aids and Shoes.

By the Minister for Environment and Planning (Hon. S.M. Lenehan)—

Planning Act 1982—Crown Development Report on Department for Community Welfare Family Information Service, Lockleys.

By the Minister of Lands (Hon. S.M. Lenehan)—

Geographical Names Board—Report, 1988-89.

MINISTERIAL STATEMENT: EASTWOOD SUPPLEMENTARY DEVELOPMENT PLAN

The Hon. S.M. LENEHAN (Minister for Environment and Planning): I seek leave to make a statement.

Leave granted.

The Hon. S.M. LENEHAN: On Thursday of last week the Opposition raised a number of questions regarding the administration of the Planning Act, in particular the Burnside council's Supplementary Development Plan for Eastwood. I indicated at the time that all the proper processes had been followed, and that I would provide to the House a detailed report on the actions taken regarding this matter. The proposals for the rezoning of Eastwood have a considerable history, dating back to 1983, with planning investigations being undertaken by the Burnside council. However, it was not until February 1987 that an official draft plan was submitted to the Advisory Committee on Planning for consideration.

The Burnside council's Eastwood Supplementary Development Plan was placed on public exhibition in June 1987 and attracted a number of submissions. Amendments and subsequent re-exhibition followed until December 1988. Objectors wanted to ensure that the scale of commercial development along Fullarton Road did not detract from the residential amenity of Eastwood. The advisory committee explored further variations with the council and finally reported to me in June 1989.

Under the provisions of the Planning Act, the Minister for Environment and Planning has the responsibility to consider the plan and any submissions recommended and forwarded under this section and the report of the advisory committee. In line with the provisions of the Act, I considered these submissions and exercised my powers under the Act to strengthen the recommendations of the Advisory Committee on Planning and the Burnside council. I chose to do that for very good planning reasons. In changing two minor provisions of the plan, namely, to prohibit undercroft parking on the Fullarton Road frontage, and to restrict commercial access from Matilda Lane, I was going further than what the advisory committee had recommended, in order to protect the residential properties in Matilda Lane from further commercial intrusion.

Members interjecting:

The SPEAKER: Order!

The Hon. S.M. LENEHAN: Accordingly, I submitted my recommendations to Cabinet and these were approved by Cabinet on 7 August 1989. In his question last Thursday, the Leader of the Opposition quoted from a letter the Burnside council had sent to me that day. In fact, the letter in question was faxed to my ministerial office in the Lands Department only 25 minutes before the start of Question Time, and obviously a copy was also provided to the Leader. Under the provisions of the Planning Act, the Department of Environment and Planning is not required to advise councils after the advisory committee has reported—

Members interjecting:

The SPEAKER: Order! The Chair would appreciate some courtesy from honourable members: interjections should cease.

The Hon. S.M. LENEHAN: —and neither has it been present or past practice to do so. I meant no discourtesy to the Burnside council in this, and it is a mischief to suggest otherwise. I wish to point out to the House that the member for Unley informed his constituents only that the Government had endorsed the plan with two amendments, not that the plan had been authorised. In response to the question from the Deputy Leader of the Opposition, I again wish to state that I amended the recommendations from the advisory committee to strengthen them. However, in reaching my decision, I received advice from my department that these changes had been the subject of considerable public discussion and submissions.

In summary, I once again totally reject allegations of any impropriety in the planning process for this supplementary development plan. As part of the planning process, the SDP for the Eastwood area has undergone many changes as a result of submissions received from the two public exhibition phases of the process. Similarly, I have the responsibility to make and take decisions on recommendations and submissions forwarded to me and I am prepared to take action on planning matters under the powers granted to me by the Planning Act.

Members interjecting:

The SPEAKER: Order! Before calling on members for questions, I have to advise the House that Question Time will need to be slightly curtailed today so that we may present the Address in Reply to His Excellency the Governor on schedule.

QUESTION TIME

ST JOHN AMBULANCE SERVICE

Mr OLSEN (Leader of the Opposition): Will the Minister of Health give a guarantee that he will use the considerable powers he has under the Ambulance Services Act to ensure the continued participation of St John volunteers in the State's ambulance services and that these volunteers remain free of ambulance union control? I refer to the impending crisis in the St John Ambulance Service brought about by the controversial decision of the ambulance board to divorce the brigade from the ambulance service and bring volunteers, who belong to the brigade, under the effective control of paid staff who are members of the Ambulance Employees Union.

The response the Opposition has received already from volunteers shows that the move would result in the great majority of ambulance volunteers withdrawing from on-call duties and confining their service to teaching duties and first aid. While this is what the Ambulance Employees Union has been trying to achieve for a very long time, this would result, in the longer term, in the need for a fully paid ambulance service with an additional cost to taxpayers of more than $20 million a year. It would also result in the demise of up to 75 per cent of smaller ambulance bases in the country and the need for one-man ambulance crews in most rural bases that continued.

The Hon. D.J. HOPGOOD: If anyone was in any doubt as to this Government's commitment to the voluntary principle in the ambulance service, that would have been put completely to rest by the statements made by my predecessor as Minister of Health (the present Minister of Transport) during the dispute that occurred in the ambulance services some months ago. At that time my colleague and the Premier were in no doubt at all as to what the attitude of this Government should be, and that was communicated to the people of South Australia. That position remains and is as strongly espoused by me as it was by my colleague and by the Premier at that time.

An honourable member interjecting:

The SPEAKER: Order!

The Hon. D.J. HOPGOOD: I will certainly give the Leader the commitment that he asks for, except that I rather gather that his interpretation of the legislation is a little different from mine. I have had a good look at it. I have had my staff speak to the Crown Law Department and it is quite clear that the Minister's role and powers are somewhat curtailed and are somewhat ambivolent as set out in the legislation. I regret that and, obviously, I will do all that I possibly can to ensure that we retain the very important voluntary input in the ambulance service.

Let me remind the honourable member at this stage that this is not about a dispute but a debate within St John itself. What the Leader did not tell the House (and I am sure he would have if he had had the time to do so) is that not only was this matter decided upon by the ambulance board but it has also been endorsed by the executive of St John. I interpret the front page of the *Advertiser* of yesterday morning as an attempt by some of the volunteers to get the numbers for tonight's council meeting. Good luck to them.

It is not for me to interpose myself into what is, at this stage, an internal debate within the St John Ambulance Service. Apart from the fact that they are too polite to do so, I am sure that if I did try to interfere, I would be told to mind my own adjectival business. This Government strongly supports the voluntary principle of the ambulance service. It will do whatever it can to retain that voluntary principle but, at this stage, the debate is for the people within the service.

APPRENTICESHIPS

Mr RANN (Briggs): Will the Minister of Employment and Further Education advise the House of the number of apprentices who have been taken on in South Australia over the past few years? What measures are being taken to ensure the efficient training of skilled workers in critical technical and trades areas? In this morning's *Advertiser*, the Leader of the Opposition is reported as follows:

> Over recent years fewer apprentices have been taken on because of rising costs.

He goes on to make the following suggestion:

> Some training is not really essential or relevant.

It has been put to me that, at a time when it is universally acknowledged that our national economic performance will depend significantly on improving our productivity through a highly skilled work force, the Government should outline what it is doing to address these matters.

The Hon. M.K. MAYES: I thank the member for Briggs for his question, because it gives me an opportunity to correct the errors that the Leader of the Opposition included in his press release of 21 August about the major Liberal Party commitment to job and skill training. This issue requires some careful analysis to pick out what is basically lame rhetoric, all of which has been done, and all of which is a large case of plagiarism by pinching not only our ideas but the ideas of industry as a whole—ideas which have been well-established as a practice within the State. It is interesting to note that we did not have an opportunity to respond

to this *Advertiser* article, which was written by Mr Jory. It is important to note that, in fact, I did respond and put out a very comprehensive press release outlining and correcting some of the errors. It is important that the community comes to understand the superficial grasp that the Opposition has of training and skills development.

I remind the community that it was under Liberal Governments that we saw a complete depletion of capital investment in manufacturing in this State and nationally. It is the Federal and State Labor Governments that have embarked on a program to ensure the regeneration of manufacturing and technology in this country. This State has the best record nationally. In an economy that is rapidly growing, we are about one and a half per cent above the national average in relation to manufacturing investment. That is very significant and also is reflected in the figures.

I turn now to the figures provided by the Leader of the Opposition and the matter raised by the member for Briggs. The Leader of the Opposition, in his press release, states:

Fewer apprentices have been taken on because of rising costs.

That is arrant nonsense. The figures are—

Members interjecting:

The Hon. M.K. MAYES: You just worry about the bulldozers; don't worry about job skills. The member for Coles has enough problems worrying about the bulldozers. Whether or not that technically works, I do not know. I think she would be praying that it does not. The figure that the Leader of the Opposition mentioned is arrant nonsense. In fact, in 1982-83, when the first Bannon Government came to office, the number of new apprentices in this State was 2 355; and in 1989, the figure will be over 4 000.

Members interjecting:

The Hon. M.K. MAYES: The Leader has difficulty with numbers. We can see quite clearly that the whole premise of his press release was the statement leading off on the first page in relation to fewer apprenticeships. The total number of apprentices in 1987-88 was 11 477 and we expect the total number for 1989 to be around 11 500 to 12 000. We can see very clearly that the Leader of the Opposition again has a problem with his sums.

Members interjecting:

The Hon. M.K. MAYES: That is true. There are good accountants and bad accountants: we all know that. Some are better with figures than others. The Leader talks about fast track training for apprentices in areas of critical skill shortage. I wonder whether he has discussed this issue with industry?

Mr Olsen: Yes.

The Hon. M.K. MAYES: He has. That is not what we hear from the Chamber of Commerce and Industry. Has he discussed the issue with the trade union movement?

An honourable member: No.

The Hon. M.K. MAYES: No. Those two critical areas are involved, but the Leader has not discussed it with them. We know that the policy has dropped out of the air. He saw the Labor Party policy from the early 1970s, pulled it out and said, 'This looks like a good thing to do; we will rejuvenate this and give it a run.' He is a 1970s man. We have a statement about fast track training. I will enlighten the House by pointing out that the TAFE system has been involved in this process for many years. One example comes immediately to mind—the ability to respond quickly to urgently needed skills. TAFE was asked to come up with a specialised welding course for the development of a natural gas pipeline in the North of the State. We go back some time and Opposition members know when that occurred. The intensive program for those welders was established and developed in six weeks and the welding program was put in place for those in the North of the State.

The Hon. H. Allison: We did that.

The Hon. M.K. MAYES: That is a further damning comment on members opposite. They do not even know what they did when in government. The member for Mount Gambier admits it. Perhaps he ought to tell his Leader. No, he has moved the honourable member to the backbench—perhaps that is why he does not talk. He is not quite sure who is who. TAFE will be able to respond to fast track training for apprentices for many years. This Government is committed to that. TAFE has repeatedly reflected the ability to develop the right sort of training packages to meet the needs that arise.

The Opposition also talked about lopping off a year of training. That would mean a significant change in the whole structure of training and intensive courses for particular clients. We have to look at what that means, where it will occur, what will be the impact in terms of cost and how it will be reflected. One of the schemes that has come to pass was as a result of prevocational training programs, that is, pre-apprentice training programs. It is important that we look at where costs lie. The cost would probably come back to the taxpayer. That is the end of that conclusion. One can only see the taxpayer having to pay more for those courses.

The Leader did not develop that principle with industry or with the trade unions. This morning the Secretary of the United Trades and Labor Council said that the council had not been consulted. This is an important aspect for the whole of industry. One would expect, where there was a proposal involving a radical change in apprenticeship training, that the Leader would have discussed it with someone who knew what was going on—the two groups in the community. But members opposite have not discussed it. They dropped it cold turkey—bang, out it comes—and they expect everyone to jump at the wonderful idea. We have no costing or explanation but simply a total package.

The SPEAKER: Order! I ask the Minister to use only one more sentence in winding up.

The Hon. M.K. MAYES: I could go further in enlightening the House; in fact, I could go on for many days in terms of what we are doing, but let me say—

Members interjecting:

The SPEAKER: Order!

The Hon. M.K. MAYES: I thank the member for Murray-Mallee.

The SPEAKER: Order!

The Hon. M.K. MAYES: The whole essence of the statement by the Leader of the Opposition was absolute rubbish: it was worked over, it was tired and it was worn out like the Leader, as is the Opposition.

VICE, GAMING AND LICENSING SQUADS

The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition): My question is to the Minister of Emergency Services. Following the Minister's statement to Parliament last Wednesday that the disbandment of the Vice, Gaming and Licensing Squads was not causing operational problems, will he explain why the Commissioner found it necessary to call an emergency meeting of all available staff last Wednesday to discuss the problems it has created? The Opposition has been informed that, on the very day that the Minister told us there were no problems, the Commissioner of Police held an emergency meeting and has requested a confidential report from staff by today on the problems

that have been caused by the reorganisation within the Police Department.

We have been informed that areas to be included in the report to the Commissioner are staff morale, staff resignations, problems caused to general police work by their having to do the extra work of the disbanded squads, and the lack of arrests and convictions for armed holdups and vice and gaming crimes. We also have been advised that the Commissioner called the meeting because he had been unaware of the problems being experienced by police officers until they were raised in Parliament. These problems had not been relayed to him by senior officers. We have also been informed that the Commissioner has now promised staff they can speak of their concerns without fear of reprisals from senior officers.

The Hon. J.H.C. KLUNDER: I thank the honourable member for his question. It is absolute nonsense to suggest that the Commissioner was not aware of the situation, because he spoke to me about the matter some weeks ago in order to brief me on the matter, so we can put that suggestion to one side. Of course, there were some problems while the changeover took place and, oddly enough, I mentioned that matter to this Parliament last week. If the Deputy Leader had listened to me last week, he might have saved himself the trouble of asking this question. I indicated last week that there was some downturn in the number of offences detected because some reorganisation and training of new people had to take place. I made that comment in this House last week and I am a little surprised that the Deputy Leader of the Opposition would want to ask the question again.

I do not know whether or not the Commissioner held an emergency meeting and, if he did, he did not bother to inform me of it, which rather tends to suggest that he did not consider it to be an emergency meeting; it became an emergency meeting only when it was leaked at various stages and came to the notice of the Opposition in this place. If the honourable member wants me to find out whether or not the Commissioner held the meeting last week and the basic substance of the meeting in so far as it does not detract from police efficiency and effectiveness, I am quite happy to supply that information.

WORKCOVER

Mr FERGUSON (Henley Beach): I direct my question to the Minister of Labour. What effect would the Australian Chamber of Manufacturers' proposal for privatising Federal workers compensation schemes have on WorkCover and South Australian workers and employees? What action will the State Government take on this proposal?

The Hon. R.J. GREGORY: I thank the honourable member for his question, because this matter is of some significance to South Australia. If the Australian Chamber of Manufacturers proceeds with its scheme, a number of different types of workers compensation schemes will apply throughout Australia in areas covered by Federal awards. Anybody who understands Federal awards would know that varying decisions relating to those awards are made by various commissions on application by the employers, so different types of workers compensation schemes could apply from industry to industry and, in some cases, from plant to plant. Nobody could do anything about that, because Federal law overrides State law.

In South Australia WorkCover is working extremely well. It is fully funded in less than two years of operation. I also add that 95 per cent of people who are seriously injured are rehabilitated and returned to work; 80 per cent who are injured have their claims dealt with in the first two weeks; and the remaining 20 per cent have their claims dealt with within a month. Members should contrast that situation with the previous state of affairs before the introduction of WorkCover when many workers waited for up to six months to establish whether or not they were entitled to compensation. But couple that—

Mr Becker interjecting:

The Hon. R.J. GREGORY: —and the loud-mouthed member for Hanson knows little about this—with the application of occupational health, safety and welfare matters in Federal awards, because the article mentioned that also.

When I went to a factory at Rosewater, I noticed that the toilet had a 6in duckboard, but one's feet still got wet. Do members think that State laws applied in that situation? The answer is 'No'. Do members know why that was so? The answer is that a Federal award applied and all State laws relating to health did not apply. That is the sort of mess that the Australian Chamber of Manufacturers will introduce into industrial law if this proposal is implemented and Federal workers compensation schemes are privatised.

Perhaps they have an ulterior motive in this. The New South Wales Chamber of Commerce and the Victorian organisation both run insurance companies that want to get back into some sort of business. They do not care whether workers' health or lives are protected: all they worry about is the dollar. We have seen this time and time again. I know that the member for Victoria grins and thinks this is a bit of a joke, but it is very serious when employers can avoid their responsibilities by hiding under the umbrella of Federal awards. We have the iniquitous situation in this State whereby, although there is reference in the vehicle industry award to occupational health and safety matters, nobody with any experience is able to inspect and provide guidance to either the companies or the workers as to what is a safe working practice.

I intend writing to the Federal Government and asking it to take legislative action so that we do not have a myriad of workers compensation schemes operating throughout industry in South Australia in competition with WorkCover. In an increasing number of work places, WorkCover is applying to workers under State awards, while three or four Federal awards, are operating within the one company, in addition to three or four workers compensation schemes. It is a crazy notion and deserves to be rejected.

MOUNT LOFTY CABLE CAR

The Hon. B.C. EASTICK (Light): Following her pledge, reported in the *News* on 7 August—15 days ago—that the Government would make its decision on the Mount Lofty cable car project within the next two weeks, will the Minister for Environment and Planning now tell the House what that decision is, and, if not, why not?

The Hon. S.M. LENEHAN: We are back to recycling again: this is the third attempt. In an interview I gave a reporter, I said 'a few weeks ago', and it turned out to be in the *News*—

An honourable member interjecting:

The Hon. S.M. LENEHAN: I am sorry, I am not the editor for the *News* and I cannot be held responsible for what it prints; notwithstanding whether it was two weeks or a few weeks, I can tell Opposition members that they will have to be patient for a while longer. I will go through my reply for the third time. We have a Cabinet system whereby a Minister takes a proposal to Cabinet, Cabinet

makes a decision and then that decision is announced to the community. I assure members opposite that we will be following the normal procedures and, if they are patient a little longer, we will be making that decision and announcing it. I assure the House that the decision will be responsible and sensible, and the correct decision for South Australia.

GOLDEN GROVE SUBSTATION

The Hon. R.G. PAYNE (Mitchell): My question is directed to the Minister for Mines and Energy. Did the Government and the Golden Grove developers hide the truth about a 66 kV power line to the Golden Grove substation? An article in the *North-East Leader*, dated 9 August, quotes the member for Light as saying that the Government and Delfin had 'hidden away' the intention to build this necessary 66 kV line above ground.

The Hon. J.H.C. KLUNDER: I thank the member for Light for his question. I mean the member for Mitchell, and I can explain that slip of the tongue easily, because the member for Light was going to ask that question. Indeed, he was reported as saying so in the *North-East Leader* of 9 August. The member for Light has been absent from the House for a few days and, if his absence was due to illness, I trust that he is fully recovered. I will quote from the statement by the member for Light as reported in the *North-East Leader* of 9 August, as follows:

> The intention to build the line was contained within the original charter between the Government and the developer Delfin . . . It was hidden away and became known to the residents only quite recently.

I will now read from the Golden Grove (Indenture Ratification) Act, which was passed by this House in 1984. The Schedule, Division 7, Part/C.1 provides:

> The Council shall, as soon as is reasonably practicable after the commencement date, cause the development area to be designated an underground mains area for the purpose of electricity mains of 11 kV or less, but excluding transmission lines to supply substations in the development area (which lines shall be overhead).

Here we have a situation where the Government brought information into the Parliament; it became part of an Act of Parliament; it was debated by this Parliament; and it was passed by this Parliament. Yet, according to the member for Light, that is hiding the information. This is from a former Speaker of this House! Unfortunately, that is not the worst of it: there is more. In fact, the member for Light was a member of the select committee on the Golden Grove (Indenture Ratification) Bill and one of the people who cleared the way for the Bill to be introduced, debated, and passed by Parliament. Paragraph 32 of the select committee's report on the Bill, the report to which the member for Light agreed, states:

> In terms of the infrastructure cost associated with the project, your committee found that the provision of major infrastructure and the consequent commitment of public funds accords with normal Government policy.

So, the only thing that we can conclude is that the member for Light deliberately misled the electors of Golden Grove, and for a person who has held a high office in this Parliament that is really something about which he should have known better.

WATER SUPPLY

The Hon. JENNIFER CASHMORE (Coles): Given the deep concerns expressed yesterday by the Minister of Water Resources during her press conference on water supply to the State, can the Minister say whether she has expressed that concern to other Government departments or whether her statement was simply for the benefit of the media? Further, what is the Government's current policy on the installation and use of rainwater tanks?

We are advised that the Housing Trust is actually ripping out perfectly sound rainwater tanks when houses are vacated and before new tenants move in. The trust has said that this is because of the cost of maintenance of the tanks and the problems of keeping them free from blockages from gutter debris. This has happened recently at two homes, one of which is at 9 Elgin Avenue, Evanston, which occurred on 7 July. That home was being renovated for new tenants. The Housing Trust put an axe through a perfectly good tank allowing the water to run down the street. the trust then removed the tank and demolished its stand. This removal and demolition was repeated at 40 March Avenue, Gawler. However, the Engineering and Water Supply Department currently circulates a booklet entitled *Rainwater Tanks: Their Selection Use and Maintenance*, which emphasises the value of tanks and which states:

> Rainwater tanks can help the individual consumer and the community as a whole. Their widespread use would provide a worthwhile addition to our total resources. Tanks also give a supply of clear, very soft and non-saline water for those uses where this is important, such as washing hair, rinsing clothes, watering delicate pot plants and making a really good cup of tea.

The Hon. S.M. LENEHAN: The question contains a number of points and I will be delighted to answer them. First, as the owner of a rainwater tank, I must say that I agree with the last statement. I am delighted that the honourable member has highlighted the publication that I launched yesterday, entitled *Water—21 options for the twenty-first century*. I have been told by a ministerial colleague that in fact it received national coverage. I think it shows that this is—

Members interjecting:

The SPEAKER: Order! The Minister has the call—no-one else.

The Hon. S.M. LENEHAN: I would be delighted if just for once the Opposition could actually welcome something which is a little bit visionary and which is prepared to address issues well into the next century and beyond. However, the silence is deafening. I would be very happy to make copies of the publication available to members opposite. One of the options contained in the publication concerned looking at the question of rainwater tanks. I want to pick up this whole question in relation to rainwater tanks. Anyone who wants to do a bit of research into this matter will find that I have always been an advocate—particularly when I was a backbench member—of rainwater tanks. However, we must be a bit cautious—

Members interjecting:

The Hon. S.M. LENEHAN: I will get to that in a minute—if I am allowed to answer the question. I think I must—

Members interjecting:

The SPEAKER: Order! The honourable the Minister should not be subjected to such harassment.

The Hon. S.M. LENEHAN: Thank you, Mr Speaker. I must sound a note of caution with respect to rainwater tanks. The publication clearly outlines the following information. First, we have to be very sure that the water contained in the tank is free of any contamination. We must ensure—

The Hon. D.C. Wotton: That's garbage.

The Hon. S.M. LENEHAN: It is not garbage: in fact, it has been shown that quite serious contamination problems

can occur in rainwater tanks that have not been cleaned out, or where water has washed paint from roofs or where dead animals, birds or other unseemly matter has entered rainwater tanks.

Members interjecting:

The SPEAKER: Order! There is an obvious contradiction in some members groaning at the length of replies while at the same time subjecting a Minister to a barrage of questions, by way of interjection, seeking more information than that which has already been provided. The honourable Minister.

The Hon. S.M. LENEHAN: Thank you, Mr Speaker. The short answer is that rainwater tanks are acceptable when they are carefully looked after and cleaned, where gutters are properly screened and roofs are clean. In respect of the questions relating to the business of the Housing Trust, I will take up the matter with my colleague the Minister of Housing and Construction.

NATIONAL SPORTS AND RECREATION PLAN

Mr ROBERTSON (Bright): Will the Minister of Recreation and Sport tell the House what benefits South Australian sport will derive from yesterday's announcement by his Federal colleague of a national plan for sports and recreation, costing some $230 million over four years? In particular, of that $230 million what assistance can we expect to be directed towards elite athletes in this State?

The Hon. M.K. MAYES: I thank the member for Bright for raising this matter. This is a very important initiative for sport in this State, and I am sure that from the point of view of his constituents it is very important for them. The impact of the Federal Government's package, announced just yesterday by Federal Minister, Senator Graham Richardson, is very significant. The $230 million package over four years will involve quite a number of initiatives for elite athletes and also a range of opportunities for athletes throughout the sporting community. A sum of just over $2.5 million was set aside specifically for disabled sport. That can build on what we in this State have been doing for disabled sport, whether it be wheelchair athletes or the totally disabled, and we can further structure our sport to enhance the programs we have been following.

In applying these funds and development programs, the Federal Government has adopted the South Australian model, and that in itself is very significant. It has adopted what the South Australian Sports Institute (SASI) has developed for a coaching program. I am sure that that will enhance our opportunities to obtain a share of the $230 million. We will be working with the national sports authorities to ensure that we get a share of those funds for South Australia.

The other important factor relates to the drug testing program. These funds are very carefully tied to a 'No drugs' program in sport, and that is very significant and again picks up what South Australia initiated through SASI in terms of our sporting programs. Athletes are tested on a random basis and, if there is any sign of drugs, the whole scholarship program is revised. Athletes found guilty of using anabolic steroids, or other drugs listed on the international scale, to assist their performances, will be subject to losing their scholarships and any other funding. The sports bodies also apply a penalty with regard to their commitment to those athletes, and that is very significant. The South Australian model, initiated through SASI, has been taken and developed by the Federal Government through the Australian Institute of Sport.

The breakdown of the total amount is as follows: $51.5 million for elite athletes to provide more realistic scholarship benefits, and sporting bodies have been arguing for that for a long time; $12.5 million for selected national sports to be determined by the Australian Sports Commission, including the extension of a funding program to national sports; $15.5 million for coaching, which will be very good for the development of our junior programs, spreading opportunities throughout all sports in the country; $2.5 million as I previously mentioned for disabled sports; and $15 million for Aussie Sports, which reinforces the package that we have been endeavouring to provide with respect to the involvement of young people. It is proving to be extremely successful, and that is indicated by the feedback I receive from the community. It is a significant announcement and I congratulate the Federal Minister. I am sure that sport as a whole will benefit and national journalists and sports writers see it as very praiseworthy of the Government and the Minister. It is good news for sport generally, and South Australia in particular.

PROPERTY VALUATIONS

Mr GUNN (Eyre): Will the Minister of Lands explain precisely the procedures to be followed by property owners who want to object to property revaluations made for this current financial year?

The Hon. S.M. LENEHAN: First, in some detail (although I will not go into all of the detail), I am delighted to tell the honourable member that people who wish to complain about their valuation under the current valuations can contact the Department of Lands and request that it be looked at. However, I find this question rather amazing. Surely this is not a serious question in Question Time with respect to the procedure to be followed. I cannot believe that the honourable member did not know but, if he did not, he just has to ring the Department of Lands. He has a very open line, if you like, to the Director of the Department of Lands. I find it rather amazing that he is holding up Question Time by asking me a procedural question on what has to happen if somebody wishes to question their valuation.

MARINE POLLUTION

Mr DUIGAN (Adelaide): My question is to the Minister of Water Resources. What response has there been to the Government white paper on reducing marine pollution caused by discharges reaching the sea, particularly Gulf St Vincent? Have any dates been set for responding to these public submissions and for preparing legislation? A report in the *News* of 11 June 1989 indicated that the White Paper dealing with sea wastes, identifying the major causes of pollution, and some possible legislative and administrative responses would be released for public comment. The report to the *News* indicated that the deadline for receipt for public submissions was 18 August.

The Hon. S.M. LENEHAN: I thank the honourable member for his question and for his interest in this whole issue of marine pollution and what we can do about it. The submissions officially closed last Friday (18 August) and I am delighted to advise that, to date, 28 submissions have been received. I understand that four other organisations have contacted the Department of Environment and Planning to inform the department that their submissions are in the post. In excess of 30 submissions have been prepared.

While I cannot give the honourable member a detailed report because, of course, my officers are working to collect

and collate the information contained in those submissions, I can give some indication of the issues raised in the submissions. They have included not only point source discharge but also diffused sources, particularly drains and so on, running onto the beaches; the Patawalonga; water chemistry in the Barker inlet; seagrass decline; and beach replenishment and sand sources.

I have much pleasure in letting the honourable member know that it is my intention that, once the information from the White Paper is collected and collated, we will move to introduce legislation in this session to go forward in a progressive way towards combating the problem of marine pollution, which is an environmentally sensitive issue. It is a very important issue to this Government, which has moved quickly to raise a number of issues that can be addressed through community consultation. We will bring legislation before this Parliament, and I am quite sure that the Opposition will support this very important environmental move. I look forward to that support in due course.

PROPERTY REVALUATIONS

Mr INGERSON (Bragg): Can the Minister of Lands justify the method used for property revaluations following what has occurred recently at the Glenside office of her department? In response to widespread complaints about steep rises in water rates, council rates and land tax which have followed the latest property revaluations, the Minister and the Premier have been anxious to defend the integrity of the current system for making these revaluations. They have suggested that revaluations are carefully assessed and are not made in an arbitrary way.

However, the recent experience of complainants to the Glenside office of the Department of Lands suggests otherwise. I give the following four examples of reductions in valuations that have been made over the counter. In one case, the valuation was dropped immediately from $700 000 to $600 000; in the second, from $200 000 to $170 000; in the third, from $130 000 to $105 000; and in the fourth, from $206 000 to $200 000 and then to $170 000. Another property owner has also advised the Opposition that he had his valuation reduced from $125 000 to $110 000, simply through a phone call to the Valuer-General's Department. Unless the Government has issued instructions that it wants these complaints answered expeditiously and satisfactorily from the property owner's point of view because of the imminent State election, the fact that it is possible to have significant reductions achieved over the counter—

The SPEAKER: Order! The honourable member is clearly and blatantly debating at this stage. The honourable Minister.

The Hon. S.M. LENEHAN: The sting was in the tail of that question and I will be delighted to pick it up. I can give the House a categorical assurance that there has not been any direction from me, as Minister of Lands, to my Director-General or to anyone else in the department in terms of the allegation made in the last part of that question that somehow directives are being given from Government and, I take it, from me as the responsible Minister, that people were to deal with revaluations expeditiously. I hope I have not accurately quoted the honourable member, but I think I have. I can assure the House that that has not occurred. However, as I do not actually oversee every valuation and revaluation in South Australia and this might—

Members interjecting:

The Hon. S.M. LENEHAN: Well, yes, why not. I find that surprising, given the number of properties in South Australia. However, I would be delighted to ask the Director-General of Lands to provide me with a report on the specific cases raised and I will bring back that report to the honourable member.

GRANNY FLATS

Mr De LAINE (Price): Will the Minister of Housing and Construction advise whether there is any way in which the Government can provide incentives for the building of granny flats on private allotments? In view of the increasing demand for Housing Trust accommodation by the aged, a possible solution could be to create a climate whereby people would be encouraged to build granny flat type accommodation onto private homes to house their ageing loved ones.

The Hon. T.H. HEMMINGS: I thank the honourable member for his pertinent question, which reflects the growing awareness within the community of the need to provide a diverse range of housing options designed to meet the needs of the elderly. As my colleagues may be aware, South Australia, as with all other Australian States, will experience a large increase in its aged population over the next 25 years. The majority of elderly people express a desire to live independently in the community for as long as possible, and access to adequate, affordable accommodation is essential to enable this to happen.

Granny flats are obviously one option in meeting the accommodation needs of the elderly. In South Australia the majority of elderly people over the age of 65 own their own home. Consequently, should they desire to make such a move, many are in a favourable position to capitalise on their investment and purchase or construct smaller and more manageable granny flat accommodation. Unfortunately, in many cases council zoning regulations often discourage the construction of granny flats and I have endeavoured to encourage local government to make greater provisions within planning regulations in order that a wide diversity of housing styles and types can be provided in all parts of metropolitan Adelaide.

Since the late 1970s the introduction of a moveable granny flat program has been investigated a number of times by the South Australian Housing Trust. Such a program has been operated by the Victorian Ministry of Housing since 1975. Under the Victorian scheme self-contained moveable units can be leased or purchased and sited adjacent to existing dwellings for the accommodation of aged pensioners who are relatives of the owners of the main dwelling. When no longer required by the tenant, units are removed and re-sited.

The Housing Trust has monitored the progress of the Victorian granny flat program since its inception, but has to date deferred the introduction of such a program due to concerns regarding cost effectiveness and local government planning regulations. As a result of concerns raised in regard to ongoing costs, the Victorian Ministry of Housing has recently undertaken a review of its moveable granny flat program. I will seek comments from the Housing Trust as soon as the review findings become available. As a general approach to aged housing issues, I have requested the Office of Housing to undertake a project examining current trends in the provision of housing specifically targeted to meet the needs of the aged and to identify possible initiatives for both Government and the private sector.

O-BAHN

Mr LEWIS (Murray-Mallee): Will the Premier advise whether he and the member for Newland have a class 5

driver's licence which would allow them to drive O-Bahn buses? Will he also assure the House that his bus driving on Sunday did not breach the Road Traffic Act?

Members interjecting:

Mr LEWIS: You can laugh!

The SPEAKER: Order!

Mr LEWIS: By law, the Premier and the member for Newland needed class 5 drivers licences to get behind the wheel of O-Bahn buses on Sunday. If the Premier has such a licence, he is in need of a refresher course at the very least, according to a report of his performance in yesterday's *Australian*. The report quoted Kevin Millane, the STA mechanic despatched to repair the damage caused by the Premier, as saying that such damage was normally done by inexperienced drivers.

I understand that the Premier's driving destroyed a bus guidewheel, severely damaged a tyre and also was responsible for kerbing on Hackney Road being hit by the bus. The total damage appears to be well in excess of $600, which is the amount prescribed in section 43 of the Road Traffic Act requiring accidents to be reported to the police within 24 hours. In conclusion, the report in the *Australian*—

Members interjecting:

The SPEAKER: Order! The Chair is unable to hear the explanation of the honourable member for Murray-Mallee because of the amount of audible conversation and general ribaldry in the Chamber. The honourable member for Murray-Mallee.

Mr LEWIS: In order that the Premier does understand, may I explain further and cite the report in the *Australian* that the Premier '. . . left the bus, the VIPs and the media on the side of the road'—

Members interjecting:

The SPEAKER: Order! I ask the Deputy Leader of the Opposition to contain himself so that the Chair can hear the question from the honourable member for Murray-Mallee.

Mr LEWIS: The report continues by stating that the Premier then 'headed for the comfort and reliability of a chauffeur driven Government car'. That suggests that he did not wait around—

Mr Rann interjecting:

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

Mr LEWIS: —long enough to even establish how much damage he had caused.

The SPEAKER: Order! The Chair could not hear the last part of the explanation, because I was busy calling the member for Briggs to order for a disorderly interjection.

Mr LEWIS: It would seem that the Premier did not wait around long enough, Mr Speaker—

An honourable member: Comment!

The SPEAKER: Order! The honourable member is clearly commenting, now that I can hear it. The honourable Premier.

The Hon. J.C. BANNON: In answer to the honourable member's question, no, I do not have a class 5 licence and, on the basis of my performance on Sunday, I am not likely to obtain one either. However, I would not make the same comment about my colleagues, the member for Newland and the Minister of Transport, who both got behind the wheel of the O-Bahn bus and were a little more successful than I was. My activities on Sunday did not require the recipience of such a licence (and obviously that matter was checked beforehand), because it did not take place on a public road but, rather, on the busway.

An honourable member interjecting:

The Hon. J.C. BANNON: Coming off the busway, that is correct—that was checked. The damage involved the small guidewheel on the side of the bus, which unfortunately got a little too close to the kerb at that point of exit. I am told that this would not be unusual for learner drivers—and I was certainly in that category and am likely to remain in that category, because I do not think that anyone will see me behind the wheel again.

I suppose it is worth stating that the matters referred to by the honourable member occurred right at the end of this exercise and that both I and my colleagues who tried this out proved how good the system is in terms of its operation. Although under the supervision of an STA bus driver at all times, we were nevertheless able to manoeuvre successfully along the track. In that technical sense, it is a very effective system. The honourable member quoted from a report in the *Australian:* I might say that in all respects that report is not correct—I in fact remained and looked at this damage with some concern. Far from getting into a chauffeur driven car and driving away, I actually drove away in my own vehicle, which is a Magna.

Mr Olsen: A good model, too.

The Hon. J.C. BANNON: Yes, and that proves that, despite the dint to my driving confidence in the bus, I was nonetheless prepared to venture on the roads and leave in an ordinary saloon car. The Minister for Transport has issued some extraordinary figures in relation to the success of that day, not only as an advertisement generally for public transport—and this does not just include the busway—but also as to the interchange arrangements and, indeed, the shops being open on the Sunday at Tea Tree Plaza. There were 150 000 people—

The Hon. Frank Blevins: It was 115 000.

The Hon. J.C. BANNON: My colleague says that 150 000 people were there, and more than 30 000 travelled on the busway itself—which was absolutely full—and others came and used public transport. It was a great day and everyone enjoyed it. I suspect their enjoyment was heightened by my incompetence while driving the bus.

SECURITY FOR THE ELDERLY

Ms GAYLER (Newland): Will the Minister for the Aged outline details of the Government's new home safety and security scheme for the elderly? The crime prevention strategy announced today, and last Friday's strategy for the elderly, identified home security as a high priority for senior citizens.

The Hon. D.J. HOPGOOD: I refer the honourable member to pages 13 to 15 of the report 'Support Care and Dignity' launched by the Premier last week. It has been put to us that what elderly people need in this respect is, first, advice as to the areas of security problems in their homes; secondly, advice as to the sorts of devices or procedures that should be followed through in order to give them greater security; and, thirdly, some assistance in the installation of those sorts of devices. This will occur in a variety of ways as set out on those pages. *Age Pages*, a very popular networking through older people, will provide a good deal of information. We hope to be able to use the home handyman service and other forms of networking, whereby through Neighbourhood Watch, a friendly neighbour scheme, or something like that, younger people can assist in checking that windows and doors are locked in the homes of their older neighbours. A variety of approaches such as this will be instituted to ensure the security of our older citizens.

It is somewhat ironic that the statistics show that, of all aged groups, the older citizens are probably the least at risk

from the point of view of theft and violence. However, they feel more vulnerable than others and we believe these measures will go a long way towards providing greater peace of mind for such people.

ADELAIDE REMAND CENTRE

Mr S.G. EVANS (Davenport): Does the Minister of Correctional Services consider it acceptable for people to be kept for up to two years in the Adelaide Remand Centre and, if not, what action will the Government take to improve the situation? The Liberal Party's legal services spokesman, the Hon. Mr Griffin, recently visited the Adelaide Remand Centre. During his visit, he established that one person had been on remand for two years awaiting trial while at least 40 others out of 160 accommodated at the centre had been there for more than six months.

The Adelaide Remand Centre was not designed for long stay prisoners because access to activities such as work is non-existent and further education and development of skills is difficult. These log jams, which originate in the court system, also mean that because the remand centre is full most of the time, people on remand frequently have to wait four or five days to be transferred from police cells such as the city watchhouse. There are even cases of detention for up to 12 days in police cells.

The Hon. FRANK BLEVINS: I thank the honourable member for his question. True, people are occasionally in the remand centre for a considerable time. I have had one complaint about that and, when I investigated it, the causes were as much the lawyer of the prisoner as anyone else: the lawyer just kept asking for further remands, and that is part of the problem. The honourable member's question should have been addressed to the Attorney-General but, seeing that he is in the other place, I will assume his role for the remaining two minutes. The time taken to bring a complex case to trial varies enormously and some delays are extensive. That may not be the fault of the courts or of the prosecution: adjournments are often made at the request of the defence. The average time spent in the remand centre is 13 days.

The SPEAKER: Order! I have to inform the House that His Excellency the Governor will be prepared to receive the House for the purpose of presenting the Address in Reply at 20 minutes past 3 o'clock this day. I ask the mover and the seconder of the Address and such other members as care to accompany me to proceed to Government House for the purpose of presenting the Address.

[Sitting suspended from 3.11 to 3.52 p.m.]

The SPEAKER: I have to inform the House that, accompanied by the mover and seconder of the Address in Reply to the Governor's opening speech and by other members, I proceeded to Government House and there presented to His Excellency the Address adopted by the House on 15 August, to which His Excellency was pleased to make the following reply:

To the honourable Speaker and members of the House of Assembly, I thank you for your Address in Reply to the speech with which I opened the fifth session of the Forty-sixth Parliament. I am confident that you will give your best attention to all matters placed before you. I pray for God's blessing upon your deliberations.

SITTINGS AND BUSINESS

The Hon. D.J. HOPGOOD (Deputy Premier): I move:

That the time allotted for—

(a) the introduction of the Appropriation Bill; and
(b) completion of the following Bills:
Stamp Duties Act Amendment (No. 3),
Pay-roll Tax Act Amendment,
Land Tax Act Amendment,
Soil Conservation and Land Care, and
Motor Vehicles Act Amentment (No. 4)—

be until 6 p.m. on Thursday.

Motion carried.

PERSONAL EXPLANATION: LIBERAL PARTY TRAINING POLICY

Mr OLSEN (Leader of the Opposition): I seek leave to make a personal explanation.

Leave granted.

Mr OLSEN: I claim to have been misrepresented by the Minister of Employment and Further Education in his answer to a Dorothy Dix question earlier today in Question Time. In his long and rambling answer in relation to the Liberal Party's training policy, the Minister made reference to figures on apprenticeships. The latest available figures, publicly released, are those in the annual report of the Industrial and Commercial Training Commission for the year 1986-87. They show that at June 1987 there were 11 236 apprentices in training in South Australia. This figure compares with 12 365 in 1977. In the intervening period, 1978 to 1986, the figures were, respectively: 11 578, 11 343, 11 401, 11 048, 10 622—and then during the time of the Bannon Government—9 647, 9 536, 9 890 and 10 396. The Minister said that the figure for 1988 was 11 477. This is still below the level of 10 years ago. These figures bear out the point I made yesterday about the need to find ways to encourage a greater training effort. The Minister's statement simply confirmed the Government's embarrassment over its failure for seven years—

The SPEAKER: Order! The honourable Leader has been here long enough to know how far a personal explanation can go and the area it covers.

PASTORAL LAND MANAGEMENT AND CONSERVATION BILL

Returned from the Legislative Council with amendments.

STAMP DUTIES ACT AMENDMENT BILL (No. 3)

Adjourned debate on second reading.

(Continued from 17 August. Page 405.)

Mr OLSEN (Leader of the Opposition): This is the first of three revenue measures that the House will consider today, and obviously the Opposition will support them. Any tax relief is welcome in the current climate, where South Australians as individuals and families have been squeezed financially by the Federal and State Labor Governments since 1983. The experience of the past 6½ years is that this relief would be only temporary, under a Labor Government. The last occasion on which the House had before it a package of revenue raising measures was just before the 1985 election. Since then, the Premier has increased his total tax take by just over $450 million, in money terms; in real terms, this equals a 25.4 per cent increase. As yet, we do not know the Premier's tax projections for this financial year. Obviously the Premier knows the figures. We

have asked for them, but obviously the Premier wants to keep the House guessing until Thursday. He wants to parade himself as a low taxer, as a fairer taxer, but his record speaks for itself.

Had the Premier's tax collections been retained in line with inflation, South Australians would have had to pay $206 million less in State taxation last financial year. The relief offered in the measures now before the House must be seen against this reality. The Premier is giving back only about one-quarter of the real increase in tax collections that he has extracted from a declining State economy over the past four years.

In relation to stamp duties, the Opposition supports the measure before the House. First home buyers need relief. They will get some relief with the increased exemption level in this Bill. However, the House will record that it has been rather late in coming. The Premier's 1985 election policy platform had this to say about increased stamp duty exemptions:

> The Bannon Government will continue to gear the stamp duty exemption level to increases in house prices.

However, the exemption has not moved since August 1985 and, despite this longstanding promise, the Premier had to be virtually dragged to the barrier. Certainly, as I understand it, the midnight oil was burning in the Premier's Department on the evening before he announced this measure, as he was trying to determine the exact level of exemption that would be given. Eventually, the figure of $80 000 was determined.

This stamp duty exemption was first introduced by the last Liberal Party in 1980. At the time we left office in 1982, this exemption was worth $310 for the first home buyer purchasing the average priced house in Adelaide. Since then, the average price of a house in Adelaide has risen by 131.5 per cent. However, even with this further rise in the exemption level, the cost of stamp duty for a first home buyer purchasing the average priced house will be $1 084, a rise of 238 per cent since 1982. In other words, the cost of the tax has risen at a much faster rate than has the value of the property on which it is levied. I seek leave to have incorporated in *Hansard* a table of figures, which is purely statistical, illustrating this fact and other points in relation to housing costs.

Leave granted.

COMPARISON OF COSTS RELATED TO HOME PURCHASE

	December quarter 1982 $	June quarter 1985 $	June quarter 1989 $	Percentage increase * %
Average price	46 927.00	81 894.00	108 635.00	131.5
Stamp duty	1 090.00	2 196.50	3 178.00	191.6
Stamp duty (first home buyer)	310.00	1 116.50	1 048.00	238.1
LTO registration fee	55.00	155.00	276.00	401.8
FID	—	32.76	43.45	
Interest rate†	13.50 %	12.00 %	17.00 %	
Total costs, first home buyers	$365.00	$1 304.26	$1 367.45	274.6
Total costs, others	$1 145.00	$2 384.26	$3 497.45	205.5

* Percentage increase December quarter 1982-June quarter 1989.
† Bank interest rate, general home loan.
FID tax rate x 80% of the value of the average home, that is, 0.05c/$ x (0.8 x 1894).

Mr OLSEN: The table also shows that a first home buyer in 1982 paid the State Government stamp duty and Lands Title Office registration fee of $55, an all up cost of $365. Today, a first home buyer purchasing the average priced house will pay $1 048 in stamp duty, $276 in Lands Title Office registration fee and $43.45 in financial institutions duty on the transaction. This is a total cost of $1 367.45, a real rise of more than 200 per cent since 1982. Of course, when mortgage repayments are added to this, the increased cost burden facing home buyers becomes a major disincentive to realising the Australian dream. In fact, with high interest rates, the Australian dream is fast turning into a nightmare for many people.

In 1982, the monthly repayment on the average priced house was $432.34; today, it is $977.71. This is the price home buyers are paying for Labor's failed economic policies. It is the price they are paying for believing the Premier and the Prime Minister when they told South Australians at the last election, 'Don't blow up your interest rates—vote Labor.' In last week's Federal budget, Mr Hawke and Mr Keating again completely ignored the effect of their high interest rate policy on home buyers. Many South Australians put their trust in the promises made four years ago that, under Labor, there would be lower interest rates. They now know that, under Labor, with its record current account deficit and no relief in sight, with inflation unlikely to fall and projected at 7.5 per cent for the ensuing year, they are in for more of the same. Under the circumstances, the Premier had no choice but to bring in this relief, four years late according to his promise and just on the eve of an election campaign. Is it any wonder that the electors are becoming somewhat cynical? This action will save first home buyers a little, but it will not save the Government from the fate awaiting it at the hands of home buyers and many other groups in the community who have been let down by Labor's continuing broken promises and who are struggling just to survive under the crippling burden of Labor's record interest rates and taxes.

This measure does not take housing costs off the next election agenda. The Premier put the issue on the agenda in 1982 and kept it there in 1985, and the recurrent theme was 'more affordable housing under Labor'. The reality is very much different. This measure contains some relief but it does not make up for the hopes and dreams of home buyers that have evaporated under Labor.

In Committee, I will seek to move an amendment to ensure that stamp duty is levied when the title is registered at the Lands Title Office or, in other words, at the time of the transfer of the property—at the settlement. Prior to the Premier's announcement on 9 August, many people had entered into contracts to sell their home but settlement will take place after that date. As a matter of principle, we believe that the stamp duty is levied on the transfer fee of the house and that, therefore, the stamp duty ought to be paid at the point at which the transfer of the house takes place or, in other words, when the cash transfers from the purchaser to the vendor. That is a more appropriate cut-off point than the arbitrary cut-off point included in the measure currently before this House. The Opposition will move an amendment in Committee. I trust that the Government will consider that measure, because it puts equity and fairness into the system, so that the duty is levied at the point of sale, transfers and registration of the title. That is the appropriate point.

The Hon. J.C. BANNON (Premier and Treasurer): I thank members of the Opposition for their support. I do not wish to make an extended response to the points made by the Leader of the Opposition. We have heard them all before; they are fairly predictable. I will be interested to examine the figures in the statistical table that he had

inserted in *Hansard*, and to see whether or not those figures are accurate or misleading. Time and again the Opposition fails to distinguish between rates of inflation and rates of growth, on which taxes such as stamp duties are based. It is no indictment at all when collections rise: the indictment occurs when rates are increased. I certainly accept the strictures of the Opposition, when that is the situation.

However, in terms of the statistics that the Opposition has produced there has been absolutely no discounting whatsoever either for inflation or for the effects of economic growth. If indeed we are not to collect more revenue in periods of growth, we will be in big trouble in periods of decline. It should be a matter of congratulation when one looks at the figures, because they indicate that there is growth in the economy itself and, at periodic intervals, we must look at the effect of that and make adjustments, just as we made adjustments in the three categories of land tax, stamp duties and payroll tax, embodied in Bills before this Parliament. In relation to the remission of stamp duty, I am pleased that the Government has the support of the Opposition and I need do no more than commend the Bill to the House.

Bill read a second time.

In Committee.

Clauses 1 to 6 passed.

Clause 7—'Concessional rates of duty in respect of the purchase of a first home, etc.'

Mr OLSEN: I move:

Page 2, lines 40 and 41—Leave out paragraph *(a)*.

Page 3, lines 17 and 18—Leave out subsection (4) and substitute:

(4) Subject to subsection (5), this section applies to a conveyance lodged with the Commissioner for stamping on or after 9 August 1989.

(5) Where—

(a) a conveyance was lodged with the Commissioner for stamping before 9 August 1989; and

(b) the Commissioner is satisfied that, on 9 August 1989, the conveyance had not been registered in the Lands Titles Registration Office (or the General Registry Office),

the stamp duty payable on the conveyance will be taken to be that duty that would have been payable on the conveyance if it had been lodged for stamping on 9 August 1989.

I foreshadowed this amendment in my second reading speech. It ensures that the duty payable is calculated at the time of transfer of the property, not at the time the agreement is reached between the seller and the purchaser. The Opposition has been inundated with calls since the Government's announcement. These calls have established that a number of people will be caught in that the transfer of property, that is the transfer of the purchase price—the cash consideration—will take place after 9 August, which is the operative date. The Opposition believes that, as a matter of principle, as the duty is levied on the purchase price of the property, it should be levied at the time of that consideration, that is, at settlement point and registration with the Lands Title Office.

The Hon. J.C. BANNON: The amendment is not acceptable. There must be a cut-off point and an understood procedure at any time. I do not think we are arguing about that. One might make a change and then one could argue that a further group of people will be disadvantaged in a marginal sense. There might have been an unfortunate delay in lodgment of an application or there might have been some complexity in the settlement that was not envisaged, and thus it might have fallen on the wrong side of the line, making things difficult for those people. We have proposed a simple procedure and a simple way of qualifying the situation. In terms of that qualification, I make two points. First, the provision has applied since 9 August; there was no delay until the normal delivery of a budget or the introduction and passing of legislation. In fact, the Government is applying this provision administratively as of now, subject, of course, to Parliament's ratifying the amendment to the Act. That is a benefit to a lot of people who, if we had followed a strict procedure of waiting until a Bill had passed or used as the operation date the introduction of a Bill or a budget, would have missed out. Therefore, many people have qualified who would not have otherwise qualified.

Secondly, the procedure the Government has adopted in this case has advanced the situation from that which applied in 1985 when changes were made. We have attempted to catch as many people as possible and provide that certainty in relation to the application of the provision. The Opposition's amendment will only muddy the waters. As I said, in satisfying one group of people who feel that perhaps they should qualify, this amendment will produce a greater number of dissatisfied people. One has to draw the line at some point.

Mr OLSEN: I know that there must be a cut-off date with measures such as this, but I put to the House that, as a matter of principle, where we are talking about stamp duty being levied and calculated on the purchase price of a property, and where that consideration is finalised only at settlement, the point at which the duty should be levied is when the consideration is made—that is, the settlement—not in advance of that date.

I acknowledge what the Premier said: it was announced as part of the budget but was two weeks earlier. So there is a bit of give and take in relation to that. I suggest to the Premier that the reason for his making this announcement on 9 August was to announce the package of measures in advance of the budget rather than on budget day when it would be lost. We all understand what the exercise was all about on 29 August versus an announcement on Thursday—budget day. One does not have to be Einstein to work out why that happened.

I come back to the point of principle: stamp duty is paid on the purchase price, the consideration; that is not settled until the transfer of the cash; so that is the point of duty. If this House is not prepared to accept the amendment as a matter of principle which the Opposition thinks is important, we will persist with it in another place.

The Hon. J.C. BANNON: The settlement date and the registration of the conveyance and so on is not something that is determined in the tax office, nor is it within the purview or control of that office, hence the choice of the application date. Even under this amendment, if someone had signed a contract with a settlement date three months ahead they could qualify; if the settlement date was much shorter, they would just miss out. The same sort of problems would still arise with people being disadvantaged, because the sale in the sense of the initial contract, subject to settlement, could have been made on the same day, yet one will qualify and one will not. We have divorced it from that aspect and looked at the situation where the application is made—in other words, it comes to the attention of the Commissioner of Taxation—and that is the most appropriate way to do it.

Mr BLACKER: I support the amendment moved by the Leader of the Opposition. I would have thought that in any land transaction the point of transfer is the actual time, with all other issues variable, so that there can be an inconsistency among individuals who are applying, irrespective of how it is done, by whom it is done, and so forth. The only thing that is definite in a land transaction is the actual transfer; that should be the point at which it is taken, and I support the amendment.

Amendments negatived.

Mr S.J. BAKER: It has always been difficult in this place to get information on stamp duty components. I have put questions on notice and have not received a response. The Premier said that the benefit will be $4 million to home buyers: can he say how many people apply for some exemption under the first home buyers scheme? Further, how many take up the full $80 000 or part thereof, depending on the price of the house?

The Hon. J.C. BANNON: There were around 10 000 in 1988-89. As I think I mentioned in the statement I made, we estimated that something like 60 to 70 per cent of first home buyers would be buying properties at or below the threshold level. The benefit of total exemption catches a very high proportion of first home buyers. Looking ahead, we can only extrapolate what we believe the year will see in terms of such purchases. Obviously we are estimating both cost and numbers, and we estimate that it will be roughly the same as last year.

Mr S.J. BAKER: A figure of 60 to 70 per cent makes an extraordinary difference to the calculations I have made. The Premier is talking about 60 or 70 per cent at the $80 000 level: how many would apply at the $50 000 level? Presumably, the remainder are all caught up under the provision. The price of the house does not matter: they will get the exemption up to the $80 000 level.

The Hon. J.C. BANNON: We do not have the detailed breakdown of that, but I will see what further information we can obtain.

Mr S.J. BAKER: I would appreciate obtaining that information before the Bill goes through the other place as it is important in the whole calculation of benefits accruing to the first home buying population. I was surprised that the level would be as low as $4 million; I thought that it was somewhat higher because of the escalation in property values. I would appreciate the Premier's indicating the breakdown of the 10 000 people involved, showing how many people come in below $50 000, how many below $80 000, and how many above that level?

Clause passed.

Remaining clauses (8 to 10) and title passed.

Bill read a third time and passed.

PAY-ROLL TAX ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 17 August. Page 406.)

The Hon. JENNIFER CASHMORE (Coles): The Opposition supports this measure. I make particular reference to the fact that it will increase the gap between the exemption level in this State and that applying in Victoria. Currently South Australia's exemption level is $10 000 higher than in Victoria. From 1 October, when our exemption increases to $360 000 under this Bill, our advantage will become $40 000. Victoria will recover some ground with measures proposed in its recent budget. From 1 January 1990 its exemption level will rise to $345 000. However, the further increase in the South Australian exemption level to $400 000 from 1 April 1990 will again extend our advantage, this time to $55 000. The Liberal Party welcomes this move: it is what we would have done and will continue to do in Government.

As the Premier would know, factors like this can be extremely influential in encouraging investment. If we are able to say that our advantage is significantly greater than that of other States in terms of cost effectiveness, it can make the difference between a decision to locate in this State or elsewhere. Payroll tax currently accounts for 28.8 per cent of tax revenue, and it is worth looking at the break-up of State taxation, in terms of percentages.

From the Treasurer's consolidated account I have taken my figures for the year ended 30 June 1988, as follows: land tax, $56 million; gambling (from lotteries and the TAB), $86 million; motor vehicle registration fees, $105 million; payroll tax, $308 million; financial institutions tax, $38 million; stamp duty, $276 million; business franchises (from liquor licences and so forth), $153 million; fees for regulatory services, $9 million; business undertakings (which included the ETSA levy on sales), $33 million; State Bank (in lieu of income tax), $19 million; and SGIC (in lieu of Commonwealth tax), $1 million—a total of $1.84 billion. That 28.8 per cent is the biggest single item and is attributable to payroll tax. Obviously, this imposes significant limits on what realistically can be done to achieve major reform in this area without affecting the State's ability to deliver key services. When the Premier was on this side of the House he promised to lead a national campaign to abolish payroll tax.

The Hon. J.C. Bannon interjecting:

The Hon. JENNIFER CASHMORE: Yes, one would hardly describe that effort as a successful national campaign. More recently, in his Government's submission to the 1985 tax summit he called for a serious examination of viable options to reduce significantly or to phase out payroll tax but, as I say, nothing has been achieved. There is no doubt that the States must review the efficiency of their revenue raising and, as has been said repeatedly, payroll tax is a tax on jobs.

Stamp duty is a disincentive to home buying and to larger property investment and development. Land tax hits particularly hard at small business and it also discriminates between those who are forced to rent homes and whose properties are not exempt from the tax and those whose principal place of residence is exempt. So, the anomalies and the inefficiencies in the current network of State taxes have grown almost as an *ad hoc* response to the increasing financial pressures under which the States have found themselves. I doubt that the Premier would disagree with that proposition.

It would be useful if the State Premiers and Treasurers met and considered the possible opportunities for establishing a fairer and more efficient State tax system which carries a much lower administrative cost. The Opposition does not suggest that it will lead a national campaign as the Premier once did, and I hear mutterings on the other side about consumption tax—

The Hon. J.C. Bannon interjecting:

The Hon. JENNIFER CASHMORE: No, that has not been mentioned. We believe that there should be a fairer and more efficient State tax system and the Premier would know that the tax, such as the one he just mentioned, is not part of the package available to the States. We must look at the options available to the States and make those options fairer.

Anyone who has had to endure (and I will not advance the argument too far, because we will deal with this matter when addressing the next Bill) the despairing representations of people affected by land tax will know that the inflationary nature of land values at the moment and the flow-on effect of valuations on land tax and on other rates which the State Government imposes is having a very distorting effect on the State's economy. Nobody could describe this taxation system as fair and just. I challenge the Premier to describe what is now happening under land tax, payroll tax and

stamp duties as being a fair and just system. It is crippling some people who should be encouraged and supported. The system does not fall evenly on all sections of the population and I do not believe that any Administration could be satisfied with the operation of these taxes.

I simply say that a review of the way in which the taxation system operates would at least be a start. I suggest that, before the convening of the next Premiers' Conference, the State Premiers and Treasurers should meet for at least a day in order to determine what options could be pursued in this area. Obviously, if anything of substance is to be achieved, payroll tax would have to be addressed, but any progress here can come not from a Premier or a Leader acting alone. Rather, it can occur only if the States work together; search for some common ground; agree to act uniformly; and then seek the cooperation of the Commonwealth in considering how it could assist in replacing this substantial revenue raising capacity.

I doubt that there would be an employer in the country who would not endorse warmly any proposal for all the States to meet in an attempt to address that problem. In the meantime, the Liberal Party accepts that this Bill is reasonable in the circumstances. While our exemption level is behind those in New South Wales, Queensland and Tasmania, we are ahead of those in Victoria and Western Australia with whom many of our businesses must compete. It will be the policy of the next Liberal Government to ensure that rates of payroll tax in South Australia reflect the need for our businesses to be given every opportunity to remain competitive. At the very least, they must be adjusted annually to reflect wage and salary cost movements. I support the Bill.

The Hon. J.C. BANNON (Premier and Treasurer): I thank the Opposition for its support of the Bill. Although I agree with some of the remarks made by the member for Coles, I disagree with others. She does draw attention to the comparative exemption levels in Victoria. I certainly agree that it is important to keep our whole taxing system, and payroll tax in particular, competitive with that State. Victoria is our nearest neighbour and, as an industrial manufacturing economy, those types of comparison are often most relevant. One must look at the totality of the payroll tax system and not just concentrate on exemption levels. Victoria and other States are increasingly resorting to special levies on payrolls of a particular size. We have not taken that course in this State; we do not provide any special rates or other penalties. We have a straight system and a periodic raising of the exemption level makes it very competitive indeed.

The honourable member was correct also to point to the importance of payroll tax to State revenue. Despite its regressive effect on employment, we cannot do without the tax, unless we are able to find a substitute. The levying of payroll tax by the States as a growth tax—a tax that will grow with economic activity and growth—was provided by the Commonwealth under the McMahon Government in 1971. At the time that that was provided, there was a basic agreement amongst all the States, bearing in mind the dangers to the whole tax base if competition in rates became too intense, that they would observe certain principles in relation to payroll tax which, by and large, have been observed even to this day. It means that essentially, if something fundamental is to be done about payroll tax, the total cooperation of all State Governments would be required. Unfortunately, that situation is extremely hard to achieve.

It is true that for some years I was involved in a campaign to attempt to find a replacement for payroll tax, a means by which to reduce it substantially, or to abolish it. That view was ventilated very strongly at the national tax conference which took place in 1985 and on other occasions. Indeed, some quite constructive replacement proposals were suggested. They related, for instance, to the Commonwealth's bank debit tax, which was instituted under the Fraser Government, and which has been reinforced under the current Federal Government. It directly cuts across and competes with the financial institutions duties which the States levy. That was one possible avenue of revenue transfer that could enable us either to substantially reduce or perhaps to abolish payroll tax. Other avenues were also investigated.

The matter of consumption tax has certainly been raised, and it is easy for the honourable member to dismiss it and say that she did not refer to it—no, she did not refer to it. I suppose that she is being very cautious in making such references. It has been on the agenda. The Liberal Party has supported consumption tax. At times, the Liberal Party has gone up to the barrier and then shied away. Very often that is promoted as a way of increasing payments to the States and then allowing the States to abolish or reduce payroll tax. However, that is not a course with which we would agree, so we are stuck with the tax. I believe our job is to try to ensure that the exemption levels and what is taken from the tax are kept within reasonable dimensions. That seems to be the case because we are able to provide very favourable comparisons with payrolls overall and with our total tax collection in this area.

In relation to what further action could be taken, I believe the greatest difficulty is gaining the agreement of all the States. Even with former Queensland Premier Mr Bjelke-Petersen's departure from the scene—where I think it was quite impossible to talk about State cooperative action—we are still not in a situation where we can reach overall agreement. If events in Queensland are anything to gauge it by, it may be that in the very near future all States—with the exception of New South Wales—will have a Labor Government, and even the Northern Territory Government could be under Labor, too. Whether having Parties of the same ideology is able to achieve anything is questionable. However, the original granting of the payroll tax agreement came in at a time when there was only one Labor Government in the country—the Federal Government and most of the States were under Liberal or conservative Administrations. It is more difficult than it was because, while the basic payroll tax system has stayed in place, with the different levies and other modifications that have been made in the States, it is less and less a common system and to that extent it is even more difficult to agree over common action.

Having said that, I have not abandoned the concept that there must be a better tax, and a better way of providing the much needed revenue that payroll tax provides at present. However, I certainly do not see any short-term or easy solution to that problem.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Deduction from taxable wages.'

Mr S.J. BAKER: Will the Premier explain why he has changed the basis of levying payroll tax? In the 1986 amendment I note that when the exemption or the amount was actually prescribed, if there was a return which related to more than one month, it was multiplied by the number of months. That means, for example, that if someone had a payroll for a whole year that was below the exemption level, they did not pay payroll tax. However, in this latest amend-

ment there has been a change, which means that the amount of payroll tax levy relates to the monthly earnings. We are all aware that people in seasonal employment experience large lumpings: for example, in the rural industry it occurs around harvest time, and in the hospitality industry it occurs in the daylight hours and in summer, spring and autumn. Is it the Government's intention to bring more people into the payroll tax system by this change?

The Hon. J.C. BANNON: No, there will not be any more. That must be related to the extremely complex formulae which highlight the fact that it is a yearly tax. I should not like to sit down and work my way through it. The formulae are as they have been in the Act: there is no desire to catch extra employees or employers in the net.

Mr S.J. BAKER: I take the Premier's word for that. However, paragraph *(b)* provides:

> where the return period is a period of more than one month, means for each month of the return period the amount referred to in paragraph *(a)* of this definition in relation to that month:.

It seems clear from that that there is no multiplication factor to be applied when a company, for instance, files a yearly return. Are the words wrong or is the formula inconsistent with the previous formula? If there is a change, could that matter be sorted out before the legislation gets to another place, because it would bring other people into the system. Under this Bill the amount of $330 000 will rise to $360 000 and then to $400 000. The Premier said that the loss of revenue with the movement to $400 000 would be about $10 million. How many firms currently pay payroll tax? In other words, how many firms have a wages bill of over $330 000?

The Hon. J.C. BANNON: About 5 500 but, if the honourable member would like me to, I will obtain a precise figure and let him have it.

Clause passed.

Clause 4 passed.

Clause 5—'Meaning of prescribed amount.'

The Hon. JENNIFER CASHMORE: Do the formulae adopted here vary from the formulae adopted by other States? If they do, what effect, if any, does that have on employers in this State? I realise that it is the overall amount that is important, but obviously the formulae has some effect and I should appreciate knowing how these formulae compare with those of other States?

The Hon. J.C. BANNON: I do not know the precise formulae that are used in other States. The effect of the formulae is to ensure that, with three rates based on a year, the employer does not pay more than he or she has to. I should imagine that other States would need a common computing system to even out that effect. I can ascertain for the honourable member what is the position, but other States have some different definitions. For instance, in New South Wales certain payments such as fringe benefits and other payments were included as part of the payroll on which the tax was levied.

That legislation was challenged in the New South Wales Supreme Court and I think that it was found that the Act did not empower that practice and the New South Wales Government had to decide whether or not to amend the Act to pick that up. Those payments have been included in some other jurisdictions. We have never included those payments so, in terms of the elements of the definition, such as the taxable wages paid and so on, there may be some differences of definition, but the basic formulae are aimed at mathematically arriving at the annual tax that can be levied around the three rates involved. There may well be other mathematical ways of doing it but, provided that they all registered the same result, it would not make any difference to the amount of tax paid.

Clause passed.

Remaining clauses (6 and 7) and title passed.

Bill read a third time and passed.

LAND TAX ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 17 August. Page 407.)

The Hon. JENNIFER CASHMORE (Coles): For the same reason that we have supported stamp duty relief for first home buyers, we support this measure. It is not one that the Premier has introduced with any degree of enthusiasm, because his Party is committed to increased taxation of this nature. This is enshrined in the Labor Party's platform. It commits a Labor Government to increased taxation on unimproved land values. When the last Liberal Government moved to reduce this impost on the family home, the Premier responded that his party was 'extremely unhappy about the Bill'.

Labor's attitude is that a Government is entitled to cash in on rising property values. Labor does not believe that its profit from rising property values should be indexed. Instead, it maintains that a Government is entitled to a much greater share of the porfit that individuals make from the risk they take in investing in property. This is demonstrated by an analysis of how land tax revenue has increased since the election of this Government.

The rise since June 1982 has been 231.6 per cent—a real rise of about 170 per cent. Over five years 170 per cent is not a bad increase, and this year again there is to be a real rise in revenue, even with the changes incorporated in this Bill. Land tax collections are budgeted to rise 10 per cent (a real rise of 3.5 per cent).

The Hon. J.C. Bannon interjecting:

The Hon. JENNIFER CASHMORE: The Premier says that it will be only 3 per cent. However, if the Federal Treasurer's forecast of inflation for the current year is anywhere as out of kilter as for the past year, we can expect a higher rate than he has predicted. Indeed, on his record that is a distinct possibility. Although this measure adjusts the rates, there is no increase in the threshold below which no tax is payable. It remains at $80 000. In the Victorian budget just introduced, that State's threshold has been increased to $140 000. In New South Wales the threshold is $135 000.

The Premier will say that in those States property values are much greater and that, therefore, property owners in this State, relatively, are not disadvantaged. Let us look, however, at the situation in the other States in terms of movements in revenue collections. South Australia's increase since 1982 of just over 230 per cent has been 80 per cent higher than in Western Australia and about 30 per cent higher than in Queensland. Victoria's rise over this period has been 98.6 per cent—over 130 per cent less than here.

Only in New South Wales have the tax collections increased at a faster rate—by about 27 per cent more than in South Australia. But in Sydney, of course, there have been massive movements in property values over the past seven years—much more so than in Adelaide—to underpin this rise. I refer to a constituent who contacted me late last year (and I kept the notes concerning this matter) about a massive difference between land tax in Queensland and in South Australia. The man involved had holdings in Adelaide in the form of flats, a house and a row of terraced units, with the total value of the holding being $918 000, on which he paid in 1988 land tax of $18 000. Property that his family held of similar value in Queensland, between

Brisbane and the Sunshine Coast, attracted land tax of $450—as compared with $18 000 for property of the same value in South Australia.

The Hon. J.C. Bannon interjecting:

The Hon. JENNIFER CASHMORE: The Premier thinks it is distasteful but, on looking at those figures, I suggest that anyone choosing whether to invest in property in this State or in Queensland would head to Queensland at the speed of light. It is beyond question that the present Government has done much more to erode the benefit to owners of rises in the value of their properties than has occurred in any other State. This, of course, is how Labor believes it should be, although the Premier tries to deny it when faced with the facts. In his second reading explanation, the Premier said that the Government does not set land values. On the other hand, he is quite happy to sit back and profit from increased valuations, to profit disproportionately in relation to any contribution the Government may make to rising property values.

The Premier argues that, because the Government maintains basic infrastructure, like roads, and takes other action that may contribute to rising values, it has a right to share in the proceeds of property realisation. But where is the fairness when land tax bills rise at rates double and much more than the movement in property values? Where is the fairness in this, particularly when small businesses are affected, businesses which do not own property but which nevertheless have to pay the land tax bills of their lessors? The Premier does not appear to understand this point. He has not run a business. I do not believe any member of his Cabinet has run a business. They simply do not understand what it is like to have to meet ever escalating tax bills, bills which are rising much faster than business profits.

In only one sector of the industry, a sector in which I have a particular interest, namely, the hotel industry, because of its relationship with the tourism industry, on figures released by the Australian Hotels Association, from 1986-87 to 1987-88 there was an increase in land tax of 52.3 per cent. City and North Adelaide hotels experienced an average increase of 42.5 per cent. Metropolitan hotels experienced an average increase of 66.8 per cent, and country hotels experienced an average increase of 31.2 per cent.

The point is that, while these costs are going up, it does not mean that the revenue of the hotels is increasing. In fact, as an example it is worth looking at the figures in relation to three separate hotels. In 1985-86 the land valuation of the Marion Hotel was $380 000 and the land tax bill was $11 594. In the following year, 1986-87, the valuation went up to $665 000 and land tax went up from $11 594 to $14 604. I do not have a figure for 1987-88, but two years later, in 1988-89, the land valuation shot up to $800 000—from $380 000 two years previously—and land tax shot up from $11 594 two years previously to $18 547.

The Hon. J.C. Bannon: That is why we are adjusting the scales.

The Hon. JENNIFER CASHMORE: Indeed; but the adjustment does not fully take account of those massive movements. The Cremorne Hotel had a land valuation in 1985-86 of $690 000. I suggest that its turnover would not be anywhere near that of the Marion Hotel. It attracted land tax of $16 000. That went in successive years to $730 000 and $15 829 respectively. In 1987-88 it shot up to $1.2 million, with $28 832 for land tax. In 1988-89 land valuation went up to $1.45 million, with land tax at $33 000 in 1989. In other words, in three financial years the land tax more than doubled; it went up by 110 per cent.

The Hon. J.C. Bannon: What was the first valuation?

The Hon. JENNIFER CASHMORE: The first valuation was $690 000.

The Hon. J.C. Bannon: The valuation more than doubled.

The Hon. JENNIFER CASHMORE: And the tax more than doubled—it went up by 110 per cent. This is where the Premier and his colleagues do not understand that the land value of a hotel, the capital value of a hotel, bears no relationship to the way in which a business can be run and its profitability. If the tax is continually imposed on the capital value of the land without any regard whatsoever for the capacity of the business to finance that tax, we will simply be proceeding to send business broke with land tax.

Members interjecting:

The Hon. JENNIFER CASHMORE: It is all right to say that if a proprietor sells the hotel he can cash in on it, but the fact is that people go into the hotel business because they want to stay in that business, as is the case with many people who go into business. Their asset is their superannuation, if you like. They will realise on it only at the end of their working lives. It cannot in any way assist the financial viability of their business. When taxes related to that capital value are imposed without any regard for the capacity to pay, the economy of the whole State suffers—and that is what is happening at the moment.

There is no doubt that the method of valuation upon which this tax is raised needs to be reviewed. A Liberal Government will do this. The Premier is expecting real increases in collections from tax again this financial year, because of property revaluations—which often bear no resemblance to market conditions—to actual property sale. Right along Norwood Parade, for example, property values have been increased by at least 30 per cent this financial year. It is the same along Unley Road. It is interesting that we do not see the Minister of Recreation and Sport getting himself involved in this problem.

The matter of the rate of land tax also needs review to ensure that an unfair burden is not imposed on owners when property values are increased. Again, a Liberal Government will do this. We will seek to overcome the inequities associated with aggregation and bracket creep. We are also looking at options to ensure that land tax is not a disincentive to investment and job creation in South Australia. The reforms that I am foreshadowing show that the approach of a Liberal Government after the next election will be markedly different from that of the present Government.

We will not continue to regard land tax as a growth tax in the way this Government has done. We will ensure that it is applied fairly and evenly so that small businesses in particular can plan ahead with much more predictability. In short, whilst we support this Bill, it is in effect a cosmetic measure and does not address the basic inequities. We give the assurance that, in Government, we will address those inequities.

Mr S.J. BAKER (Mitcham): I thoroughly endorse the comments made by my colleague, the member for Coles. What she said about the land tax system is spot on. We are getting into a terrible situation in South Australia where property values do not reflect the earning capacity of the piece of property we are talking about. Very close to home, along Unley Road, there are at least 10 empty shops; people cannot beg, borrow or steal someone to take over the property. One person's land tax bill was $400 two years ago, but his latest bill was $7 000. Obviously there has been a massive increase in the valuation, all because of one prime development on that road which has upped the property values. The Valuer-General knows that, if all properties

were put on the market at one time, that value would not be achieved. It occurs only if a particular developer wants to go through with a certain form of development and has to buy at prime rates. The whole valuation system is crooked, because it has no relevance at all, first to earning capacity and, secondly, to market realities.

Everyone knows that if an attempt was made to sell all properties along Unley Road, only 50 per cent of the Valuer-General's figure would be achieved. Something is wrong, and the Premier should recognise that fact. He has admitted in his second reading explanation that, if he had let the system go without any change to the rates whatsoever, the land tax increase would have been from $64 million to $111 million, and that is after having given some previous relief. He must understand that that is extraordinary. No one but no one has earned that sort of return on their property. From my calculations, that amounts to a $47 million increase, or about 75 per cent, on the basis of property valuations. What businesses in South Australia have enjoyed a 75 per cent increase in profit? There is a deathly silence in the Chamber. No member can name them.

Members interjecting:

Mr S.J. BAKER: We had an inane interjection by the member for Adelaide who said that insurance companies put up their prices when the valuation goes up. He forgets that the higher the figure, the scaling rate brings down the rate in the dollar. He knows that. So what we have here is a system that is totally opposed to that proposition. The price goes up as the value of the property increases. We now go from .5 per cent to 2 per cent, but are we giving relief? The Premier has already admitted that we will beat inflation once again with land tax. We have consistently beaten inflation with land tax over the past seven years of this Labor Government, so something is wrong.

The Premier cannot point to any statistics which suggest that profitability of business has increased by the sorts of figures we are talking about in respect of the land tax increases. He would be well aware that it is the tenant who pays the price of the land tax, not the landlord. That is the way business is conducted in this city. If he is talking about a wealth tax, it is not a wealth tax: it is applied to the business person operating that property, often under lease. There is a divorcement between the leasing and the ownership of properties, so time after time we are hitting the poor, small business person who is trying to make a dollar out there. It is about time the Premier of this State woke up. Perhaps he does not like small business people. Perhaps what we hear from the Premier time after time about the need to assist small business is simply rhetoric.

The Hon. B.C. Eastick: What does he do as he makes a dollar? Gives a service.

Mr S.J. BAKER: That is right. The Liberal Opposition sees that the need for reform is overdue. We cannot stand by and see little people hurt year after year, more and more by this particular impost. If the revenue receipts had gone up commensurate with inflation or even slightly in excess to recognise the increased number of properties, we would have little reservation in supporting the Premier's move, but it is not enough. It is simply not enough! We have to reform the whole system. We cannot let the Valuer-General get away with the sort of thing he is doing at the moment. We have to look at the earning capacities of properties. If property values are so out of kilter with the earning capacities of the properties because of interstate and international investment in the marketplace, we have to look at the fundamental question of the valuation of those properties. We cannot stand by each year and see more and more people facing these bills.

As a member of Parliament, I have had well over 100 representations on this matter alone, many of them coming from the constituents of the member for Unley, because they simply get no joy from him. I say that they have to fight the Premier and the Valuer-General and everyone else in the system because, until there is some recognition of the problems they are facing, they will get no justice from the system. I appreciate that the Premier is actually giving a little bit back, but—

The Hon. Jennifer Cashmore: He's forgoing a bit of extra revenue.

Mr S.J. BAKER: He is forgoing extra revenue; he is not giving away revenue. He knows that if he had taken $111 million from the small business community of South Australia, he would be facing a grave problem in being re-elected. As it is, he knows that in some of the electorates where these values have risen dramatically, namely Unley and Norwood, he will face a particularly stiff task anyway, because these small business people talk to their customers. It is time for reform.

The Hon. B.C. Eastick interjecting:

Mr S.J. BAKER: Well, the ones who still have their doors open. I suppose that the Premier hopes like hell they will all go broke by then. We can see that the land tax measures are taking them in precisely that direction. I fully endorse the remarks made by the member for Coles because she has really exposed the land tax system for what it is. It is inequitable, outdated and really needs a complete revamp before it will satisfy me and members of the Liberal Opposition.

The Hon. J.C. BANNON (Premier and Treasurer): I do not intend to go in depth into the philosophy behind land tax, although in a sense I was invited to do so by the speeches of the members for Coles and Mitcham. I believe that land tax is a soundly based tax because it recognises the value that the community imparts to property, a direct value by our living in urban clusters or particular economic zones. The services and facilities, and the infrastructure that a Government provides, increase the value of property—it goes without saying. That can be called an old-fashioned, Georgist view, but I affirm it very strongly. It is not the Government's cashing in, as the Opposition keeps suggesting: it is the community. In a way, it is land owners returning to the community some of the value that that community has helped them accrue in their property, and that is the philosophical basis.

Turning to the practical aspects of the Bill, the member for Coles referred to what she says was unhappiness with certain changes made by the previous Government. That unhappiness was based on our belief that the very situation we have been grappling with in the past few years would occur by that move, which was to so narrow the base of land tax that effectively the burden of it was placed on a small grouping of properties but, more importantly, by the passing on of that impost, it was placed onto small business that occupies a lot of those properties, as tenants or leaseholders. It was quite apparent that that problem would emerge by what was a reckless approach.

However, that having been done, I do not think any Government would wish to restore it. Certainly, in talking about the kind of fundamental review to which members opposite are referring in the case of land tax, one wonders whether that is what they intend to do. The honourable member talks favourably of Queensland, Victoria and places like that, where similar levels of exemption do not apply. Are we having foreshadowed for us the restoration of land tax on properties for owner occupiers?

The Hon. Jennifer Cashmore interjecting:

The Hon. J.C. BANNON: The honourable member suggests that that is not in contemplation. However, I repeat, one of the effects of that—and there is no point in the Opposition complaining about it now—was to narrow the base so that some of these problems would emerge. It was an impost on small business, in that they transferred it from the community broadly onto business generally. However, that is the situation we have at the moment. We have been undertaking regular reviews. Indeed, we have had massive changes to the structure of land tax and to the number of people caught up under land tax and, by a system of rebates, we have further alleviated the year to year problems of this tax. I do not see any other way in which the Government could show its sensitivity to the problems to which members have referred.

I am not denying that problems have been created. The fact that in order to make the tax effective and prevent avoidance aggregation is one of the principles applying in the tax does mean that if a property owner acquires more property at different locations through the year, his or her overall tax liability can increase and that might impact unfavourably on the individual tenants of some of those properties. That is a problem, and we have had in-depth discussions with representatives of property owners, tenants associations and others to see whether there is some way of at least alleviating that problem. It is not an easy thing to do. We intend to pursue it, but in the meantime, with the current structure, we can undertake regular reviews. The change this year is absolutely massive both in terms of rates, which have been drastically cut, and in terms of the rebates that we are continuing to provide. I thank members for their extremely grudging support of this measure and repeat that the land tax system—with the deficiencies it has—is nonetheless one that I believe is properly levied and must be kept under constant review. Surely the Government has demonstrated that that is exactly what it has been doing over the past few years.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—'Scale of land tax.'

Mr S.J. BAKER: Will the Minister provide details of the number of properties with valuations that lie between $80 000 and $200 000 and those exceeding $200 000?

The Hon. J.C. BANNON: I undertake to provide that information to the honourable member.

Mr S.J. BAKER: We had a special rebate system operating two years ago that was discontinued last year. Can the Premier assure the House that the special rebate system that he has brought in this time will be maintained over the next four years?

The Hon. J.C. BANNON: We have made two adjustments: first, the adjustment to the rates; and, secondly, the adjustment to the rebates. I cannot give a long-term guarantee about exactly what sort of rebate will apply. We have been attempting to adjust it and to provide some balance between the change in land values and the change in CPI earning capacity, and so on. That is really only something one can judge from year to year. The beauty of the rebate system is that it does allow a discretion and, therefore, some control over changing economic conditions. However, we have now applied rebate formulas in each of the past four years, and there is every reason to believe that some formula will continue. It would be irresponsible of me to make some sort of pre-commitment.

Mr S.J. BAKER: If we did not have the rebates in place—if they were taken off next year, for example—in today's dollar terms what revenue would the Government gain?

The Hon. J.C. BANNON: It could be about $15 million. That is a rough figure. Obviously, the change in rates will provide a long-term benefit and if values stabilise, or even reduce in some instances, that benefit, in terms of tax, is picked up. I do not think too many property owners or tenants would welcome that, because it would indicate a stagnating economy, and that is the last thing that we would want.

Clause passed.

Title passed.

Bill read a third time and passed.

PASTORAL LAND MANAGEMENT AND CONSERVATION BILL

Returned from the Legislative Council with the following amendments:

No. 1. Page 1, lines 15 and 16 (clause 2)—Leave out 'on a day to be fixed by proclamation' and insert 'six months after assent'.

No. 2. Page 1, line 17 (clause 2)—Leave out '(3)' and insert '(2) to (8)'.

No. 3. Page 1, line 32 (clause 3)—After 'and is not' insert 'part of a reserve under the National Parks and Wildlife Act 1972, or'.

No. 4. Page 3, lines 9 to 15 (clause 5)—Leave out subclause (2).

No. 5. Page 3—After line 15 insert new clause 5a. as follows:

Assessment of land

5a. (1) Assessment of the condition of land pursuant to this Act—

(a) must be thorough;

(b) must include an assessment of the capacity of the land to carry stock;

(c) must be conducted in accordance with recognised scientific principles;

and

(d) must be carried out by persons who are qualified and experienced in land assessment techniques.

(2) On completing an assessment of the condition of land, the board must forward a copy of the assessment to the lessee.

(3) The board cannot take any action under this Act pursuant to an assessment unless—

(a) the lessee has been given at least 60 days in which to consider and comment on the assessment;

and

(b) the board has given consideration to such comments as the lessee may have made during that period.

No. 6. Page 3, line 31 (clause 7)—After 'that is to be used' insert 'wholly or principally'.

No. 7. Page 4, line 23 (clause 10)—After 'one' insert ', being a person who has, in the opinion of the Minister, wide experience in administration of pastoral leases,'.

No. 8. Page 4, lines 24 and 25 (clause 10)—Leave out all words in these lines and insert 'one, being a person who has, in the opinion of the Minister of Environment and Planning, a wide knowledge of the ecology, and experience in the management, of the pastoral land of this State, will be appointed on the nomination of that Minister'.

No. 9. Page 4, line 27 (clause 10)—After 'conservation' insert 'of pastoral land'.

No. 10. Page 4, lines 30 and 31 (clause 10)—Leave out 'an organisation or organisations representative of pastoralists' and insert 'the United Farmers and Stockowners Association of S.A. Incorporated'.

No. 11. Page 4, lines 34 and 35 (clause 10)—Leave out 'an organisation or organisations formed to promote conservation and environmental issues' and insert 'the Conservation Council of South Australia Incorporated'.

No. 12. Page 6 (clause 14)—After line 5 insert the following:

(not, in the case of a member who is a pastoralist, being a benefit or detriment that would be enjoyed or suffered in common by all or a substantial proportion of pastoralists).

No. 13. Page 7, lines 18 to 20 (clause 17)—Leave out 'on such conditions (including maximum stock levels) and with such reservations as the board thinks appropriate'.

No. 14. Page 7, line 26 (clause 17)—Leave out 'or'.

No. 15. Page 7 (clause 17)—After line 28 insert word and paragraph as follows:

or

(c) if the Minister is satisfied, on the recommendation of the board, that for any other good and proper reason it would be just and equitable to offer the land to a particular person.

No. 16. Page 8—After line 10 insert new clause 19a. as follows:

Conditions of pastoral leases

19a. (1) A pastoral lease will be granted subject to conditions and reservations providing for the following matters (but no others):

(a) general conditions providing for—

(i) the area of land subject to the lease;

(ii) the term of the lease;

(iii) the payment of rent annually in arrears;

(iv) the lessee's obligation to pay in the due manner all rates, taxes and other Government charges in relation to the land;

(v) the lessee's obligation to comply with the following Acts and any regulations under those Acts to the extent that they apply in relation to the land:

(A) the Animal and Plant Control (Agricultural Protection and Other Purposes) Act 1986;

(B) the Dog Fence Act 1946;

(C) the Mining Act 1971;

(D) the Petroleum Act 1940;

(E) the Soil Conservation Act 1939;

(F) the Water Resources Act 1976;

and

(G) any other prescribed Act;

(vi) the lessee's obligation not to hinder or obstruct any person who is exercising a right of access to the land pursuant to this Act or any other Act;

(b) land management conditions providing for—

(i) the lessee's obligation not to pasture (as part of the commercial enterprise under the lease) any species of animal on the land other than the species specified in the lease, except with the prior approval of the board;

(ii) the lessee's obligation to ensure that numbers of stock on the land or a particular part of the land do not exceed the maximum levels specified in the lease, except with the prior approval of the board;

(iii) the lessee's obligation not to use the land for any purpose other than pastoral purposes, except with the prior approval of the board;

(iv) the lessee's obligation to maintain existing fencing in a stockproof condition;

(v) the lessee's obligation to maintain existing constructed stock watering points in proper working order;

(vi) the lessee's obligation to close off specified areas on the land, or to close or move specified access points on the land, for the purposes of rehabilitation of degraded land;

(c) reservations providing for—

(i) the property in minerals, petroleum, underground waters and live or dead standing timber on or under the land to be vested in the Crown;

(ii) the right of the Commissioner of Highways to establish public roads across the land.

(2) The form of a pastoral lease and any matters (such as maximum stock levels) to be specified in the conditions of a lease will be determined by the board.

(3) The only conditions of a pastoral lease that can be varied by the board pursuant to this Act are the land management conditions.

(4) Nothing in this Act prevents a lessee and the board from entering into an agreement for the variation of a condition of the lease.

No. 17. Page 8, line 13 (clause 20)—After 'Valuer-General' insert 'and will, subject to subsection (2), be payable annually in arrears, but cannot, in respect of any year, exceed (in relation to land used for the pasturing of sheep or beef cattle) the fixed maximum rent for that year.'

No. 18. Page 8 (clause 20)—After line 13 insert new subclauses as follow:

(2) For the purposes of subsection (1), the fixed maximum rent for a particular year is—

(a) for the first year after the commencement of this section—

(i) 80 cents for each head of sheep;

and

(ii) $2.40 for each head of cattle;

(b) for the second year or each succeeding year—the maximum rent for the year immediately preceding it increased by the sum of—

(i) the Consumer Price Index (all groups index for Adelaide) as at 30 June in that preceding year;

(ii) 10 per cent of the maximum rent for that preceding year,

based on the number of stock carried on the land during the preceding year (as determined in accordance with section 37) or the average number of stock carried on the land over the preceding 20 years, whichever is the lesser.

(3) The board may, for the purposes of administrative efficiency, fix a common day by which the rent under all pastoral leases must be paid in each year and, for that purpose, rental accounts for a period greater or less than a year may be sent to lessees.

(4) In making a determination of rent in respect of a pastoral lease for a particular year, the Valuer-General—

(a) must not take into account the value of improvements that do not belong to the Crown;

and

(b) must have regard to—

(i) the capacity of the land to carry stock;

(ii) the numbers of stock actually carried on the land during the previous year (as determined in accordance with section 37);

(iii) the proximity and accessibility of markets and facilities affecting the profitability of the commercial enterprise under the lease; and

(iv) any other factors that affect the determination of a fair market rental for the land.

(5) The board may, if it thinks that a case of hardship exists, waive or defer payment of any rent, or part of any rent, unconditionally or subject to such conditions as the board thinks fit.

No. 19. Page 8, line 38 (clause 23)—After 'vary the' insert 'land management'.

No. 20. Page 10, lines 36 to 41 (clause 29)—Leave out subclauses (6), (7) and (8).

No. 21. Page 12, lines 2 and 3 (clause 34)—Leave out subclause (4).

No. 22. Page 12—After line 12 insert new clause 35a. as follows:

Compensation

35a. (1) A lessee is entitled to compensation on—

(a) resumption of pastoral land;

or

(b) expiry of a lease pursuant to a refusal to extend its term under section 22 or 23.

(2) The amount of the compensation—

(a) will be determined by agreement between the Minister and the lessee or, in default of agreement, by the Land and Valuation Court;

and

(b) must be based on the market value of the pastoral lease as if the lease were not being resumed or were not expiring but had been duly extended in accordance with this Act.

Notice of adverse action to be given to holders of registered interests or caveats

35b. (1) The board or the Minister (as the case may require) must—

(a) before resuming any pastoral land;

(b) before cancelling a lease pursuant to this Part;

or

(c) on making a decision under this Part not to extend the term of a lease,

give written notice of the action to all persons who have a registered interest in or caveat over the lease.

(2) Notice of a proposed resumption or cancellation must be given at least 14 days before the proposal is implemented.

No. 23. Page 12 (clause 36)—After line 25 insert new subclause as follows:

(1a) The board must not, in exercising its powers under subsection (1), act capriciously or vexatiously.

No. 24. Page 12 (clause 36)—After line 40 insert new subclause as follows:

(5a) The board may, by endorsement, approve a property plan voluntarily submitted to the board by a lessee.

No. 25. Page 13, line 1 (clause 36)—Leave out 'A' and insert 'An approved'.

No. 26. Page 13, line 11 (clause 37)—Leave out '31 July' and insert '30 April'.

No. 27. Page 13, line 25 (clause 37)—Leave out 'subsection (4)' and insert 'this section'.

No. 28. Page 13 (clause 37)—After line 27 insert new subclause as follows:

(5a) A declaration as to stock levels will be taken to be accurate if a subsequent muster finds that the numbers of stock on the land are less than or do not exceed by more than 10 per cent the declared levels.

No. 29. Page 14, line 18 (clause 39)—Leave out 'may' and insert 'will, where necessary'.

No. 30. Page 15 (clause 40)—After line 37 insert new subclause as follows:

(9a) Notwithstanding subsection (9), the Minister may, if of the opinion that an access route has suffered considerable damage as a result of it being used by members of the public, contribute towards the repair or maintenance of the route.

No. 31. Page 19, lines 6 and 7 (clause 47)—Leave out 'personally or, except in the case of a compulsory conference,' and insert 'before the tribunal personally'.

No. 32. Page 19 (clause 47)—After line 7 insert new subclause as follows:

(6a) Counsel for the parties to proceedings are not entitled to attend a compulsory conference.

No. 33. Page 19 (clause 49)—After line 44 insert new paragraphs as follow:

(ba) a decision under section 36 (property plans);

(bb) a decision under section 40 (establishment of access routes);.

No. 34. Page 19, line 45 (clause 49)—After 'assignment,' insert 'mortgage,'.

No. 35. Page 21, line 28 (clause 53)—Leave out 'A' and insert 'Subject to subsection (2), a'.

No. 36. Page 21 (clause 53)—After line 31 insert new subclause as follows:

(2) Subsection (1) does not require notice to be given to a particular occupier of adjacent land if an agreement, approved by the board, for the giving of some other form or period of notice exists between the person proposing to muster and that occupier.

No. 37. Page 22 (clause 54)—After line 6 insert new subclause as follows:

(4) Subsections (1) and (2) do not entitle a person to take water from a domestic rainwater tank.

No. 38. Page 24, lines 43 and 44 (clause 65)—Leave out paragraph *(d)*.

No. 39. Schedule, page 25—After line 3 insert new Division as follows:

DIVISION IA—AMENDMENT OF OTHER ACTS

1a. The Expiation of Offences Act 1987 is amended by inserting in the schedule the following item after the item headed 'Lifts and Cranes Act 1985':

Pastoral Land Management and Conservation Act 1989

Section 52—Misuse of pastoral land $200

Section 56 (1)—Hindering or obstructing a person exercising powers under Act $100

Section 56 (2)—Addressing offensive language to person exercising powers under Act $100.

No. 40. Schedule, page 25—After line 4 insert clause 1b. as follows:

1b. (1) Until the sixth anniversary of the commencement of this Act, the board will consist of six members, appointed by the Governor, of whom—

(a) one will be appointed on the nomination of the Minister;

(b) one will be appointed on the nomination of the Minister for Environment and Planning;

(c) one, being a person who, in the opinion of the Minister of Agriculture, has had wide experience in the field of soil conservation, will be appointed on the nomination of that Minister;

(d) one will be selected by the Minister from a panel of three made up of names of persons who are pastoralists in the beef stock industry submitted at the invitation of the Minister by the United Farmers and Stockowners Association of S.A. Incorporated;

(e) one will be selected by the Minister from a panel of three made up of names of persons who are pastoralists in the sheep industry submitted at the invitation of the Minister by the United Farmers and Stockowners Association of S.A. Incorporated;

and

(f) one will be selected by the Minister from a panel of three made up of names submitted at the invitation of the Minister by the Conservation Council of South Australia Incorporated.

(3) At least one member must be a woman and one a man.

(4) The Governor will appoint a member of the board to preside at meetings of the board.

(5) The Governor must appoint a deputy to each member of the board.

(6) A person who is to be the deputy of a member appointed under subsection (2) *(d)*, *(e)* or *(f)* must be appointed in the same manner as the member was appointed to the board.

(7) Where the appointment of a member under subsection (2) *(d)*, *(e)* or *(f)* and of that member's deputy are being made at the same time, both must be selected from the one panel of names.

(8) A deputy may, in the absence of the member, act as a member of the board.

(9) This clause expires on the sixth anniversary of the commencement of this Act.

No. 41. Schedule, pages 25 and 26—Leave out clauses 3, 4 and 5 and insert the following clauses:

3. (1) Subject to clause 4, a lease in force under the repealed Act immediately prior to the commencement of this Act becomes, on that commencement, and continues in force as, a pastoral lease under this Act with a term of 42 years running from that commencement.

(2) The conditions (including covenants) and reservations of such a lease are not affected by its conversion to a pastoral lease pursuant to clause 1, with the following exceptions:

(a) rent is payable in accordance with this Act;

(b) no species of animal other than sheep or beef cattle can be pastured on the land as part of the commercial enterprise under the lease without the prior approval of the board;

(c) the reservations relating to aboriginal persons and access to the land will be taken to have been revoked.

(3) Notwithstanding sections 22 and 23 of the Act—

(a) the question of the first extension of the term of a pastoral lease to which this clause applies and the variation (if at all) of its land management conditions must be dealt with, in accordance with those sections, no later than eight years after the commencement of this Act;

and

(b) any such extension must be for such period as will bring the balance of the term of the lease to 42 years.

4. (1) Clause 3 does not apply to a lease in force under the repealed Act if—

(a) the Governor has determined that the land subject to the lease should be set aside or used for some other more appropriate purpose;

or

(b) the Minister is satisfied that the land subject to the lease is no longer suitable for pastoral purposes,

and written notice has been given by the Minister to the lessee proposing resumption of the land or offering some other form of tenure of the land.

(2) An offer of alternative tenure, if not accepted by the lessee, lapses two years after it is made.

(3) The following provisions apply in relation to a lease referred to in clause 1:

(a) the lease continues in force notwithstanding the repeal of the repealed Act and will, subject to this Act, continue in force until expiry of its term;

(b) this Act applies in relation to the lease as if it were a pastoral lease under this Act, but—

(i) the term of the lease cannot be extended;

and

(ii) the conditions of the lease cannot (except by agreement with the lessee) be varied by the Board;

(c) rent is payable in accordance with this Act;

(d) the reservations in the lease relating to aboriginal persons and access to the land will be taken to have been revoked.

(4) On expiry of a lease to which this clause applies—

(a) the lessee is entitled to compensation;

(b) compensation will be based on the market value of the lease as if the lessee were the holder of a pastoral lease;

and

(c) the amount of the compensation will be determined by agreement between the Minister and the lessee or, in default of agreement, by the Land and Valuation Court.

Schedule of the amendment suggested by the Legislative Council

Page 3—After line 31 insert new clause as follows:

Pastoral Land Management Fund

7a. (1) The Minister must establish a fund to be entitled the Pastoral Land Management Fund (in this section referred to as 'the Fund').

(2) The fund will consist of—

(a) a prescribed percentage (being not less than 5 per cent or more than 15 per cent) of the amount received each year by way of rent paid under pastoral leases as reduced by the administrative costs attributable to administering those leases;

(b) any money provided by Parliament for the purposes of the fund;

(c) any money paid into the fund pursuant to any other Act; and

(d) any accretions arising out of investment of the money of the fund.

(3) The amount to be paid into the fund in respect of a particular year pursuant to subsection (2) *(a)* must be paid into the fund no later than 30 June of the next ensuing year.

(4) The money in the fund may be invested in such manner as the Minister thinks fit.

(5) The fund must be applied in such manner as the Minister, on the recommendation of the board, thinks fit for the following purposes and in the following order of priority:

(a) research into techniques for pastoral land management, for prevention or minimisation of pastoral land degradation and for rehabilitation of degraded pastoral land;

(b) the publication of research findings and dissemination of information relating to those techniques;

(c) experimentation with and practical development of those techniques;

(d) such other projects relating to the management and conservation of pastoral land as the Minister thinks fit.

Consideration in Committee.

Amendments Nos 1 to 4:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendments Nos 1 to 4 be agreed to.

Motion carried.

Amendment No. 5:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 5 be agreed to.

Mr MEIER: It is pleasing to see the changes identified in this amendment. I realise that paragraphs *(a)* to *(d)* in new subclause (1) are identical to the old Bill, but point out that new subclauses (2) and (3) are new. As indicated in the original debate, it is pleasing to see that, on completing an assessment of the condition of the land, the board must forward a copy of the assessment to the lessee. At least in this way the lessee will know exactly what has occurred with the board. There is no question that the lessee will be made aware of the conditions, and 'the board cannot take any action under this Act pursuant to an assessment unless the lessee has been given at least 60 days in which to consider and comment on the assessment'. It is heartening to see this change. It will make the legislation more workable.

The Hon. S.M. LENEHAN: We certainly agree with the amendment, and I am happy to support it.

Motion carried.

Amendment No. 6:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 6 be agreed to.

Motion carried.

Amendment No. 7:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 7 be agreed to.

Mr MEIER: This amendment simply adds to the wording in the original Bill. Will the Minister comment on what type of person she believes will occupy the position where it states, '... in the opinion of the Minister, wide experience in administration of pastoral leases'? Does she see that it will be a person on the Pastoral Board, a former pastoral lessee or some other person?

The Hon. S.M. LENEHAN: We are happy to accept the amendments moved in the other place by the Democrats and supported by the Liberals. I would be looking to appoint someone with a range of experience in administration and certainly a current member of the Pastoral Board or somebody with wide administrative experience, particularly in administering this legislation or the previous pastoral legislation. I do not want to be too prescriptive at this point as I have not definitely made up my mind. I will be guided by the legislation when it passes the House.

Mr D.S. BAKER: I acknowledge the Minister's reply, but will she consider not only someone with experience in administration of pastoral leases but also someone who is a previous owner of a pastoral lease or who has been a manager of a pastoral lease and therefore has grassroots experience of what the pastoralists are talking about? One of the greatest dangers, as we pointed out during the earlier debate, is that pastoralists, as they do not have the numbers, will be ruled by bureaucrats. Whether or not the Minister likes it, the Bill will work only if trust and confidence are built up between the people she supports and the pastoralists. I would have thought that the Minister would cast the net far and wide to try to find someone with grassroots experience in the pastoral industry and not simply someone who has worked in an air-conditioned office pushing a pen in administering the Pastoral Act. Will she look at someone like that?

The Hon. S.M. LENEHAN: It is a bit unfair to talk about people working in air-conditioned offices and not having been on pastoral lands. I would certainly be looking at casting the net wide. I will not be prescriptive but will be guided by the legislation in choosing someone. The Bill has just come down from the Upper House. One cannot simply provide that the only people who should have any say in terms of administering the legislation (which, after all, is passed by this Parliament) should be pastoralists or former pastoralists. We accepted, when the legislation came through this House, that there should be someone from the conservation movement and a wide range of people. I accepted the arguments put by the Opposition in terms of the transition period of having an extra pastoralist on the Pastoral Board. I have shown incredible good faith in this, and I will be looking carefully at whomever I as Minister of Lands will be appointing as my nominee on the Pastoral Board. It is too early to be totally prescriptive about who that person might be.

Motion carried.

Amendments Nos 8 and 9:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendments Nos 8 and 9 be agreed to.

Motion carried.

Amendment No. 10:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 10 be agreed to.

Mr MEIER: It is pleasing to see United Farmers and Stockowners of S.A. Incorporated as the organisation representative of pastoralists. As the Minister knows, the UF&S has had many concerns about aspects of this Bill. It still has some concerns but has worked hard at liaising with its members constantly. The organisation, which is representative of pastoralists and many others, will be able to represent the pastoral industry fairly and efficiently, and this is a positive step forward.

The Hon. S.M. LENEHAN: It was a Government amendment from the Upper House. I agree with the sentiments expressed by the member for Goyder. It is important that United Farmers and Stockowners be recognised as the voice for pastoralists. That is why we have moved this and the subsequent amendment.

Mr D.S. BAKER: I support my colleague's comments. The sad thing about this Bill is that we suggested a similar amendment when the matter was debated at length in this place. We made quite strong representations to the Minister to consider this matter, and she flatly refused to do so. She said, 'We can fix it up in another place,' but it would have been quite easy to accept the fact that the UF&S should be the representative. It concerns me that this Bill has had to go to the other place when quite rational debate in relation to this amendment could have taken place here. However, I do welcome the fact that the UF&S is now a member of the organisation.

Motion carried.

Amendment No. 11:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 11 be agreed to.

Motion carried.

Amendment No. 12:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 12 be agreed to.

Mr MEIER: How does this amendment affect clause 14 and the problem of conflict of interest?

The Hon. S.M. LENEHAN: We included this amendment in the original package to be moved in the other place before it went to a select committee. It provides a benefit to all pastoralists. In fact, it is actually a pro pastoralist amendment, because it will ensure that their nominees on the board are not excluded from any meetings which discuss financial matters and which could impact on all lessees, for example, a board policy on the application of the hardship provision in relation to rentals. We are ensuring that in no way can the pastoralists' representatives be excluded from the board and from board meetings that discuss certain matters that relate broadly to pastoralists and not just to their own specific area.

Mr MEIER: The Opposition had grave concerns about this clause in its original form, as did the pastoralists. Again, this amendment adds to the Bill.

Motion carried.

Amendment No. 13:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 13 be agreed to.

Mr MEIER: Again, I am pleased that the wording has been changed. Members would appreciate that the original clause provided:

Subject to this Act, the Minister may grant pastoral leases over Crown land on such conditions including maximum stock levels and with such reservations as the board thinks appropriate.

At the time the Opposition was very concerned about this clause and at least the Minister has shown commonsense and decided that those provisos should be removed. They were not necessary in the first place, and this amendment helps to clarify the legislation.

Motion carried.

Amendment No. 14:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 14 be agreed to.

Motion carried.

Amendment No. 15:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 15 be agreed to.

Mr MEIER: Does paragraph *(c)* also apply to the situation where the Government may see fit to hand over some pastoral land, say, to the Aborigines in the area, or is that situation covered in a different clause?

The Hon. S.M. LENEHAN: The answer is 'No'. This clause actually relates to lessees who initially may be excluded from renewal under this Bill because their lease is to be resumed for other public purposes and, if the resumption does not occur, the Minister can then offer the lease back to the lessee without having to go through a public auction. It really is intended to cover a fairly remote possibility. However, it does not refer to the board's recommending that the land should be given to an Aboriginal community.

Motion carried.

Amendment No. 16:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 16 be agreed to.

Mr MEIER: It is heartening to see that the Bill refers also to the condition of pastoral leases, because I think I am correct in saying that this provision was contained in the schedule of the original Bill. The Opposition debated this matter extensively and proposed a very comprehensive amendment which sought to remove this provision from the schedule and place it in the Bill itself. We argued at the time that the schedule specified very few, if any, of the items now detailed here. It was virtually a situation of the lessee taking on something of which he did not really know the end result. As these amendments came into my possession only an hour or two ago, I have not read them thoroughly, but it seems that this matter is covered here. Again, it provides that a lessee—he, she or a company—can clearly ascertain what they are up for, what the conditions are, what the liabilities may be on their lease as well as any reservations which might apply. This amendment adds significantly to this Bill.

Motion carried.

Amendment No. 17:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 17 be agreed to.

Mr MEIER: This amendment relates to clause 20 and rent. This matter is still a very controversial issue which, as far as the Opposition is concerned, is unresolved, as is the case with amendment No. 18. I believe that the Government has failed to appreciate the problems that will be caused to pastoralists by increasing rents. It is clear that the Government is using this Bill as a revenue raising venture and that it is determined to obtain as much money as it can from the pastoral leases of the State. That suggestion has been made on previous occasions.

We know that, in general terms, this Government has been a high taxing Government. The high interest rates are hurting people, and it seems that the Government has identified the pastoral area as one from which it was not receiving sufficient money. It must be appreciated that almost one-third of South Australia's agricultural income comes from the pastoral lands and, at a time when our national debt is escalating, every incentive should be provided to encourage rather than stifle the pastoral industry in order to boost our exports. Using increased rents is the wrong path to follow. That was made clear in this morning's *Advertiser*, where an article stated:

The National Farmers' Federation and the Australian Farmers' Fighting Fund may be called in to help South Australian pastor-

alists fight State Government proposals to lift rent on pastoral properties.

So one can see what sort of situation the Government has created. The whole rural industry is upset and concerned, and the pastoralists are being made the scapegoats at present. The article referring to Mr Chip Sawers, chairman of the United Farmers and Stockowners pastoral task force, states:

> . . . while the Government and the Australian Democrats might get a current rent amendment through Parliament, 'they haven't got the money yet'.

That indicates clearly that the people taking these increases will not lie down in accepting the new rent provisions.

Clause 20 also provides that rents are to rise to 80c per head of sheep and a proposed $2.40 for each head of cattle. I realise that those figures are to be adjusted in relation to market forces and the location of the pastoral land, and that is provided for in one of the amendments. However, at the moment the rents are closer to 35c per head of sheep and up to $1.50 per head for cattle. In real terms we are looking at in excess of a 100 per cent increase at a time when the pastoralists should be receiving help, not hindrance.

It has been brought to my attention that in 1927 the royal commission on pastoral lands looked at rent in relation to income tax. Whilst I do not always refer back to the past to substantiate or argue for what is occurring today, I believe the thoughts expressed and the work that the commissioners did at that stage still hold a lot for us today. I will quote from that section of the royal commission report headed 'Rent in relation to income tax.' It states:

> By reason of the high prices which have, of recent years, been paid to many pastoral properties, there has been a tendency to assess the value of pastoral lands generally at too high a figure. It frequently happens that a purchaser, because he has other holdings perhaps in better rainfall districts or is possessed of adjacent lands, can afford to pay a price not strictly in accordance with the productive value of the land which is the only true base of its worth. Again, whilst the present price of wool continues, higher values may be justified; but it is impossible to foretell with certainty that this price will continue indefinitely, and therefore the only reliable method of arriving at a fair basis of a calculation is by taking an average over a period of years.

To highlight that very fact, this amendment No. 17 is looking to have a valuation each year, yet in 1927 the royal commission indicated that the only fair basis of calculation would be to take an average over a period of years. I believe history has shown it to be correct. For us to follow the path of annual valuation is very dangerous, and it is one that is almost certain to have a detrimental effect on the agricultural community. The report continues:

> It will be readily seen that the fixation of rent on any other basis may easily prove disastrous to the industry. The Government, in seeking revenue from its pastoral lands, should regard the question of rent as a secondary consideration, and the continued prosperity and development of the industry of paramount importance.
>
> There are two fields open to the Government as sources of revenue, viz., rent and taxation. Commission considers the choice should fall on the latter. The pastoral industry is periodically faced with varying periods of droughts, which strain the resources of the soundest pastoralists. Despite the conditions prevailing, however, rent has to be paid or else the clemency of the Government has to be sought. On the other hand, taxation on income seems to apply more fairly. When the conditions are favourable and returns bountiful, then the Government reaps a corresponding harvest by virtue of increased income. When difficult conditions prevail the pastoralist is automatically relieved of the burden of taxation when such relief is of the greatest importance to him. The commission earnestly commends this viewpoint to legislators and administrators.

Members could be forgiven for thinking that those words were uttered in 1989. They still hold true today; they are as sound today as they were back in 1927. Conditions have not changed from the point of view of good seasons and poor seasons. Taxes in the intervening period have increased, and the Federal Government is able to get much more money on today's tax rates than was the case in 1927. Pastoralists have drawn to my attention the fact that rents will have a serious effect on their future. In what way will this occur? During my recent trip to the pastoral lands, I was shown brochures from other States illustrating the asking prices for pastoral properties in Queensland, New South Wales and Western Australia. In all the cases brought to my attention, the rents were less than that being asked for in relation to equivalent properties in South Australia. Today the rents in those places are less.

The Government is proposing to increase rents by 100 per cent or more. I was made very aware that the pastoralists in South Australia today are looking at interstate conditions and considering what is good value for money. They realise that currently South Australia is only just holding. If the rents increase by 100 per cent it is pretty obvious that many pastoralists will sell up here and go interstate. Does that mean that we will not have pastoralists on the pastoral lands? Of course it does not: people will come and take their place. That is quite obvious, but will they be people who will be able to manage the land as we would like to see it managed? Will they be able to manage it in an economically sound fashion? I guess only history will show whether or not they can. However, I suggest that, if a large majority of the current pastoralists leave South Australia as a result of the increase in rents, we will get in their place pastoralists who do not fully understand the management of the land, who will not be able to make a proper living and who will therefore start to abuse the land.

I hope that at this eleventh hour the Minister will reconsider the question of rent. She would be aware that the Opposition in the other place moved amendments to the rent provisions. It will be more appropriate to deal with this matter when considering amendment No. 18 and so I will not further pursue that matter now. The Opposition certainly has its own proposal in this respect.

We see great problems and difficulties facing the pastoralists in the coming years. I do not say that this will necessarily occur within the next 12 months or two years. In fact, when I was in the pastoral lands, one of the pastoralists said to me, 'Have a look at this country, John,' indicating that it was the best he had seen it in a very long time. I asked him how long he thought the current conditions would prevail and he said that, due to the rains which came in May and which, in places, had continued since then, they could last for up to two years. However, he pointed out that a lot depends on the extent of the rabbit problem, on the kangaroo population and on what other pests might come through. Notwithstanding, though, he said that there could be good conditions for two years.

I do not want the Minister coming back in two years saying that the member for Goyder had suggested that things would be bad but that looking over the past two years the pastoralists had gone from good to even better and that they have done well. I quite expect that to be the case for the next two years, but we need to look at this in the long term. That is why the old provisions concerning the re-evaluation were sensible—the provisions to which the 1927 royal commission alluded.

One must consider longer periods, an average over a period of years. One should not look at this simply on an annual basis. When discussing this measure earlier, the Minister indicated that the Valuer-General would consider the matter of rents every year and would adjust the rents up or down, but from looking at the next provision in the

Bill it appears that the rents will continue to go up. This does not look at all good for the coming years. Pastoralists might be able to pay them for the next two years, but what if there is another four, five or six year drought after that? There are many unanswered questions that greatly concern the Opposition.

The Hon. S.M. LENEHAN: In response to the honourable member, and his calling upon the lessons of history, referring to the royal commission findings of 1927, I cannot resist quoting from a submission made to a parliamentary inquiry of 1858. It seems that nothing has changed. I refer first to a reference to a Mr A. Scott, a pastoralist and at that time a member of the Legislative Council. In those days, the pastoralists actually ruled the State—and I suspect that some think that they still should. The submission stated that Mr Scott had claimed that Goyder's new valuations would so reduce profits—

Members interjecting:

The Hon. S.M. LENEHAN: Members opposite do not want to hear this, because it actually shows that nothing has changed. It stated that Mr Scott had claimed that Goyder's new valuations would so reduce profits that his return:

> . . . will not pay interest on our capital; we can make a profit, but it would be better for us to invest our money elsewhere. The stock and plant on the runs represent capital that ought to bear interest—it is a question whether I had not better throw up the run.

That is exactly what the Opposition is putting up now. A Mr Lawson said:

> Let the squatter be taxed to the very uttermost, trade repressed and crippled by those who fail to appreciate its importance, and the millions of acres of wastelands in the colony be left barren and useless.

Of course, none of this happened. In conclusion, a Mr Young said that 'pastoral properties are now rendered almost unsaleable', and acted as a 'discouragement to future pastoral enterprise'.

I put to the Opposition that the dire predictions of pastoralists in 1858, which have not come to pass, are no different from the dire predictions that Mr Chip Sawers is currently making in this matter. If the honourable member wants to go back and learn from the lessons of history, I will be delighted to share some of those lessons with him. In 1960, new rents were introduced by a Liberal Government. These rents represented a 500 per cent increase—

Members interjecting:

The Hon. S.M. LENEHAN: So now we will talk actual figures, will we?

Mr Meier interjecting:

The Hon. S.M. LENEHAN: Well, that is fine. Let us look at what happened. In 1960, sheep rentals cost the lessee approximately .06 kg of wool per head of sheep. That is exactly what it is costing the pastoralist now—.06 kg of wool per head of sheep. The Liberal Government then introduced a rental increase of 500 per cent. Did the pastoral industry go to the wall? Is the pastoral industry now extinct? Of course not. If the Opposition wants to debate this question of rents seriously, I am happy to do so, but let us try to get the facts right. If the member for Goyder wants to go back and learn from the lessons of history, I will be delighted to do that, because he will find that the same dire predictions have been made every time attempts have been made to move rents into line with what every other member of the community must pay for the use of a community resource, and I am very happy to debate this with the honourable member.

Mr GUNN: One of the unfortunate things about debates of this nature is that people with the best will in the world but who, unfortunately, do not quite understand or have not been involved in the administration of these properties find it difficult to comprehend how finely some of these people are placed financially. One only has to read the front page of today's *Advertiser* to see what happens in many cases to a considerable portion of a pastoralist's income. One of the features of recent years that has helped all sections of the grazing industry has been the live sheep trade. It has been a real fillip to the industry. Unfortunately, it would appear that that is now in some doubt because of a number of elements that have not been resolved. That will immediately affect the cash flow and the amount of money available to the pastoral industry.

There are many subjects about which I do not have a great deal of knowledge, but one subject that I can speak about with a reasonable degree of authority is the general agricultural industry, being a fourth generation person involved in the industry and having current hands-on involvement. I would say to the Government, the Minister and those advising the Minister that there is a fundamental principle that has been proven throughout history and the world: once taxation systems or charges against the land that are not based upon productivity or income are imposed, untold damage to that resource will result. If one looks overseas, one will see that there is only one fair way to raise revenue, and that is through the income tax system. Anyone who knows the slightest thing about agriculture will agree with that philosophy.

The more the charges are increased, the greater the effort made by the individual to cope with those difficulties. We are talking about preserving an asset that, according to some, belongs to the people, but I do not personally follow that philosophy. I believe that those people who have the lease have the responsibility. In recent years, an attack has been made on people across this country who want to take conservation measures, who want to improve their properties and who want to be in a position to make a profit. That attack has been carried out by the Federal Government by interfering with taxation concessions. That will affect the ability of these people to work effectively. In a State such as South Australia, which is the driest State in the driest continent in the world—

Mr Tyler interjecting:

Mr GUNN: If you do not know, you really are a dill!

Mr Tyler interjecting:

Mr GUNN: Let me finish.

The ACTING CHAIRMAN (Mr De Laine): Order!

Mr GUNN: When the Commonwealth Government removed the accelerated depreciation allowances for the establishment of water conservation measures, it took a course of action which was detrimental to the good management of those properties. By encouraging people to put in more pipelines, more dams and more fences, they were taking conservation measures, and that is what every sound and sensible person should encourage, but when a revenue measure is enforced which is based on an arbitrary measure and which has no relationship to profitability, that industry will be taken down the road to despair. Unfortunately, once Governments put in place a measure of this nature, it is treated like council rates: they keep winding it up like winding up a ratchet. We all know what finally happens. The ratchet keeps being screwed. Those with fewest resources and the least ability to be able to manage will be the first ones to drop by the wayside.

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

Mr GUNN: For a long time I have been concerned that when we are dealing with anything concerning primary industry we gather together a large number of people who

have little or no practical knowledge or understanding of the industry but who, unfortunately, want to impose their will, their aims and their desires upon those involved.

If anyone has any understanding of agriculture, they will know that it is an industry which is capital intensive and which produces a relatively small return on that investment. It requires a great individual effort and a great deal of commonsense. People involved in this industry need to be left alone—free from harassment and from advice coming from outside the industry and from groups whose only knowledge of the industry is based on their own theories or on information contained in journals they have read. One could say that that statement is harsh but it is the truth.

I do have a knowledge of what is involved in this industry, although I freely admit that certain issues are discussed in this Chamber on which my knowledge is limited. On this issue the Minister and those who advise her and wish to impose these sorts of conditions are heading down a track that will do no good to them or the industry in the long-term. Let us make it very clear: an incoming Government will have no alternative. If it wants to serve the interests of the people of this State, it will have to change the Act and its criteria.

I was with members of the pastoral industry at the weekend and they cannot understand how a so-called intelligent group of people can be so short-sighted, narrow-minded and foolhardy. All sorts of rumours are being circulated about who will be the new Chairman of the Pastoral Board when it is established.

Members interjecting:

Mr GUNN: I do not know. However, I can say that it is causing considerable concern. It has been suggested that one of the people who has had a great deal to do with forming and negotiating this particular legislation will be the new Chairman. That is the sort of story which is being circulated and which is causing concern. I do not know whether the Minister and her advisers are aware that the current indebtedness of the farming industry is about $8 400 million, having increased in the past 20 years by over $6 000 million.

As I interpret these proposals, in the first year of operation, on a property running 8 000 sheep—that is not a very large property—one would pay about $2 800 in rent. That will immediately increase to $6 500. There is $3 700 forthwith, and that is right off the top. I do not know whether anyone has done any calculations on costs and the actual cost per head of stock involved in administering one of these properties. People unfortunate enough to be in the agricultural, pastoral or mining industry know of the attempts made in this State and in this nation to kick them and keep them down. I will speak on another occasion about what has happened in the mining industry in this State and the stupid decisions that have been made.

People have suddenly had a lot of nonsense imposed on them. I refer to the 3 per cent superannuation issue, which did not exist 12 months ago; WorkCover; the occupational health and safety regulations and other changes and conditions. At the end of the day, this country expects these people to pay more than their fair share. I say to the Minister and all of those who are involved with her that they should realise what they have done. I assure the Committee and those responsible that the fight is not over and will not be over for a long time. One can read this piece of legislation and then another, and I wonder whether or not this Government and the people of South Australia want any farmers left at all.

I am having second thoughts about whether I have done the right thing to encourage my family to go to Roseworthy Agricultural College and pursue careers in farming, with a Government as stupid as this one and its Federal colleagues, because people are getting taxed out of existence. I find it hard to understand that this Government and its colleagues elsewhere have no practical understanding of this situation. I suppose the sad situation is that not enough people on the Government benches have ever had to live on what they earn themselves. Only the two lawyers on the other side would have experienced that. At the end of the day, if the rest of the Government members did not perform, they still got paid, unlike those who had to face up each month to the bank manager when they could not meet their commitments or increase their productivity.

The more one increases charges and controls, the more likely it is that people will have to increase productivity to meet ongoing costs. That is a fact; it cannot be denied. The world is a crazy place. In the eastern parts of the world the practice of Government controls, over involvement and central planning is being gradually overturned. However, in this country, we are going backwards: we are putting more controls and impediments on the only people who can really provide the overseas income that this nation requires.

Let us make no mistake: these revisions are the result of deals between the Government and the Australian Democrats. They will have to accept the responsibility for this legislation. An incoming Government will use every facility in its power to rectify the situation, whether it is done administratively, by regulation or by Act of Parliament. Anyone who tries to oppose that action should be very careful, because the Opposition is concerned for all South Australians and we will be looking after the welfare of everyone by amending these provisions and others. I feel strongly about this matter and other matters, because it concerns me that well meaning people obviously do not understand, are misguided or are so hell bent on extracting this money because they want to increase the bureaucracy and make scientific assessments which, at the end of the day, will not earn anything for the people of this State. These measures will impede, control, upset and, in many ways, frustrate people who only want to do what is in the best of interests of all South Australians.

That is on the Government's head and on the head of those advising the Minister. They will have to wear it. I am pleased that I belong to a group in this Parliament who will rectify this situation as a matter of high priority. We can talk all night. It will not alter the result, but we will have a clear conscience when it is all over. This clause is objectionable, contrary to the best interests of the industry and the interests of the citizens of this State. I could quote, *ad infinitum*, figures that would clearly demonstrate my case, but I will not waste the time of the House. I put on record my concerns as I have represented every pastoralist and every person with a pastoral lease in my time in this Parliament. I represent the overwhelming majority of them now and have a responsibility towards them.

I spoke to one pastoralist on Saturday night whose family is one of the earliest pastoral families still on their original station. Their ancestors made some of the most difficult crossings of this nation and they are concerned that their younger family members will not remain there in the next few years. They are the sort of people we want to encourage because the best farmers and pastoralists are the ones who are born and bred on the land.

The Hon. TED CHAPMAN: I recognise that amendments 17 and 18 relate to what was previously clause 20 of the Bill, that amendment No. 18 deals in more detail with the subject of rent as it is proposed to apply to the northern pastoral regions of this State. The most disturbing part of the Bill, in my view, is the formula for charging, which is

really a recipe in the longer term for destruction of our pastoral region. My colleague the member for Eyre knows more about this subject than anyone else in this Parliament.

Briefly, the member for Eyre mentioned the need for primary producers to trade their way out of the debt structure with which they are burdened on their properties. That applies to properties in the inside country as well as to properties in the outer areas. As we are dealing with the outer areas in particular in this Bill, I emphasise that it makes no difference whether one is in the broader regions of the State among the big holdings or in the smaller paddocks and holdings in the inside country where one must take into account the annual costs which are inescapable. Those costs required by law and those required in the ordinary course of property and land management. After meeting those costs people must assess from the balance, if any, whether they can undertake any improvements, maintenance or expansion of their activities.

For some of these people in the pastoral region the funds over and above the cost of operation have traditionally gone back into the lands, by way of fencing, extending their water supply or improving the property structures, and for other purposes involving the engaging of labour and expanding the operation. Careful attention is required and has indeed been given to those lands by those occupiers. This intrusion into their land management by the Government through the introduction of this Bill is treading on very dangerous ground. On the one hand the Labor Government (or certain members and Ministers in it) have been extremely critical—indeed, unmercifully critical—about the way some primary producers have allegedly neglected their land over the years through overgrazing it, overplowing it in the inside country or not having cared for it in relation to water or wind erosion.

I recognise the sensitivity applicable to land management, especially in the dry regions of the State about which we are talking and I appreciate that some members of the Labor Party are concerned about that very factor. It is no good being concerned about it and expressing a desire to overcome those practices resulting in erosion or degradation of the land, or growth on it, at the same time introducing a charging structure as proposed in this Bill which forces property owners and occupiers to so far maximise their stocking of that land that they increase the risk and degradation of the land. I am not referring to risk of that occurring within the ambit of the property occupier's judgment, but I am saying that the judgment can relate only to the season being experienced and as it appears to run out for the forthcoming period.

The judgment of the occupiers of the land is not so good as to enable them to forecast what will happen next year or in subsequent years. They are stuck with stock on the land this year and without in every instance the capacity or ability to unload that stock as things dry out or get worse. They are at the maximum level when in fact in many cases they should not be. Degradation of the flora, saltbush, bluebush or whatever other species stock are feeding on starts to occur, and ultimately there are signs of soil degradation. I do not believe that it is in anyone's interests for the Government to create a position where it can be so criticised.

Our criticisms and those of the member for Eyre are perfectly justified in this instance. The Government has gone into the preparation of a Bill, introduced it into this Parliament, sent it to another place and received it back here while, in the interim, the subject has been before a select committee. However, the Government has been insensitive to the real factors applying out in the field. In fact members opposite are leading themselves and us down a wrong path in regard to the future occupation and conservation of pastoral land.

In my view, other than in the isolated case, long-term occupiers of our pastoral lands in this State are much better managers of that land than are any other persons from any other level of the community, whether they be within or without the Public Service. Those who have grown up and traditionally been a part of that country are the best managers of the land to whom we have access. My experience in this country—albeit extremely limited in the pastoral region of this State—and in other countries of the world of extremely low rainfall, tells me that the expertise of our property occupiers in the drier regions of the State is the most sought after among dry land property occupiers in the world.

While I was Minister of Agriculture a situation was brought to my attention that demonstrated, in glowing terms, that the country which first commenced agriculture in this world was then, and still is, seeking the expertise of our pastoralists and land occupiers in this State, especially those from the very region that is in jeopardy and under inappropriate attack from the Government by virtue of this Bill.

I urge the Minister and her Cabinet—in fact, all members of this Parliament—to heed the pleas of those people who are close to the scene and who have not only a feel for it but also have demonstrated their capacity to perform in and near that region all their lives and, in some cases, their predecessors also demonstrated that capacity. The member for Eyre is the person best qualified to advise what should or should not be done in that country.

Mr D.S. BAKER: I support the comments made by my colleagues on this side. In fact, each in his own way has covered some very good points. The Minister made great play of the fact that in about 1858, I think she said, people said that the pastoral industry would be ruined because there was a revaluation of rents and, just after that, a royal commission was set up. Of course, she claimed that the pastoral industry was not ruined and, on the contrary, it prospered. We have come to realise that this Minister does not tell the whole story, because in 1889-90—

Mr Robertson: She wasn't here then.

Mr D.S. BAKER: No, and she was not here in 1980, either—she was in New South Wales, but we are now dealing with South Australia. In 1889 the pastoral industry had problems and many of the pastoralists walked off their properties because, in previous years, the rents had been set at a level which they could not economically sustain.

The Hon. R.G. Payne: Are you saying that's what is happening now?

Mr D.S. BAKER: I am about to go on and say that. What happened was that many of those pastoralists had to vacate their land because it did not provide an economic return. In fact, it was stated that one could drive from Port Augusta to Kingoonya and not see an inhabited station homestead. After that, a royal commission was established and those rents were greatly altered because they were not set at an accepted economic level. It is very interesting to note that one of those families who had to walk off the land at that time was the predecessor to the man who is most vocal about what is happening today—and I refer to Chip Sawers, whose station was vacated in 1889. It was well into the turn of the century before pastoralists again took up those station properties and started to produce income for this State.

The Minister claimed, as did one of the interjectors from the other side, that pastoral rents set under this Bill will not affect the viability of the pastoralists in preceding years.

That situation is covered in amendment No. 18 and we will deal with it later. One of the lessons we have learned from history rather than from the selective quoting by the Minister is that, once Governments get greedy, the economics of the pastoral industry start to suffer. That is when land degradation occurs. A classic example of land degradation at its worst is on the West Coast of South Australia. That has occurred because the Government of the day—this Government—did not do anything about the drought when it hit the West Coast until the South Australian media brought it to the attention of the public. Interest is being added to interest, so these properties are no longer economically viable. They flogged the guts out of their country to try to survive because they were in an uneconomic situation.

At the end of the day, when the media had highlighted the problem, the Government said, 'We will lend you a little more capital.' The situation has ruined many families. People have had to walk off the land, and more people will do so in the future because of the short-sighted attitude of the Government. This is just another example of what happens in pastoral areas when the Government gets greedy. The only time the land is developed or improved in rural areas is when money is available to perform such undertakings. I can say on behalf of every pastoralist and farmer in this State that they take a great pride in their property and in leaving that property in as good a condition as he possibly can afford so that the next generation may benefit. I have not seen a primary producer in this State who has deliberately let his land run down because, if he does that, his ability to make money is diminished.

The Hon. R.K. Abbott: Farming is my background; I know what you're talking about.

Mr D.S. BAKER: We can see how well the ex-Minister did in his farming days, because he is not in it now. At least those members on this side who have spoken on this legislation have had some success in their business enterprises and in running their farms. Because of that—

Mr Robertson: If it was really good, you'd still be there—you wouldn't be here.

Mr D.S. BAKER: There's the temporary member; he will not even have a job if he loses his seat. At least I can go back to farming. Because we worked hard in the early years, we are able to do these things. The honourable member will be out of a job after the election. The honourable member would not get a job on the land. They do not start at 10 a.m. and finish at 4 p.m. They are there daylight until dark. The honourable member does not know how hard they work.

Members interjecting:

The ACTING CHAIRMAN (Mr De Laine): Order!

Mr D.S. BAKER: Thank you, Mr Acting Chairman, for your assistance. As my colleague said, we should not interfere with the ability of pastoralists to make improvements. We should allow them to continue running livestock on those farms in a manner that will not overtax and overgraze the land. If this rent formula which we are about to discuss continues, whether or not the Minister or the 50 bureaucrats who will run around up there trying to police it like it, an added pressure will be placed on the land. People will be forced to carry their stock longer in the droughts and more damage will be done to the farm. There is no control over that situation—the Minister cannot control it. They will be forced to take the risk that the season might break.

One of the things for which the pastoral industry has been noted is that, as soon as the signs of a drought are evident, if they have the financial ability, they make adjustments. If they are under financial pressure, as is the case on the inside country on the West Coast when for three successive years they have been put under pressure, they continue to run the land in a manner that cannot be sustained, and that is when damage is caused.

I pay tribute to those people and families who have developed the pastoral industry. Members on the other side would not know anything about the privations and the low standard of living that they have had to endure. They would not know what it is like to get home and not have any hot water or electricity. They would not know what it is like not to be able to go to the supermarket and to have to go out and kill an animal so that they can get their next meal. Members opposite do not understand those sorts of things. They have just been here and someone else has paid their way all their lives. They did not go out there and take the risk.

The employment level in the pastoral industry will have to be reduced further as the economic screws are tightened and as the rents are increased. When we deal with amendment No. 18, no doubt the Minister will try to explain how this will not affect pastoralists. Let me tell members opposite what is happening in the pastoral industry at present. Let me give them an example which they can understand. Last year, on an average pastoral property the crutchings from the sheep (and this involves cleaning up the sheep in order to prevent flystrike) paid for the total labour of doing the job.

That is an assumption in the pastoral industry as to how it should be. However, in 1989 the crutchings paid for only half the labour, so already the boom is over. Members will note that the rents were set when the pastoral industry was experiencing two very rare good years in respect of wool and cattle prices, and when the seasons were above average. Of course, what is not taken into consideration is what will happen in the hard times.

I sympathise with the pastoral industry. I urge it to fight with whatever means it has to destroy this quite draconian Bill, especially on the rent issue. History will show that this Minister presided over the death knell for many smaller pastoralists, because they will have to leave their properties. Because the Minister will not listen to people who are experienced and because she seems hell-bent on breaking small pastoralists, I hope that in years to come she will have them on her conscience.

Mr BLACKER: I, too, express my concern about this Bill. This is a resource tax Bill, and it is a new form of taxation which, if it is set in place, will affect other sections of the industry: that is what worries me, because not only do we have that but also we have the other aspect of the industry's ability to be able to handle it.

This legislation was drafted when wool and sheep prices were high, only a matter of months ago. Since then there has been a reduction of between 25 and 30 per cent in those prices. I am concerned because the Bill contains no flexibility. Station-owners and Government instrumentalities have cooperated in looking after their personnel—those people who travel through the pastoral country. There has been a rapport between station-owners and Government employees. Station-owners will take in employees and provide them with shelter or whatever.

When this legislation is passed that rapport will go. We are talking about 80c a sheep, and many people cannot make the grade. That 80 per cent is the only margin left for them. It is difficult to be specific because every person's case differs but to that end the principle is wrong. If the pastoral industry becomes uneconomic, there will be greater demand on the area and soil degradation will occur, but then other aspects of this Bill will come into effect. Effectively, we are pushing people off the land. Station-owners

who have been traditionally able to survive in those areas will find themselves totally uneconomic and they will not be able to continue.

I repeat that it is a resource tax, the very principle of which I believe is wrong. Why do we not put a resource tax on the wage-earner or any other section of industry in the same manner? Obviously, it is impractical to do that, but now that this principle of a resource tax is established, the next development will be 80c a sheep on the inside country and the other type of taxation will occur. I admit there was some of that principle involved in fishery licensing. I opposed it at that time, but the fishing industry accepted it as a principle—as a percentage of their catch—and that, in itself, is wrong.

In this case the principle is wrong, and I can only express my opposition to it as strongly as I can. I share the sentiments that have been expressed by a number of my colleagues on this side of the House, and they in their turn have referred to various aspects of the Bill. I oppose the proposed measures.

The Hon. S.M. LENEHAN: The debate has been very wide ranging and has covered amendment No. 18, although at this stage I will not refer to everything I was going to say about amendment No. 18. I find some of the comments I have heard quite remarkable, and at times I have wondered whether we are all talking about the same piece of legislation. Members opposite have raised a number of fallacies, and one of those relates to the fact that we are not talking about fixed rentals. One would think that members opposite would be capable of reading the schedule of amendments from the Upper House. Although it was some time ago, I clearly outlined in my second reading speech to the House the bases upon which rentals would be set. I will go over that once more.

Rentals will rise and fall on the basis of productivity. I am disappointed in the member for Eyre. I agree with some of the things that have been said about him tonight, and I think he is normally a very sensible person. He understands the pastoral industry. However, for him to get up and say that rentals will not be related to productivity is nothing short of astonishing. Rentals will rise and fall on the basis of productivity. This productivity will take account of movements in the market and the average long-term stocking rates. I have to question whether the Opposition listened to the second reading explanation, which outlined the whole basis of the setting of rents. I shall go through those when we deal with amendment No. 18. I am also disappointed that the member for Flinders has deliberately tried to create some kind of tensions between Government officials and the pastoralists. I think it is very sad that he is deliberately trying to do that. It is nothing more than making mischief.

I explained to the Committee before the dinner break that there was an increase in rentals in 1960. It is interesting that the member for Victoria conveniently chose to ignore the 1960 increase—and that was because it was a Liberal Government that increased rentals at that time by 500 per cent. The pastoral industry did not fall down in a hole; it did not come to an end. In the 1960s it prospered. A 500 per cent increase is fairly significant. Members opposite either do not know (and that is a charitable interpretation) or do not want the people of South Australia to know that in 1989, of the total pastoral lease areas, over 50 per cent are leased by non-residential pastoralists. Over half of those in the industry do not live and work their own leases. Details of this are clearly shown on a shaded map that I have here in front of me—and I will be happy to show it to members opposite.

Mr D.S. Baker interjecting:

The Hon. S.M. LENEHAN: That is a load of nonsense. The honourable member should talk to some of his colleagues in the business area and in small business. Those industries and businesses where people can afford not to actually work are those that are thriving and very prosperous. I am very happy to talk about the pastoralists out in the pastoral country, but it must be borne in mind that we are talking about 50 per cent of the leases. The properties of the six largest family holdings of pastoral leases in fact occupy one-third of the total area of pastoral leases. In talking about the pastoral industry, I suggest that members opposite have the integrity and honesty to talk about the situation in total and not selectively pluck wonderful statements out of the air and say things like, 'This will be the end of the pastoral industry as we know it.' This will not be the end of the pastoral industry, as I will explain when we consider amendment No. 18.

Mr MEIER: I am disappointed with the Minister's response to the Opposition's contribution in relation to amendment No. 17. I fully support the remarks made by members on this side of the House. It is clear to me that the Minister is taking the condescending attitude of 'You poor members of the Opposition; you do not know what is going on.' However, it was the Opposition which sought to have a select committee in the first instance, and it is the result of that select committee's deliberations that we have these amendments before us. Amendment No. 18 deals with a matter that the Opposition pursued in the first instance. The same kind of condescending attitude was shown in the debate in the House some months ago. The Minister now acknowledges that the changes to the legislation are for the better. However, when it suits her and when she does not want to accept the Opposition's line, she is quite happy to take the opposite view. However, this relates to something that is too serious for anyone simply to stand one's ground and say, 'I will not give in.' The reality is that this measure will have an effect on the pastoral areas.

The Minister said earlier that, under a Liberal Government in the 1960s or thereabouts, a rent increase of some 500 per cent occurred. I questioned the Minister, through an interjection, as to what the specific figures were. She indicated that the rental paid was .06 kg of wool per head of sheep. I believe that that went up by 500 per cent. I do not know whether the Minister had the exact figures in percentage terms per kilogram of wool, but the Minister indicated that .06 kg equates to about what the rental is today. If that is true, it means that the increase should not have occurred and that since that time the rent level has come back to a more realistic figure. The Government at that time was obviously unwise in bringing in that increase. There are other comments I want to make about amendment No. 18 and so I will do that when that amendment is before the Committee. I am disappointed that the Minister does not want to acknowledge that the rent increases will cause a lot of harm to the pastoral industry.

Mr D.S. BAKER: I think the Minister is being very antagonistic when she attacks the larger leaseholders in this State. The larger leaseholders, who employ a lot of labour, probably have the ability to withstand this slug. They will simply put off some labour, and stop improving their properties and allow them to gradually run down. However, they will find ways of absorbing the increase within the system wherever possible by putting people off and by not doing the improvements. However, the smaller people, whom the Minister claims to represent—and there are many of those in relation to the 350 leases, who have between 3 000 and 8 000 sheep—those people who live on these lands and

have members of their families working for nothing to keep the thing going, will be the people affected.

The economics of the situation are such that these people are the ones who will be forced off. They will find that they can no longer sustain their properties. They will have to try to find jobs elsewhere. It will force many of these lessees into the larger areas and to the owners of the larger lease holdings. With her ideology the Minister is trying to get at the big fellows, but she will not do it through this rent structure. It will simply mean that it will be the small battler who gets hurt, the person out there trying to provide his family with a living, trying to educate his family and trying to produce something for the people of this State.

They are just the people who will get it in the neck. I ask the Minister to explain amendment No. 17, which states:

... be payable annually in arrears, but cannot, in respect of any year, exceed ... the fixed maximum rent for that year.

I find that most difficult to understand but, with the Minister's new found knowledge on economics and financial affairs, no doubt she can explain that to me in the sort of English that even I can understand.

The Hon. S.M. LENEHAN: The two lines are self-explanatory, Mr Chairman. If the honourable member cannot understand it, I am sorry. I am not here as a remedial teacher.

The Committee divided on the motion:

Ayes (23)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Blevins, Crafter, and Duigan, Ms Gayler, Messrs Gregory, Groome, Hamilton, Hemmings, Hopgood, and Klunder, Ms Lenehan (teller), Messrs McRae, Mayes, Payne, Peterson, Rann, Robertson, Slater, Trainer and Tyler.

Noes (15)—Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker, Becker and Blacker, Ms Cashmore, Messrs Chapman, S.G. Evans, Goldsworthy, Gunn, Ingerson, Meier (teller), Oswald and Wotton.

Pairs—Ayes—Messrs Bannon, Ferguson and Plunkett. Noes—Messrs Eastick, Lewis and Olsen.

Majority of 8 for the Ayes.

Motion thus carried.

Amendment No. 18:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 18 be agreed to.

Mr MEIER: This is the crux of clause 20. We have had considerable debate leading into this amendment and it is disheartening to see the figures put forward on rentals for the pastoral areas. Rents will vary from 35c to 80c per head of sheep, and will reach a maximum of $2.40 per head of cattle. I was absolutely amazed to hear what the Minister had to say (and I know that she will comment further on this matter), but this amendment quite clearly states:

For the second year or each succeeding year—the maximum rent for the year immediately preceding it increased by the sum of—

The Consumer Price Index (all groups indexed for Adelaide) as at 30 June in that preceding year.

Unless the Minister wishes to reinterpret that, on my understanding there is every possibility that the CPI will be taken as the factor by which the rent will be increased in the year thereafter, plus 10 per cent of the maximum rent for the preceding year. I will be very interested to hear the explanation. We heard the Minister say that rents would not necessarily reflect the rent in previous years but would be reassessed every year in the way that truly reflected the actual land rental values. For the life of me I cannot see how that will possibly occur: I can only see rents increasing. It is of even greater concern to the pastoralists that it is simply left in the hands of the Valuer-General.

Members interjecting:

The ACTING CHAIRMAN (Mr Tyler): Order! There is too much audible noise in the Chamber. The honourable member for Goyder.

Mr MEIER: It is a pity that Government members are not treating this more seriously. If they realised the economic effects this will have on the State's pastoral industry, they might show a bit of respect to you, Mr Acting Chairman, to the Parliament and to the pastoralists of this State. It is a clear indication of the way they feel towards the State's pastoralists.

In another place, the Opposition saw fit to introduce its own amendments. I fully appreciate that we are only able to consider the amendments handed down to us because we have previously debated this matter. The Opposition's amendments in another place at least reflected some reality and referred to rents of between 5c and 50c for each head of sheep compared to the 80c that the Government is putting to us. Likewise, they referred to rents of between 20c and $2 for each head of beef cattle, compared to the Minister's proposition of $2.40 per head of cattle. One can see how the Government is determined to make this a revenue exercise, ripping off the pastoralists and making sure that the maximum sum is extracted from them.

A submission from the UF&S indicated that the current amount of money the Government receives in rent payments from the 350 leases is about $700 000. However, if the rent was to increase to $2.40 per head, that annual payment would approximate $6 million per year, an increase of $5.3 million. We know how the Labor Government loves to spend taxpayers' money, and we have seen it at both the State and Federal levels. It is spending as though money is going out of fashion.

People must be asking where the money is coming from. Of course, the so-called generous Premier and the generous Prime Minister say that they can afford to spend it. It is the people who are being ripped off—in this case, it is the pastoralists who are about to be ripped off much more. Members of the Government laugh. Let them keep laughing; they will be thrown out of office soon. I know that average working people in this State are sick and tired of having money taken from their hip pockets, and that is why the Government will lose votes.

I wish to reinforce the remarks made by my colleague the member for Victoria when he indicated that it would be the smaller pastoralists who would be hurt by this legislation. He is quite right. Undoubtedly, the larger pastoralists will weather the storm, just as large industries weather massive tax increases. We have seen record bankruptcies in the past year or two, and it is small businesses that will be most affected, together with the small pastoralists, who will disappear one by one. If the Government wants to promote larger pastoral holdings, with just a few people controlling the lot, it is going in the right direction.

The Government does not consider the costs associated with being in a pastoral area. Those costs came home to me very clearly during my visit to the pastoral areas a month or two ago. Perhaps the most obvious indication was simply driving along some of the atrocious roads. I thought we had bad enough roads in Goyder but the roads in pastoral areas make Goyder roads look quite respectable. The use of conventional vehicles is just not on. The pastoralists cannot consider buying a conventional vehicle for $20 000 to $25 000, but have to buy a four-wheel drive vehicle.

I asked the price and they said it was about $52 000 for a petrol powered vehicle and about $64 000 for diesel powered. In other words, the cost for one vehicle is more than

doubled, before the pastoralist considers buying anything else. On the property I visited, three motor bikes are used on a regular basis. They had just been replaced and the pastoralist concerned said he hoped he could afford to replace them every 12 months, because after being used for that period in the harsh terrain they virtually have had it.

The cost of groceries averaged an extra 30 per cent for each item. Members can imagine how that adds up over time; in some cases, when items have to be transported separately by bus, costs are astronomical. Petrol costs about 70 cents a litre, compared with the 55 cents we currently pay in the metropolitan area, so that is an extra 15 cents for fuel. The member for Victoria referred to the fact that, as electricity is not laid on, electric generating plants would have to be installed in most situations. It costs in the vicinity of $10 000 just to set up a generating plant, and its life expectancy would be three to five years, but probably no more than 10.

The cost of generating electricity is about $1 an hour so, if the generator operates 15 hours a day—and that seems to be about the minimum—that works out at $105 a week for electricity, or about $5 500 a year. I do not know what members' electricity bills are, but I know that mine would certainly get nowhere near $5 000 or even $1 000. That is a factor of five for electricity.

All these costs add to the pastoralists' normal living costs. It costs to provide water, and we all appreciate that water is one of the key factors in maintaining stock. I saw an instance where one bore had been set up within the past few years and its cost, together with the cost of the polypipe used, worked out at about $50 000.

If my memory serves me correctly, there are five bores on this particular property, and the pastoralist himself must carry this cost. We heard the Minister say that many pastoralists are not living on their properties—they are living in the cities. As the member for Victoria interjected at the time, a lot of them live in the cities because they have children who have to be educated. For those—

Mr Robertson interjecting:

Mr MEIER: That sort of interjection shows the way members feel about pastoralists. 'What about those poor buggers still out there?' Those were his exact words. I think you should withdraw them. You have no respect for the pastoralists at all. It is disgraceful.

The ACTING CHAIRMAN: Order! I remind the member for Bright that interjections are out of order, and I remind the member for Goyder that he must direct his comments through the Chair.

Mr MEIER: I will endeavour to do that, Mr Acting Chairman. However, I do not appreciate—

Members interjecting:

The ACTING CHAIRMAN: The member for Mount Gambier is also out of order.

Mr MEIER: I do not appreciate the insulting remarks made about pastoralists which show exactly what the Government thinks of them. As I was saying, the pastoralists who do not live in the city, but who wish to send their children to school in the city and still live on their stations, incur costs of approximately $10 000. I was speaking to another parent—not from the pastoral areas but from another region—who indicated that it was costing him $12 000 per year to send his child to a private school. That is another enormous expense. However, what if these people do not send their children to school in the city? What if the children use correspondence facilities? In the one example that I investigated, correspondence education was costing one family with two children $8 000 per annum plus the associated cost of equipment and buildings, and that included a governess to oversee the children's education. She was not receiving a great deal of money; obviously, she was doing it partly for the love of it.

The Hon. Ted Chapman interjecting:

Mr MEIER: They share the comforts of the station—the electricity for 15 hours a day; the bore water, which I found—

Members interjecting:

The ACTING CHAIRMAN: Order! The member for Goyder will resume his seat. I remind the member for Bright and the member for Victoria that interjections are out of order and that we are listening to the contribution of the member for Goyder, who deserves a fair go. The honourable member for Goyder.

Mr MEIER: I did happen to hear an interjection that the governess was not receiving award wages. I believe that that person was employed through the association that supplies governesses, and I assume that the appropriate award wage was being paid. It is that sort of comment which demonstrates the attitude and concern of Government members.

The Hon. Ted Chapman interjecting:

Mr MEIER: As the member for Alexandra has just said, 'and to enjoy the home comforts'. Yes, bore water is one of the home comforts that turns one's hair to straw. From time to time I admire the Minister's hairdo. I compliment her on that, but I suggest that if she lived in the pastoral lands she could forget about having a different hairdo each day because the water in those areas would not allow her the freedom she enjoys in the city. Those are the sorts of hardships that one must deal with when one lives in that type of area. One must deal with these problems year after year. I feel sorry for the Minister. I believe she did visit the area. However, she flew in, she did not drive there or live there for a period and obviously did not appreciate what the people must go through and the costs involved.

An honourable member interjecting:

Mr MEIER: It is not silly nonsense; it is the truth. People have to put up with things that you and I do not have to put up with day after day, month after month, year after year. They enjoy the lifestyle: I admit that, but they also have to make a living. Your silly stupid Bill will make sure that many of them do not make a proper living.

The ACTING CHAIRMAN: Order! I ask the member for Goyder to direct his remarks through the Chair.

Mr MEIER: I think I have highlighted many of the excessive expenses that occur in pastoral areas. Certainly I could go into many other details. However, I hope this brings home to the Minister that she is going down the wrong track when she advocates a 100 per cent rent increase—an increase that will cause hardship to many of the pastoralists, particularly the smaller pastoralist.

I have not alluded to the most obvious point (and the Minister emphasised this in earlier times) that the Bill is equally designed to be a land care Bill—a conservation Bill. The Opposition fully acknowledges and supports that measure. Surely the Minister would appreciate that, if one wanted to get land care under way and encourage conservation, it would be more appropriate to give incentives to the people using the land—the landowner. What sort of incentive is there when money is taken away, not given? In fact, the argument is much stronger for a continuous lease rather than involving payment of any lease or rent at all.

The Hon. S.M. Lenehan interjecting:

Mr MEIER: I am suggesting that that would be a strong argument. I think it would be a real incentive for the pastoralist not to pay any rent for the land. Of course, the pastoralist would have to buy the rights to the lease in the

first place and pay a yearly rental, but the Government could well—

The Hon. S.M. Lenehan interjecting:

Mr MEIER: Continuous lease means that the Government still has control. If the land is abused the Government can terminate the lease if that is written into the legislation. The Minister knows that and she is trying simply to hedge around it. The Minister would know that the Western Australian Government was thinking along those lines. So the Government does not have to put that to one side: it is a very realistic option. Of course, the Government would not regard it as an option because it does not want to miss out on the $5.3 million, or much more, in the future. The important thing should be—

The Hon. S.M. Lenehan interjecting:

Mr MEIER: You will have your turn, Madam Minister. The important issue is that every consideration be given to conservation—to helping the pastoralists conserve their land. It will cost them money to do that. Pastoralists will have to spend more money on their land. They will have to use their time. If they are fortunate enough to employ, they will have to use their employees to help with conservation projects. If there is less money to operate the lease, the pastoralist will be less interested in conservation. At the same time, if pastoralists are forced to get money from other sources, they will be tempted to stock more than they are currently stocking.

The Hon. S.M. Lenehan interjecting:

Mr MEIER: Why not? If one is allowed to stock, say, 8 000 head, and the pastoralist says 'No, I'm quite happy with 6 000 head because I think the land will handle that much better' the temptation will be to put it up to nearer the maximum—8 000. Why should there not be an incentive to keep it well below the maximum stocking level? This amendment has many problems and is causing concern. It grieves me that it is in this Bill and that we must debate it now.

Mr D.S. BAKER: I think that it is time we got down to discussing the specifics of this clause.

Members interjecting:

Mr D.S. BAKER: Do you have control of this rabble?

The ACTING CHAIRMAN (Mr De Laine): I ask the honourable member to direct his remarks through the Chair and I ask the Minister to keep her remarks until her reply.

Mr D.S. BAKER: I would like the Minister to explain new subclause (4) *(b)*. If the rent is set at 80 cents per head for sheep in year one and there are no variables because everything else remains constant, in my figuring, if you allow the consumer price index to go on first before the 10 per cent from the preceding year, after six years the rent per head for sheep will be $2.05. Is that figure correct? What will happen if everything is constant and what will happen each year for five years?

The Hon. S.M. LENEHAN: I will begin by answering some of the wild assertions from the member for Goyder. I will go over the ground I have already discussed in this Parliament on a previous occasion. We are not talking about fixed rentals; we are talking about rentals that will rise and fall based on the productivity of each of the leases. I will not insult Opposition members, who purport to be the champions of big and small business, by explaining what it means in terms of productivity, because I assume they know that. The productivity will take into account movements in the market. It is clearly listed in the amendments.

Mr D.S. Baker interjecting:

The Hon. S.M. LENEHAN: You are not the only member in this place. The member for Goyder was on his feet for some time.

The Hon. Ted Chapman: He did not ask questions—he only made statements of fact.

The Hon. S.M. LENEHAN: I will not put down the member for Goyder in the same way that the member for Alexandra has—the Opposition will have to deal with that. The formula that the member for—

Mr D.S. Baker: Victoria—write it down on your piece of paper.

The Hon. S.M. LENEHAN: I keep forgetting where he comes from, he is so insignificant. The formula outlines the way in which rents will move towards market rents. Market rents are based on fair market rents and are determined by the Valuer-General in terms of all factors that must be taken into account, and are clearly delineated in this clause. I would like the member for Victoria to listen to this point: it cannot be assumed that the market rent will always be higher than this formula. If the market rent is less than the formula, the market rent will be the figure that applies. The member for Victoria has done some figures, but he does not know what will be the future CPI figures any more than I do. He is assuming a certain CPI and saying—

Mr D.S. Baker interjecting:

The Hon. S.M. LENEHAN: You do not know that the CPI will be the same for the next six years.

Mr Becker interjecting:

The Hon. S.M. LENEHAN: What would you know? The member for Hanson, who would not know what day it is, rushes around the State insulting everybody with his usual standover, bully-boy tactics, which make no impression upon me. I will go over it again. As a protection for the lessees, the market rent will be determined each year and the leases will be advised. If the market rent is lower than the formula, the market rent will apply. I would like the Opposition to note that rentals are determined in arrears—not in advance—and will always relate to past productivity and not to predictions of what will happen. That is incredibly clear, it could not be clearer. The rentals will be based on productivity. I refer members to amendment No. 18 (4), which provides:

> In making a determination of rent in respect of a pastoral lease for a particular year, the Valuer-General—

not 'should take into account' but 'must not take into account'—

> *(a)* must not take into account the value of improvements that do not belong to the Crown; and
> *(b)* must have regard to—
> (i) the capacity of the land to carry stock;
> (ii) the numbers of stock actually carried on the land during the previous year;
> (iii) the proximity and accessibility of markets and facilities affecting the profitability of the commercial enterprise under the lease; and
> (iv) any other factors that affect the determination of a fair market rental for the land.

What could be fairer and what do the people of South Australia expect? They expect that the people who have access to the most fragile and arid part of this State should pay fair market rentals, taking into account all those factors.

It is absolute nonsense to talk about driving off pastoralists from their land when we clearly spell out in the legislation that that cannot and will not happen. Nobody in the State wants to see that happen. To insult pastoralists and say that under these provisions they will madly rush out and restock displays an ignorance of the proposed legislation. Under the current legislation no incentive exists to destock—quite the opposite. In fact, the more stock pastoralists have, the less rent they pay. Under these provisions there is the incentive to carry the number of stock that is appropriate for the lease, and pastoralists will not be pen-

alised for reducing the number of stock. He or she will be rewarded because they will pay less rent.

Mr D.S. Baker interjecting:

The Hon. S.M. LENEHAN: Of course it is taken on an average of the stock and no-one suggests that it should not be. I cannot believe that members of the Opposition, who purport to be intelligent people, cannot read and understand this provision. We went through all of this when we had the Bill before us earlier. I explained the fundamental philosophical principle upon which fair markets would be based. We now have an amendment from the Upper House talking about a transition. It gives us a formula. It is not set in concrete. The formula will operate only if the rent at the time is less than a fair market rent. If it is more than what would be determined by the formula, the fair market rent will apply. What could be fairer than that?

Mr Becker: Leave them alone.

The Hon. S.M. LENEHAN: That is an interesting point. I want to look at the whole question. We have talked tonight about the fundamental philosophical principle of the Bill. Members on this side are quite unashamedly proud to say that this Bill is about conserving our range lands, about conserving the most fragile arid areas of this State. No member in this place would deny for a moment that some of the pastoral lands are suffering degradation. Pastoralists themselves acknowledge that and understand that practices in the past have resulted in degradation. It is my understanding that the vast majority of pastoralists who live and work in the pastoral lands welcome this Bill and welcome the provisions of assessment as well as the opportunity to have access to information about the current state of their pastoral lease and the opportunity to work with range land assessors in determining management plans for improving the productivity of their leases whilst at the same time preserving that resource not only for themselves and their families but also for future generations of South Australians.

I make no apology for what is contained in this Bill. I have bent over backwards to ensure that pastoralists were given every consideration. Pastoralists who are prepared to be fair and reasonable will acknowledge that. We have increased the size of the Pastoral Board and have accepted that we will move to automatic conversion of leases once the Bill is proclaimed. We have moved to a whole range of other recommendations which pastoralists made to me and members of my staff. It is absolutely mischievous and dishonest to talk about driving people from their leases and their land. Everyone in this Chamber knows in their heart that that is not the intention of this Bill, nor will it be a consequence of this Bill.

I predict that in five years I will stand here and take up the member for Victoria's assertion that we will drive them off the land and that I will have presided over the end of the pastoral industry. I will remind the member for Victoria—because he will probably be here (he is in a safe seat) and I will also be here—that this is probably the most significant legislation in terms of conservation and the environment that will ever pass this Parliament.

The Hon. TED CHAPMAN: The Minister said that she has bent over backwards for the purpose of explaining certain matters to the member for Victoria and others. I do not want her to bend over backwards for me; I just want her to understand that members on this side, and the member for Victoria in particular, simply want an answer to a very fair question. The Minister mentioned fundamental philosophical principles. The member for Victoria spoke about a matter of fact on the ground. All he wants to know is: if a rental, commencing at 80c per head, is calculated in accordance with the Minister's formula, and if there are no weather variables and there is a consistent CPI of seven per cent per annum, at the end of the fifth year and the beginning of the sixth year term of rental is the rental per head then $2.05? If it is not, where have we erred in our calculations?

It is a fair question, bearing in mind that I do not believe that in either the other place or this place has the Minister at any stage provided an example of what can occur in relation to rentals, given certain features of the formula. No one on this side wants to complicate the issue—I certainly do not. I want the debate to be completed, but I think that, before we do that, the Minister should clarify the position and refer to the example given by the member for Victoria. She should explain whether or not the example cited by the member for Victoria is correct and, if not, where has he gone wrong in his calculation?

If we commence with 80c and disregard any weather variables and if we use a regular CPI, albeit calculated on the previous year's productivity, and if those factors do not vary for a full five-year period going into the sixth year, will the original 80c rental become $2.05 per head of sheep and, if that is not the correct figure, what is? The people in the rural communities want to know the fundamental philosophical principle in real terms. They want to know in dollars and cents what the new system will cost them. Tonight, on their behalf, the member for Victoria has cited that simple example. If his calculation is wrong, given the expertise and the ministerial advice available to the Minister, and given her own commonsense (and she does have some of that), I think it is fair that she provides an answer. We really do not have to enter a philosophical debate. We do not have to be idealists as were the Democrats in relation to this matter. We simply want to know whether that calculation as I have outlined is correct.

The Hon. S.M. LENEHAN: This is the last time I will answer this question. The rentals will be based on past productivity. How could any member of this Committee say what the wool prices will be in five years? There could be a major drought during that time; there could be an enormous number of mitigating factors if we have five seasons like we have had during the past year. How could anyone say with certainty that in five years the rent will be $2.05 a sheep when it is clearly written down in this legislation that rents will be tied to past productivity of the year before. I will not hypothesise, because the question is an absolute nonsense. Nobody in any business can say, 'In 10 years I will pay $x or $y rent on my delicatessen, my business or my shop.'

The Hon. Ted Chapman: They sign contracts.

The Hon. S.M. LENEHAN: Yes, they might sign contracts. We have offered the pastoralists an even better system that is tied to their productivity. I will try to explain that in simple language. The productivity will be measured from the year before. If the pastoralists have not earned a certain amount and cannot afford to pay the rent, they will not be charged the rent.

Mr D.S. Baker: What is that amount?

The Hon. S.M. LENEHAN: They will not be charged that amount. It is tied to their productivity. This matter is determined in all the factors that the Valuer-General must take into account under this legislation. If members opposite want to run around this State bandying some figure in order to strike fear and terror in the hearts of the pastoralists, let it be on the heads of members of the Opposition, because I will not be drawn into plucking a figure out of the air that might apply in five years when a whole range of variables that are clearly listed in this Bill must be taken into account.

I refer the member for Alexandra to clause 5 which provides, at the end of the day, the bottom line:

The board may, if it thinks that a case of hardship exists, waive or defer payment of any rent or part of any rent unconditionally or subject to such conditions as the board thinks fit.

There is the answer to the complete misinformation that is peddled around this State about pastoralists being driven from their properties.

Mr BLACKER: This debate is becoming more confusing. The Minister has not answered the question posed in the first instance. I beg the Minister to provide some facts and figures on this issue. The question raised was whether, all other things being equal, with a constant CPI rate of seven per cent over five years, and using the formula as outlined in clause 20, that is carried through and the figure of $2.05 is reached. There does not appear to be any provision to lower the amount unless the CPI decreases also. If that is the only criterion under which the fee can be lowered, we will never get there, because the CPI remains at that high level.

At this stage last year the price indicator was 1 230c per kilo cleaned wool and this year I think it is about 820c, so there has been a one-third drop. Presumably, the figures used in this Bill were those applying when it was drafted last year. Where do we stand now? When the price of wool has decreased by one-third, what is our formula? Does our formula drop by one-third, or what is the situation? I am sure that members would be able to work that out—I hope that the Minister and her advisers can undertake that calculation.

I do not know where we stand. So far every other indicator is that the price in six years will be $2 or thereabouts. There is no other indication of how the price can drop, even though the cost of production of wool and the gross return has dropped by one-third in the past 12 months. How will that affect this formula? In my view, it is not set down clearly enough so that any pastoralist can pick up the Act and make a reasonable assessment of what he will be up for in that year or the year after.

The Hon. Ted Chapman: This year there were three kilos more than last year, and the price will be one-third less.

Mr BLACKER: It is the intangibles. I can understand the Minister's saying that she cannot predict the cost of the CPI for each year over the next five years. If that is to be the criterion, I believe that the pastoralists will wear it, whether it increases or reduces. That is not the problem: the problem is due to the built in escalation provision. All other things being equal, six years down the track the price will be $2.05 per head rather than 80c per head. The question we are asking is: how can that be arrived at? According to this amendment, the Valuer-General must not take into account 'the value of improvements that do not belong to the Crown'. That is understandable, but he must have regard to the other factors. Therefore the Valuer-General must make an assessment of each block every year.

The Hon. S.M. LENEHAN: I will go over this again. We are talking not about fixed rentals. Members of the Opposition seem to have a fixation about fixed rentals. We are talking about moving to fair market rentals. For example, if the bottom was to fall out of the wool industry we would not be locked into a price of 80c, plus CPI, plus 10 per cent, because the Valuer-General will have ascertained that the rent payable for the past year is less than that. We are talking about a maximum fixed rent which is a starting point. I have explained on three occasions that the rent might be less than that, because if the fair market rent is less than 80c, plus 10 per cent, plus the CPI, the fair market rent applies. This is a transition formula to be used as a guideline only to give the Valuer-General some indication of how he could arrive at a fair market rent. What the Opposition will not acknowledge is that the rents could go down from the 80c mentioned.

Mr D.S. Baker: That's the only Government charge that would go down.

The Hon. S.M. LENEHAN: It is not a matter of this Government's deciding. The Valuer-General reports to this Parliament: he does not report to me as the Minister. I am amazed that the member for Victoria does not understand that. He reports to this Parliament, and he will be assessing all the factors involved, and they are clearly listed here. Surely that is clear: one cannot pluck a figure out of the air and say that in five year's time every pastoralist will be paying X or Y dollars.

Mr D.S. Baker: You are making a fool of yourself.

The Hon. S.M. LENEHAN: I am not making a fool of myself.

Mr D.S. Baker: You are making a fool of yourself.

The Hon. S.M. LENEHAN: If you want to get personal and insult people, if that's the way you want to deal with it, I am not going to do that. I am not going to sink to that level.

Mr D.S. Baker interjecting:

The Hon. S.M. LENEHAN: Well, you can walk out of the Chamber. You can spit the dummy, that is your business. I am trying to explain the situation to an honourable member who has asked a genuine question in an open way—he has not been insulting or rude. The aim is not to achieve some fixed rental that does not take into account whether or not the wool industry is doing well, whether there is a drought or a good year, whether a certain property incurs extra transportation cost because of its distance from the market place, or a whole range of other factors. I would have thought that pastoralists would welcome this proposal instead of our setting a fixed rent and saying to the pastoralist, 'Bad luck whether you have a good or bad season or the whole economy falls in a hole, you will pay that rent and that is that.' This Government has actually bent over backwards to be as flexible and as fair as possible.

As I must keep on explaining, we are not talking about a fixed rent. The rent will be tied to the productivity of each individual lease. All the factors will be taken into account and if at the end of the day, there are extenuating circumstances outside any of this—circumstances perhaps involving personal tragedy, or whatever—we have the provisions of clause 5, which provides that the board may take those things into account. I believe that the board most certainly would take them into account. It is in the interests of every South Australian for the pastoralists to be kept in the pastoral areas and to use the pastoral country in a way which is not only productive but which looks after and cares for the land.

No pastoral board would want anyone to have to give up their lease because they could not afford to pay the costs involved. Thinking about this in a commonsense way, everyone would appreciate that in the past the Pastoral Board has not driven people off their lease. The Pastoral Board now has the penalty provision enabling it to cancel a lease. It has never done that. The pastoralists themselves asked me whether they could have some other provisions of a less serious nature than the cancellation of a lease. They recognised that there is a very small minority of pastoralists who are not doing the right thing. Members opposite know pastoralists and they would tell them the same things that they have told me. There is nothing draconian in the legislation that will lead to any of the things that have been claimed. I feel very disappointed that people have chosen to misrepresent the position.

Mr D.S. BAKER: Given that we know what happened in 1988, are we to assume that the fair market rental as determined by the Valuer-General for 1989 is 80c per sheep and $2.40 for cattle?

Mr BLACKER: I thank the Minister for the explanation that she gave. As to those issues concerning a lesser penalty for station owners who have not done the right thing, I accept that. It was a fair and reasonable comment to make. In relation to the rental question, let us assume that the 80c per sheep stands now: in order to achieve a drop in the actual rental figure, when it is already written in the legislation that there is the CPI (which is now 7 per cent) to be considered plus the 10 per cent, in effect, there will have to be a drop of more than 17 per cent before that base figure of 80c is affected.

The Hon. S.M. LENEHAN: Does the honourable member mean that the actual wool markets would have to drop by 17 per cent? It is not based just on that. Other factors are involved. It would, of course, be tied to what was considered to be a fair market rental at the time. But in some ways I guess that is probably a fair assessment. However, it is tied to all those other factors that I have just gone through. We will have to look at those. Of course, it is tied to the stocking levels. That is clearly spelt out in the provision, after the reference to the 10 per cent and the CPI. It is related to the number of stock carried on the land during the preceding year or the average number for the previous 20 years, whichever is the lesser of the two.

Mr BLACKER: Does the cost of money come into the assessment of the profitability of the commercial enterprise? Obviously some people have to borrow more than others. There is the other aspect that a lease could never be used as security in the acquisition of a station property.

The Hon. S.M. LENEHAN: I guess the honourable member is talking about interest rates. Whether interest rates are to be taken into account is a question I will have to refer to the Valuer-General. However, I guess the answer is 'Yes' as to the extent that it impacts on productivity. It is a question for the Valuer-General, who, as the honourable member knows, reports to Parliament. I could clarify that with him.

Mr BLACKER: This relates perhaps to one of the largest variables in the whole exercise. People with funds to acquire a property do not have to borrow and therefore have fewer overhead costs than is the case with a person who has to borrow a large amount.

Mr MEIER: Earlier the Minister said that the Opposition was running around striking fear into the hearts of pastoralists. I want to put the Minister right. It is the pastoralists who have come to the Opposition expressing grave concern about the proposed rent increases. It was the pastoralists who went to the Government when the Bill was being prepared and asked for certain things. The pastoralists sought and encouraged the setting up of a select committee. The Government rejected that and it was only at the eleventh hour in the Upper House that a select committee was established. It was the pastoralists who sought to have many provisions in the Bill changed, and to some extent they have succeeded in having some provisions changed, leading to the amendments that we are now debating. The Minister has done an about-face on many issues. She was arguing against certain measures a few months ago whereas now she is quite happy to accept some of the changes. Let us be quite clear who is concerned about the legislation.

The Minister should be aware, too, that the National Farmers Federation and the Australian Farmers Fighting Fund are very concerned about the matter and, as I said earlier, much will still occur in that respect. The question of the rents is of concern to all of these people. It is quite wrong for the Minister to target only the Opposition with her remarks. That does not achieve anything at all. She should consider the people who will be affected by the legislation.

I have had drawn to my attention the submission made to the select committee by the UF&S. I wish that time permitted me to read extracts from the submission. I will not do that now, but I draw the attention of members to the excellent dissertation on page 24 of the UF&S submission on rents. This certainly alluded to some of the factors mentioned earlier, namely, how the pastoral industry experiences many expenses and also how it is putting a lot into South Australia—the economic benefits. There is the $200 million-plus from the grazing of domestic livestock, and from the creation and maintenance of infrastructure widely used by the general public and the tourism and mining sectors. I think all people going to the North would appreciate the magnificent contribution from the pastoralists. They provide the human barrier that controls the spread of noxious animals and plants and animal and plant diseases.

I commented to one pastoralist who had planted trees around his home a few years ago that they were growing so well. He said, 'Yes, they are, but a lot of time and care has gone into them.' They were on the house property, so they were not affected by rabbits or kangaroos, but he had sprayed them eight times during the previous 12 months to guard against pests—caterpillars, grubs, aphids, and whatever else affects them. He said that it was lucky that they had survived. So, one can appreciate how there is a very different climate and environment in these parts.

There is much argument in the UF&S submission about why consideration should be given to continuous tenure. In fact, the South Australian Centre for Economic Studies produced a myriad of information backing exactly that argument. The Minister said earlier that rents will be paid on pastoral productivity. I want to know whether the Valuer-General will therefore need to have access to last year's figures from the pastoralists—the statements that pastoralists have kept during the previous year?

The Hon. S.M. LENEHAN: The Valuer-General would have to have access to the statutory stocking return. It is important to get on the record that the honourable member has contradicted himself on a number of occasions. First, if I did not care about the pastoralists, I would have been completely intractable with this legislation. I would not have been prepared to listen to what all sides had to say and come up with a sensible and sensitive compromise. I cannot be both a weak and a wishy-washy Minister and intractable. Obviously, I can be only one or the other in the eyes of the Opposition, but I do not believe that I am either of those things. Because I have been prepared to sit down with the conservation movement, the pastoral movement and the pastoralists to try to work out a sensible and sensitive compromise, that is not a sign of weakness or of somehow riding roughshod over pastoralists. If people get into this type of personal abuse, at least they try to be consistent.

The Hon. TED CHAPMAN: I hope that the Minister is not implying that personal abuse generally applies across the Chamber, because there is certainly nothing in the remarks I have made that falls into that category. I am concerned about the way the Government has proceeded with this Bill and several other Bills with respect to land management in this State. What has happened commenced long before the Minister came into this Parliament, it has continued to occur since she became the member for Mawson, and it is still occurring now that she is the Minister. So, she has become a victim of the climate surrounding

major amendments to those Acts purporting to cover agricultural and rural business activities in this State.

What we have seen happen in the pastoral industry this time is similiar to that which happened during the period that the vegetation clearance legislation was being considered in this Parliament. The Government comes up with bright ideas, as it has in this instance, following a long period of generations of occupation of the pastoral areas, and it has sought to get some money out of that region. It has sought to increase the revenue of the State from those pastoralists. It has put up the sham that it is concerned about the degradation of the soils and flora in that pastoral region of South Australia. Whether or not it was fair dinkum about that aspect, it has basically looked at obtaining more revenue from the pastoral region of South Australia, and it has gone to the UF&S in this State and put to it the justification for increasing the rents.

As I understand it, initially its call for UF&S support was outrageous. What happened then, as has happened in so many cases, was that the UF&S, weak-kneed as it has demonstrated it is, jumped into bed with the Government. It did exactly the same when the Liberals were in Government. It fell over itself to get on committees and advisory groups and participate with the Liberal Government in this State from 1979 to 1982. It has done it with the Labor Party just as vigorously, if not more so, and has involved itself in compromise with the Government's ideas about revenue raising, as is the case here. In my view, there is no compromise between right and wrong.

The UF&S in South Australia has not properly and responsibly represented the pastoralists in this State, and the Minister can frown if she likes. In my view, it did not properly represent the primary producers in this State when it set out to discuss with the Government the details that led to our current vegetation clearance legislation and it has not done so on a number of other occasions. I repeat that it has compromised itself and its membership more specifically with the Labor Party than it has with the Liberal Party, but in fact it has not properly represented those it purports to represent.

I have spoken with one or two of its senior representatives, and I am not impressed with their attitude; neither am I impressed with the way it has gone about its business as reported in the recent *Stock Journal* in relation to the next aspect of land management under the soil conservation legislation (a matter that I acknowledge is not presently before members). We have been led into a situation of compromise on behalf of a community that has acted responsibly for generations. I repeat: farmers—agriculturalists and pastoralists—in this country have done a great job for generations, a job they can be proud of. But here we have a Government and a new Minister, albeit doing her best to carry out her portfolio responsibilities, trying to fix up the alleged ills of that region by sponsoring legislation she does not understand, including amendments Nos. 17 and 18, which the Opposition does not support.

Mr MEIER: I fully appreciate that the Minister has compromised and spent a lot of time trying to negotiate with the various parties, but I repeat that so much of this could have been dispensed with if commonsense had prevailed. I restate that when the Bill first came before the House, the Opposition sought to save a lot of time and have it made the subject of a select committee but, before that, the UF&S and others—in particular, the pastoralists—sought a large number of changes and were very upset that the changes did not occur prior to the Bill coming before the Parliament. So, let us get the record straight: it is all very well saying that a lot of time has been spent since then, but if the homework had been done properly and thoroughly in the first instance no time would have been wasted since. I thank the Minister for her earlier answer to my question about whether the Valuer-General would need access to last year's figures. Does the Minister foresee any situation where the Valuer-General might need access to a pastoralist's tax returns?

The Hon. S.M. LENEHAN: At this point, I cannot foresee a situation where the Valuer-General would need access to a pastoralist's tax returns.

The Committee divided on the motion:

Ayes (23)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Blevins, Crafter and Duigan, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood and Klunder, Ms Lenehan (teller), Messrs McRae, Mayes, Payne, Peterson, Rann, Robertson, Slater, Trainer and Tyler.

Noes (15)—Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker, Becker and Blacker, Ms Cashmore, Messrs Chapman, S.G. Evans, Goldsworthy, Gunn, Ingerson, Meier (teller), Oswald and Wotton.

Pairs—Ayes—Messrs Bannon, Ferguson and Plunkett. Noes—Messrs Olsen, Lewis and Eastick.

Majority of eight for the Ayes.

Motion thus carried.

Amendments Nos 19 to 21:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendments Nos 19 to 21 be agreed to.

Motion carried.

Amendment No. 22:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 22 be agreed to.

Mr MEIER (Goyder): It is pleasing to see these compensation provisions which, again, simply add to the Bill. This matter was debated extensively in earlier times, and the compensation provisions protect pastoralists to a large extent.

Motion carried.

Amendments Nos 23 to 29:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendments Nos 23 to 29 be agreed to.

Motion carried.

Amendment No. 30:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 30 be agreed to.

Mr MEIER: I am pleased to see this amendment, but I would like to hear some explanation from the Minister, because it is still a little ambiguous, as the Minister 'may', and that means that the Minister can say 'No'. However, the amendment does cover the possibility of a convoy of army trucks ploughing up a road. Under what circumstances would the Minister contribute, and would it involve total repair, 50 per cent or whatever?

The Hon. S.M. LENEHAN: One of the circumstances that I would envisage—and I do not want to be definitive about this—is where there was an access route leading to an area of major conservation importance or value, or which attracted large numbers of the public to use the access route, for example, Aboriginal rock paintings or where there was a significant geographical or geological formation. In that situation I do not think it would be unreasonable for the Minister—given that the same Minister is responsible for environment, planning, heritage and conservation—to contribute. This does not go as far as saying that the Min-

ister must contribute to the maintenance of all access routes. This is one example where commonsense will probably be used. There would be consultation with the pastoralists and consideration of the individual circumstances of that access route.

I think that the example chosen by the honourable member is not particularly relevant. I am sure that we would all want to ensure that the army was required to pay for any damage it did. It would not be the responsibility of the State Minister of the day to pick up the bill for that type of damage or destruction to an access route. We are talking about access routes that might well have some significance in terms of community usage for a conservation, environmental or particular interest purpose.

Motion carried.

Amendments Nos 31 to 36:

The Hon S.M. LENEHAN: I move:

That the Legislative Council's amendments Nos 31 to 36 be agreed to.

Motion carried.

Amendment No. 37:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendment No. 37 be agreed to.

Mr MEIER: I am pleased to see this provision which does not entitle a person to take water from a domestic rainwater tank. During the previous debate on this issue I was ridiculed—if that is the right term—by the Minister (I think it was) for going so far, and stating that we would have to put this in the legislation. In my visit to the pastoral areas, it was amazing how people brought this matter to my attention. People were very concerned. It is a very difficult situation in pastoral areas. Although this protects the pastoralists, I suggest that there is not one pastoralist who would not give rainwater to people who requested it, but it is a valuable item. At least this gives them the right to say, 'We will run the water for you. We will give you the quantity we can afford to give you.' During five years of drought it would be very easy for a person who is used to running water on a daily basis to come up and say, 'We have a few jerrycans here, we will fill them and a few other containers.' The pastoralist would shake his head and say, 'Oh well, there goes another two weeks supply at the rate we use rainwater.' It is very pleasing to see this amendment.

Motion carried.

Amendments Nos 38 to 41:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's amendments Nos 38 to 41 be agreed to.

Motion carried.

Suggested amendment:

The Hon. S.M. LENEHAN: I move:

That the Legislative Council's suggested amendment be agreed to.

This amendment was suggested by the other place but, because it is a financial measure, it could not be moved in that Chamber. The amendment seeks to set up a pastoral land management fund. I believe this amendment was supported by all Parties in the other place.

Mr MEIER: I concur with the Minister's remarks, but I do have some reservations in respect of proposed new subsection (5). I just hope that we will not see a blow-out in the bureaucracy in this area and that the fund does not get bigger and bigger to employ more and more. As I made very clear in the debate, conservation starts with the pastoralists and, if the pastoralists do not implement the conservation measures, we will not get very far. I recognise the need for this, but I voice those words of caution.

The Hon. S.M. LENEHAN: I concur with the honourable member's sentiments. I do not want to see a blow-out in the number of public servants, because it will reduce the amount of money that is available for the fund. We are not arguing on this point.

Motion carried.

MOTOR VEHICLES ACT AMENDMENT BILL (No. 4)

Adjourned debate on second reading.

(Continued from 16 August. Page 327.)

Mr INGERSON (Bragg): This Bill contains a change to the Motor Vehicles Act to enable third party insurance premiums to be brought into line with existing practices as they relate to the registration of motor vehicles. We strongly support that move and note that it is purely and simply an administrative exercise. We note that the State Government Insurance Commission has no concerns with this change to the general level of insurance premiums it will collect. For that reason we have no problem in supporting the Bill.

I have a couple of questions about shifting to 30 days. First, I refer to what will happen in the case of a rate increase within the 30-day period. Does one pay the registration and third party at the new rate that occurs if it falls after that time? I know that registration is backdated, as is the insurance, but what happens if there is an increase during that period?

The second part of the Bill deals principally with minimum penalties. We are concerned that the change goes too far. We believe that the minimum penalty should apply to the owner. If the owner does not pay his registration and consequently his third party is not paid, the minimum penalties in the Act at the moment should apply. We recognise the comment made by the Minister in the second reading explanation that a second party, an employee, may not know that the registration and insurance has not been paid. We believe that a judge should be given more scope in respect of his decision in that situation. We will be moving an amendment which, in effect, will take up that point, and I ask the Minister to consider it.

I have been given a couple of examples, one being of a bus driver who was picked up for driving an unregistered and uninsured vehicle. He went before the court and received a three month licence suspension. That was unfair because clearly he was not at fault. The owner of the bus said that the employee was not at fault but, because the law as it stands made him responsible, he lost his licence and, consequently, his income for some time.

The other example brought to my attention involved the Motor Registration Division making an error in not sending out a registration renewal form. The person was brought before the court and would have faced a significant penalty but for the fact that the division decided to step in and have the case withdrawn. Both examples show that due to fault other than with the individual concerned the minimum penalty has a significant and dramatic effect. We support the need to change that. The person who owns the vehicle ought to accept the responsibility for registration and, as a consequence, the follow-on insurance cover. In that instance the minimum penalty should apply. We support the Bill with that amendment.

The Hon. FRANK BLEVINS (Minister of Transport): I thank the member for Bragg for his contribution. I give an undertaking to examine the questions he raised. I under-

stand that the member for Bragg was contemplating an amendment; however, time does not permit that in this place. Nevertheless, I assure him that, if it is moved in another place, it will be given serious attention. Further, I will see to it that the Motor Registration Division has discussions with the member for Bragg tomorrow.

I refer to the rate a person would pay after being granted an extended period of grace. I assume that the rate paid when the vehicle is registered or insured would apply. If the person has been unfortunate or silly enough to allow the registration and insurance to lapse, it is unfortunate or, depending on the circumstances, just reward that they do not qualify for the rate applying at the time it should have been registered. I will check that point. I have difficulty in understanding why the Opposition does not support the removal of the minimum penalty for driving an uninsured vehicle. The case is unarguable. I do not like minimum penalties, anyway. In some legislation they are worthwhile and in fact necessary. As a general principle I am not keen on them and I am happy to see them removed and left to the discretion of the court. Circumstances such as those mentioned by the member for Bragg in his contribution require the court to exercise the discretion for which it is well known and is capable.

A further point made by the member for Bragg is that the Motor Registration Division made a mistake and forgot to remind somebody that their registration was due. I have great difficulty with that because the obligation cannot be on the Motor Registration Division to notify people, for a whole range of reasons that I do not intend to go into over the next few minutes. The fact that the Motor Registration Division attempts to notify all drivers when their registration is due is a courtesy, but the obligation is always on the owner of the vehicle to ensure that the vehicle is registered. That obligation cannot be taken away. It may well be that somebody feels aggrieved that they have not had a reminder, but the owner's obligation to register and insure a vehicle cannot be taken away. I will look at the question tomorrow and have somebody contact the member for Bragg. I am sure that prior to the issue getting to the other place we will have an answer to all of the queries raised by the member for Bragg. I thank him and commend the Bill to the House.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Insurance premiums to be paid on applications for registration.'

Mr S.G. EVANS: I do not think that the Minister quite understood the point raised by the member for Bragg about late registration. If one goes over the due date by 14 days (and under this Bill by 30 days) one then has to pay a re-registration fee of $11. If one re-registers within that 30 days, the registration is backdated to the date it would have commenced if the vehicle had been registered on time, which means that it is possible to lose 29 days of registration.

As a result of the recent increase, people were charged the extra $5 in registration fees and lost the registration that was backdated to the original registration date. I want to clarify that point, because I believe that this is where the injustice occurs. It occurs only when the registration fee is increased (as will be the case in the future) in that 30 day period.

Clause passed.

Clause 3—'Duty to insure against third party risks.'

Mr INGERSON: The Minister referred to an administrative error. I do not have time to go into the details of the matter, but it was more than just an error in registration. It involved a change of ownership and some internal errors in the transfer of ownership from one company to another, so it was an administrative error. In that case, because we do not have an administrative appeal system, the person concerned could not appeal. An amendment that will be moved in another place will recognise our disagreement with this clause providing a minimum penalty for the whole lot. We will separate it into ownership and will also propose a clause that will enable the court to consider employees separately from ownership.

Clause passed.

Title passed.

Bill read a third time and passed.

ADJOURNMENT

The Hon. FRANK BLEVINS (Minister of Transport): I move:

That the House do now adjourn.

Mr S.G. EVANS (Davenport): I wish to speak about several matters, the first being the poor quality of water that is delivered to the Hills and other parts of the metropolitan area. In particular I highlight the problem as it relates to the Hills, because people living there are told that there are no plans to provide them with filtered water; in other words, they will be obliged to pay the full tote odds for water and for filtering other people's water but they will never, given present plans, receive good quality water in their area.

People living in the Hills have obligations imposed on them regarding the use of their land so that the quality of the water that is caught in the Hills is as good as possible. Their land is strictly controlled and that is especially so the closer they are to the streams. The water runs off their land and the department gets it for nothing. The Lord pours the water down and the people collect it in a dam, which costs money to build, and the balance of the water is pumped from the Murray River. It is nothing more than scandalous to say that those people do not deserve to receive good quality water.

I realise that, on present voting patterns, those people may never be in a marginal district. However, if Mount Barker develops, that situation might change. I know and all people in the Hills know that, should that district become marginal, they will receive good quality water very quickly, because that is the trend of modern politics. The services provided to people are decided for political reasons. Regardless of how poor, how rich, or how dedicated they are to their State or to their community, if it is not a marginal district, they do not count. For that reason, somebody will have to devise a different means by which to elect members of Parliament, so that the notion of marginal seats is eliminated.

The other matter I wish to raise relates to the Belair Park, the Hawthorndene forest reserve, the multifunction polis (as proposed in the south) and the Craigburn Farm. According to the local people, there is a connection between three of those areas. Last night the Democrats held a public meeting in Blackwood where some questions were asked after the main spokesperson, a lady, raised the matter of foreign investments. It was of great concern to members of the community who attended the meeting that Belair Park Golf Course could be controlled in the future by a Malaysian interest. Concern was also expressed as to the amount and type of foreign investment in our country, in particular, as it relates to real estate involving farmland, the control of long-term leases of public lands for tourist projects, and

the control of abattoirs, shopping centres and areas where our community can be exploited, with the profits going overseas.

People have previously heard me speak on the matter of limited amounts of zoned areas ending up in the hands of the rich. My previous speeches referred only to the fact that these people were rich and not to whether or not they were locals or from overseas. But local people do get upset, and rightly so, I believe, if they suddenly find that the landlords and bosses are people from other parts of the world. Quite often people do not know where the wealth came from or how it is still being acquired.

In recent times, local people have been disturbed when they have seen people inspecting the Hawthorndene reserve. From their appearance, these people appear to come from another land. I believed that that land was to be offered to the Mitcham council because no Government department wanted it, and the balance of land not used for community purposes could be subdivided into approximately 60 home allotments. People in the community are concerned that the Malaysian group that will take over the golf course or others connected with that group—and there is conflict of opinion between the present Minister and the former Minister responsible for that area—might be able to erect on the Hawthorndene forest reserve land accommodation for people associated with the operation. I do not know whether or not that is true. However, the community becomes disturbed when things are done in secrecy and no statements are made. No statement on the Hawthornedene reserve has been made for some time. This is an area of major concern to the local people and, I believe, it is of concern on a broader basis also.

People are now starting to wonder what will happen to Craigburn, because a substantial part of Craigburn on the southern side of the river under the control of the Happy Valley council, has been subdivided. The council did not have much trouble in doing that: it did not receive many protests. There seemed to be full council and Government cooperation.

The Hon. D.J. Hopgood: Can you tell the story? I can.

Mr S.G. EVANS: That is how the people have seen it happen. However, some argument continues in relation to the northern side. A report was to be handed down in June 1988; it was deferred until October, then February and then June—and we still have not seen the confounded thing. People have become suspicious.

Last night at the meeting the Hon. Mr Gilfillan said that he had been contacted by someone from the Noarlunga council who said that land was being acquired compulsorily from farm owners near Willunga. He heard that local people were concerned that the land may be used as part of the multi function polis, with Japanese having the main control. That was said at a public meeting, and when the honourable member was asked whether he would support the establishment of such a city, he did not want to answer: he avoided it. Again, that is cause for concern in the community, because it was said at a public meeting.

I hope the press will pick that up and ask the honourable gentleman what the story is and follow it through, because I have heard of no compulsory acquisition in that area. People at that public meeting were disturbed about those comments. I am concerned about overseas interests taking over too much of our real estate; they could exploit our community through rent and, therefore, push up our cost of living and inflation rate while they can obtain money at lower interest rates in their own land where there is a lower inflation rate. That is my fear. I think this House should know what was said at the meeting. Someone might follow it through and ask why it was said to ascertain where it came from.

Mr HAMILTON (Albert Park): I want to briefly address a couple of issues. First, I hope that the member for Morphett has received his copy of the AIDS task force report. Perhaps the honourable member might like to address at some stage in Parliament the matter of whether in fact the Government has copied the Liberal Party policy. Quite clearly, anyone who reads the report will know that the honourable member talked a lot of nonsense. Next, the member for Davenport talked a lot about marginality, saying that one has to occupy a marginal seat in order to achieve goals for that electorate. I do not accept that. Any member worth his or her salt should have the ability and tenacity to pursue issues and to achieve a satisfactory outcome. I do not think that the honourable member believes what he said, but it makes good reading for his local constituents. I think he is being dishonest in making statements of that nature in this place. One notes that over the 20 years he has been here he has, to his credit, achieved quite a number of things.

Last Friday I received correspondence from a constituent who lives on Delfin Island. He referred to a letter sent to the State Transport Authority in which he asked whether one has to live in a marginal electorate before decent public transport is provided. I do not accept that proposition. I understand what he is saying, and I will elaborate further in a moment. I believe that the Albert Park electorate has been well served over the past 10 years in terms of achievement. Indeed, in terms of public transport, the Government has provided a bus to the Delfin Island area to cater for people living there. If I remember correctly, my constituent wants an STA bus service provided from close to where he lives, straight down West Lakes Boulevard, through the new extension onto what is known as the old Clark Terrace, down to Port Road, right into Port Road and into the city.

Quite properly, my constituent is asking that, as the local member, I raise this issue in Parliament, and I have no difficulty at all in doing that. I have raised this matter before in Parliament: perhaps the outcome is a reflection on me, although I do not believe so. I have raised this matter because I believe, as does my constituent, that it is necessary to have a State Transport Authority bus running directly into the city. Further, I believe that this service could also provide a feeder bus to the Albert Park station, to put down and pick up passengers from there. This would allow people to go into the city or down to Grange by rail. Also, on disembarking at the station people could travel to various parts of the western suburbs. I hope that the Minister will have another look at this matter for me and indeed for my constituent.

A matter that I have pursued now for some nine years, since becoming a member of Parliament, concerns the installation of right-hand turn arrows at the intersection of Port Road, Cheltenham Parade and West Lakes Boulevard. I have made repeated requests in relation to this. The information provided to the Minister by the Highways Department indicates that it is not necessary to have turn right arrows at this intersection because the delays to traffic are not all that bad. I do not know who is kidding whom: my experience, and I would suggest that of thousands of my constituents in that area, has been that there is a need to provide right-hand turn arrows at that intersection. Whilst I am member for the area, I will not rest until this is done. I will pursue the matter constantly until this is achieved.

I suspect that the Government, through the Highways Department, is holding up this work until such time as the

widening of West Lakes Boulevard (formerly Clark Terrace) is completed to the Port Road intersection. While I understand that the Government quite properly has to look at the cost of such a project and coordinate the work involved in widening the remainder of West Lakes Boulevard from Clark Terrace through to Port Road, I believe it is time to install these turn right arrows at the intersection referred to. This view has been supported in correspondence that I have received from the City Engineer of the Corporation of the City of Woodville, Peter Shepherd. He lends support to this project.

I hope that the Minister will have another look at this matter. I have found that the new Minister of Transport has been very receptive to many of the ideas that I have put forward. I implore him to further consider this matter. This work is necessary for the proper coordination of ordinary motor vehicles, and it will also be required when (not if) the STA bus service eventually operates down West Lakes Boulevard, onto Port Road and into the city. At present, in order to get into the city my constituents have to journey from West Lakes, Royal Park, and other areas down towards Henley and Grange and Crittenden Road via various out of the way routes. The proposal is long overdue.

When I was actively promoting and involved in discussions with previous Governments and Ministers to bring to fruition the extension of West Lakes Boulevard from Tapleys Hill Road through to Clark Terrace, I envisaged the need for such a bus service into the city. The need is there, and this will be achieved. The Football Park complex, the utilisation of other sporting venues in the western suburbs, and so on, demand that the STA bus service be provided. As I have indicated, I will not relent until the service is in place. I do not accept that it is not possible. I believe that the demand is there, notwithstanding the education factor in relation to the community using such a service. I ask that the Minister consider the demand for such a service from West Lakes into the city, via that route along Port Road and Clark Terrace. I believe this is very important.

Finally, I ask once again that the Minister consider the planting of trees along the western side of the Grange railway line from Port Road to Trimmer Parade. Trees are planted on the eastern side of this corridor, and over the years my constituents have asked that trees be planted on the western side. If I get the call, during Question Time tomorrow I will ask the Minister to agree to this proposition.

The Hon. P.B. ARNOLD (Chaffey): I draw to the attention of the House the sheer absurdity of the situation existing in South Australia whereby the Sturt Highway, from Adelaide through the Riverland to Sydney, is classified as a major arterial road. The Sturt Highway carries most of the traffic from Perth, through to Adelaide, Sydney and Brisbane, yet it is not classified as a national highway. Since it is not classified as a national highway, the State has to fund that road. A major portion of the traffic on that road is interstate traffic, and that is fundamentally where the Federal Government becomes involved. Under the national highways funding program, the Federal Government accepts the responsibility for the main highways that link our States and the capital cities within those States. I can only reiterate that it is an absolute absurdity for a highway such as the Sturt Highway to be classified as a major arterial road when we know perfectly well that the traffic that that highway carries is essentially interstate traffic and is an essential part of the interstate highway network of Australia.

It is about time that the State Government launched a major campaign, in conjunction with New South Wales, to have the Federal Government upgrade the road in status from a major arterial to a national highway. Until that occurs and it is classified as a national highway, as part of the national highways system, the funding will remain totally inadequate. It is totally unreasonable for South Australia and the taxpayers of South Australia to fund what is a major interstate highway. Much of the traffic that uses that road comprises interstate road transport vehicles shifting materials from Perth to as far as Brisbane. It surprises me that the State Government has not made greater efforts to try to have that highway upgraded to national highway status. In doing so, more of the funding would be provided by the Federal Government, and that is exactly where the responsibility should be.

Tied in with the actual highway funding is the need for bridge replacement and additional bridges that need to be built in South Australia as part of the total highway system. I urge the State Government to take up this issue with its colleagues in an endeavour to have the priority of the Sturt Highway upgraded to national highway status.

The second matter I wish to refer to is in relation to draft regulations, concerning the boating industry, to be made under the Marine Act that have a particular effect on the charter boat industry in South Australia, particularly in relation to bareboat yacht charter. This is a major industry in South Australia and there is a far greater potential industry for bareboat charter. It is a major industry in the eastern States, particularly in Queensland. The conditions in the draft regulations refer to 'partially smooth water operations' in 1.14 as follows:

> ... in relation to the limits of a vessel's area of operations, operations within specified geographical limits in waters designated by the Director as 'partially smooth'.

Paragraph 1.16 states:

> The term 'sheltered waters' means waters which include those designated as 'smooth' and 'partially smooth'.

Paragraph 1.17 states:

> The term 'Smooth Water Operations' means in relation to the limits of a vessel's area of operations, operations within specified geographical limits in waters designated by the Director as 'smooth'.

Under the regulations, the Director has the total say in determining what will be smooth waters, partially smooth waters, and the areas which will be considered beyond partially smooth. The definition laid down by the Director as to where those various conditions will apply has a big bearing on the bareboat charter yacht industry. Under 'Part 2—General Provisions', it states:

2.1 Application
- 2.1.1 These regulations shall apply to a hire and drive (bareboat charter) yachts which are not less than:—
  - 2.1.1.1 6 metres in measured length for smooth water operations.
  - 2.1.1.2 7.5 metres in measured length for partially smooth water operations.
  - 2.1.1.3 10 metres in measured length for operations beyond partially smooth waters.

That means that any yacht of less than 10 metres cannot operate beyond partially smooth waters. To use an arbitrary figure of 10 metres, without any relationship to the design and other criteria of the yacht, is completely misleading because there are numerous examples of yachts of less than 10 metres in length that have far greater seaworthiness than many yachts in excess of 10 metres. That can be shown very clearly by consulting with yacht designers, builders and experienced yachtsmen.

A good example of a yacht of less than 10 metres which has extremely good seaworthiness is the old *Herreshoff 28*. Under these regulations, *Herreshoff 28* would not be allowed to operate in waters considered by the Director to be beyond partially smooth waters. *Herreshoff 28* is quite capable of sailing in any waters around the world. It is recognised

worldwide as being one of the most seaworthy yachts ever constructed but, under the criteria laid down in the draft regulations, that yacht just would not qualify. That is an absurd situation and it appears that the department and Director have not gone into this matter in any real depth with people who have a far greater understanding as far as yacht design is concerned.

There are many recognised yacht designers in the near vicinity within Australia, and possibly Bruce Farr is one of the top yacht designers in the world today. He is a former New Zealander now operating in the United States. His advice and knowledge is readily available and I am quite sure that, with the information that can be provided by many people in the industry in South Australia in respect of boat building, from an experienced yachtsman's point of view and from the point of view of recognised world yacht designers, we could come up with far better criteria than proposed in these regulations. I recognise that at the moment they are only draft regulations and I trust that the Government will reconsider its position in relation to the regulations, go back to the industry and seek more guidance before proceeding with them.

Motion carried.

At 10.25 p.m. the House adjourned until Wednesday 23 August at 2 p.m.

HOUSE OF ASSEMBLY

Tuesday 22 August 1989

QUESTIONS ON NOTICE

TAPLEYS HILL ROAD

12. **Mr BECKER (Hanson)**, on notice, asked the Minister of Transport:

1. Will the Highways Department investigate the desirability of a 'No U Turn' sign in the median strip just before the first opening on Tapleys Hill Road, south of the intersection with Henley Beach Road, Fulham?

2. How many accidents have occurred at this median strip opening on Tapleys Hill Road between Henley Beach Road and the bridge over Outbreak Creek at Fulham in the past two years and how many injuries and deaths resulted?

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

1. The Highways Department has examined the desirability of prohibiting U-turn movements at the opening in the median on Tapleys Hill, opposite Kandy Street. Taking into account reported accident data and traffic management aspects, there is no requirement to prohibit the U-turn movement at this location. The department proposes to install a wider median (with sheltered right turn slots) on Tapleys Hill Road within approximately two years. Such slots will obviate any inconvenience presently experienced by through traffic on Tapleys Hill Road when the U-turn movement is executed.

2. Three reported accidents (property damage only) occurred at this location during 1987 and 1988. During 1987 and 1988, a total of 26 reported accidents occurred, of which four involved personal injury—no fatalities—between Henley Beach Road and Outbreak Creek.

TENANT NEWSLETTER

14. **Mr BECKER (Hanson)**, on notice, asked the Minister of Housing and Construction: When did the first edition of the Tenant Newsletter come out, what was the reason for the timing of the issue and what were the respective costs of producing, printing and mailing?

The Hon. T.H. HEMMINGS: The first edition of the trust's Tenant Newsletter was published on 26 May 1989. Extensive consultation during 1988 in preparation of the trust's corporate strategy identified a need to enhance the trust's level of communication with tenants. The publication date was the earliest which could be achieved after the decision to launch the Tenant Newsletter was taken. Cost of production including editing, layout, design, artwork, photography and typesetting was $700. Cost of printing was $4 875 for 61 000 copies. The newsletter is distributed through regional and district offices of the trust. There is, therefore, no mailing cost.

WEST BEACH TRUST

21. **Mr BECKER (Hanson)**, on notice, asked the Minister of Employment and Further Education representing the Minister of Local Government: Was Mr J. Haslam, former General Manager of West Beach Trust, transferred from the trust to the Minister's Office or the Government Management Board and, if so:

(a) why;

(b) how;

(c) who is paying his salary since the date of transfer and for how long will it be so paid; and

(d) what employment has Mr Haslam been given and is it a permanent position and, if not, why not?

The Hon. M.K. MAYES: Mr J. Haslam, former General Manager, West Beach Trust, left the employment of the West Beach Trust on 21 October 1988 on a permanent transfer to the Department of Local Government. The transfer and any conditions or arrangements made with Mr Haslam are matters held as confidential between the West Beach Trust and Mr Haslam.

WORKCOVER

27. **Mr BECKER (Hanson)**, on notice, asked the Minister of Labour:

1. Does WorkCover engage private investigators to follow and film persons on workers compensation?

2. Is police protection offered to an individual who is being followed by a private investigator and, if not, why not?

The Hon. R.J. GREGORY: The replies are as follows:

1. Yes. In selected cases where there is reason to believe a worker is claiming benefits and there is no legitimate justification or the worker is engaged in a venture to deceive WorkCover.

2. Where WorkCover investigators suspected fraud, the investigation conducted would not require an individual to seek police protection.

WORKCOVER

44. **Mr BECKER (Hanson)**, on notice, asked the Minister of Health:

1. Do WorkCover's clerical and administrative staff make decisions on medical grounds and, if so, why?

2. What qualifications do such staff have to make medical decisions?

The Hon. D.J. HOPGOOD: The replies are as follows:

1. No. WorkCover claims officers determine claims for compensation received from injured workers in accordance with the Workers Rehabilitation and Compensation Act 1986. In making a decision to accept or deny a claim presented by a worker, a claims officer assesses information provided by the worker, the employer and a legally qualified medical practitioner. The claim for compensation is supported by a prescribed medical certificate completed and signed by the treating doctor. If further medical information is required, WorkCover can arrange for the claimant worker to be further medically assessed.

2. Is not applicable.

BIRST

53. **Mr S.J. BAKER (Mitcham)**, on notice, asked the Minister of Labour: Does the Minister support the BIRST (redundancy) scheme?

The Hon. R.J. GREGORY: The South Australian Government supports redundancy schemes that have been ratified by State or Federal Industrial Commission. The BIRST

(redundancy) scheme has not yet been ratified but will be supported if ratification is achieved.

OCCUPATIONAL HEALTH, SAFETY AND WELFARE

55. **Mr S.J. BAKER (Mitcham)**, on notice, asked the Minister of Labour: With respect to breaches of the Occupational Health, Safety and Welfare Act prosecuted by the Department of Labour, what time elapsed between the filing of the complaint and the hearing for each of the past three cases which resulted in fines being imposed and what is the current delay (on average) in having matters heard by the Industrial Court?

The Hon. R.J. GREGORY: The reply is as follows:

1. Warlan Pty Ltd of 126-138 Port Road Alberton, were convicted and fined $3 000 plus costs on 3 August 1989 for a breach of section 19 (1) of the OHSW Act. The complaint was filed on 22 April 1989 and listed for plea or mention on 24 May 1989. The defendant company asked for a trial in this matter. After discussion the company entered a plea of guilty—a delay of four months.

2. PFC Shopfitting (Victoria) Pty Ltd of 261 Edwards Street, Reservoir, Victoria, were convicted and fined $5 000 plus costs on 1 August 1989 for a breach of section 19 (1) of the OHSW Act. The original complaint was filed on 24 June 1988 and first listed for plea or mentioned on 27 July 1988. The defendant company asked for a trial in this matter. Additional complaints for breaches of section 19 (1) of the OHSW Act were filed on 9 May 1989. After discussion the company entered a plea of guilty to two of the fresh complaints—a delay of three months on the fresh complaints, or overall a delay of 14 months.

3. Adelaide Painting and Decorating Pty Ltd of 481 Port Road Croydon were convicted and fined $10 000 plus costs on 26 July 1989 for a breach of section 19 (1) of the OHSW Act. The complaint was filed on 10 November 1988 and first listed for plea or mention on 14 December 1988. The defendant company originally asked for a trial in this matter. However, they subsequently changed their mind and indicated that a plea of guilty would be entered; there was a delay while senior counsel was obtained—a delay of eight months.

4. Princes Securities Pty Ltd of 118 King William Street, Adelaide were convicted and fined $3 000 plus costs on 26 July 1989 for a breach of section 19 (1) of the OHSW Act, which occurred during construction work being undertaken at Jules Bar. The complaint was filed on 2 March 1989 and listed for plea or mention on 22 March 1989. Subsequently a plea of guilty was entered by senior counsel—a delay of five months.

The current delay (on average) between filing of the complaint and first plea or mention date is four weeks. If a plea of guilty is given at that time the matter is dealt with then and there. If the defendant claims 'not guilty' then a date for trial is set down. This date depends upon the availability of counsel, witnesses and of course the court (normally two to three months).