

HOUSE OF ASSEMBLY

Tuesday 7 August 1990

The **SPEAKER (Hon. N.T. Peterson)** took the Chair at 2 p.m. and read prayers.

SUPPLY BILL (No. 2)

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: ELLISTON HOSPITAL

A petition signed by 4 247 residents of South Australia praying that the House urge the Government to retain acute care facilities at the Elliston Hospital was presented by Mr Blacker.

Petition received.

PETITION: ABORTION

A petition signed by 340 residents of South Australia praying that the House legislate to protect the lives of the unborn was presented by the Hon. E.R. Goldsworthy.

Petition received.

PAPERS TABLED

The following papers were laid on the table:

- By the Premier (Hon. J.C. Bannon)—
Australian Formula One Grand Prix Board—Report, 1989.
- By the Minister of Agriculture (Hon. Lynn Arnold)—
Apiaries Act 1931—Regulations—Registration Fees.
- By the Minister of Fisheries (Hon. Lynn Arnold)—
Fisheries Act 1982—Regulations—Commercial Fishery Licence Fees.
- By the Minister for Environment and Planning (Hon. S.M. Lenehan)—
Planning Act 1982—Regulations—
Historic Zone.
Watercourse Zone.
- By the Minister of Marine (Hon. R.J. Gregory)—
Marine Act 1936—Regulations—Survey Fees.
- By the Minister of Employment and Further Education (Hon. M.D. Rann)—
District Council of Millicent—By-law No. 2—Taxi Repeal.

MINISTERIAL STATEMENT: HOMESURE SCHEME

The **Hon. M.K. MAYES (Minister of Housing and Construction)**: I seek leave to make a statement.

Leave granted.

The **Hon. M.K. MAYES**: I wish to inform the House of the latest position concerning the take-up of the Homesure scheme, and indicate the Government's intentions concerning the future of Homesure. The Government introduced the Homesure scheme out of a deep concern that some recent home buyers were suffering hardship as a result of

the increases in interest rates since late in 1988. The scheme was developed from the previous revised Interest Rate Protection Plan which had been operating since March 1989. Members will recall that the Interest Rate Protection Plan provided assistance by way of an interest-free loan. Homesure provided significantly improved benefits by way of a cash grant to approved applicants.

The scheme was launched on 1 January 1990. It provides cash assistance to home buyers who have taken out loans since 2 April 1985, and who are paying more than 30 per cent of gross household income in home loan repayments, subject to eligibility criteria based on household income, loan size and period, and income related to household size.

The Homesure scheme has been heavily promoted by the South Australian Housing Trust, which administers the scheme. There has been a substantial advertising campaign for the program including a newspaper campaign between January and June 1990, the use of Buspak and extensive radio advertising. The Government's objective has been to ensure that all home buyers who might qualify are aware of the scheme and have the opportunity to apply. Despite this extensive publicity, inquiries and applications have been at a lower level than we anticipated when launching the scheme. The details are as follows: for the period up to 20 July 1990, 9 206 inquiries had been received; 5 153 application forms had been mailed out; 2 620 applications had been received; 1 372 cases had been approved; 1 091 cases had not been approved; and 56 applications were pending. The average weekly amount of grant payable in the week ending 20 July was \$13.63. Subject to final auditing, the expenditure on the scheme in the 1989-90 financial year was \$1.213 million.

As members would be aware, the costing of the Homesure scheme and estimates of the number of potential recipients have been conducted by Treasury. Original Treasury advice, based on ABS Housing Finance statistics and the ABS household expenditure survey of 1988, indicated that the scheme as announced would be available to approximately 36 500 families. Furthermore, if all eligible families applied for assistance, the full-year cost would be approximately \$36 million.

By March of this year it was apparent that these estimates were proving inaccurate. Treasury was asked for further costings based on a sample of State Bank mortgages. This exercise resulted in a new estimate of 11 930 eligible families with a potential cost of \$12.4 million. As will be obvious from the actual figures I have just announced, this estimate has also proved to be inaccurate.

There may be a number of reasons for this. In particular, the prevalence of fixed rate mortgage packages which the Real Estate Institute of Australia recently described as being a 'significant proportion' of new loans, may have an effect on the validity of the estimates which have been provided to the Government. In addition, the practice of extending the term of payment rather than increasing the loan repayments may be reducing the numbers who are eligible. The Government's companion scheme to Homesure, Home-Start, is also providing direct assistance to new home buyers who might otherwise seek assistance.

Mr Speaker, I think it is also relevant in this context to mention the controversy which the Opposition has sought to create concerning eligibility for the scheme. I think it is not unlikely that this exercise caused many who might have been eligible to assume otherwise. It is also likely that recent improvements in housing affordability have had an influence on the number of families applying for assistance under Homesure.

The Real Estate Institute of Australia (REI) home loan affordability index compares median weekly family income with average monthly loan repayment for new loan approvals. In the September quarter 1989, the national South Australian percentage of family income used for loan repayments as measured by this index was 33.7 per cent; in the March quarter 1990, this had fallen to 32.7 per cent. This compares with a figure for Australia as a whole of 35.4 per cent—indicating that South Australia still maintains a substantial advantage in housing affordability. For Homesure it shows that the 30 per cent income requirement is below the average paid in South Australia, indicating that we have set the limit in a fair and reasonable way.

I turn now to the future of the scheme. The Government will continue to offer benefits under the scheme to new applicants and existing beneficiaries while a real need exists. If the trend in improved affordability continues, and as interest rates fall, as is widely predicted, the time may come when the funding available for Homesure would be more effectively used in other Government programs. The Government therefore will review the position later in the year in accordance with the Government's announcements at the commencement of the scheme.

QUESTION TIME

STATE BANK

Mr D.S. BAKER (Leader of the Opposition): I direct my question to the Premier. In view of its impact on contributions to the State budget and the earnings of SAFA, what was the State Bank group's provision for bad and doubtful debts as at 30 June 1990 and what are the major reasons for the increase in this provision foreshadowed by the bank in its report for the first half of the past financial year?

The Hon. J.C. BANNON: I would have to take the detailed question on notice in the sense of what are the bank's provisions. I will certainly refer that question to the bank and see whether it is able to make that information available. However, in relation to the State Bank's results for the financial year just finished, these, of course, will be tabled in Parliament and announced to the market as well when the accounts have been finalised and audited; in fact, that has not happened at this stage. It is certainly likely that the operating profit for the State Bank group will be lower than that for the previous financial year, and I do not think anyone would be at all surprised if that was the case in view of the extreme difficulties that have been experienced by all financial institutions in the marketplace. All I can say on that point is that, as the Leader of the Opposition points out, the State Bank has been an increasingly important contributor to the State by the payments it makes in lieu of Commonwealth taxation and out of its profit. It will not be able to achieve its profit targets in the 1989-90 year. The extent of bank profit, of course, will be shown when those accounts are published and obviously will be before the House.

In relation to the State Bank and the State Bank group generally, I might draw attention to the KPHG Peat Marwick 1990 financial survey, which was released on 1 June 1990. It is very interesting to see that, in fact, that survey ranked the State Bank of South Australia as the best performing State bank. It was placed sixth of 27 banks surveyed, incidentally ahead of Westpac and the ANZ in the private sector. That survey, which was conducted prior to the release of the 1989-90 results, obviously highlights the underlying strength of the State Bank and the State Bank

group and I think we can draw some considerable comfort from that fact.

STAMP DUTY TAX LOOPHOLES

Mr FERGUSON (Henley Beach): Can the Treasurer inform the House whether all tax loopholes in relation to stamp duty have now been closed? Mr Paul Barry in his book entitled *The rise and fall of Alan Bond* stated (page 195) that the Bond Corporation had managed to avoid several million dollars worth of stamp duty in 1985. He also said that Bond's lawyers had found a variety of loopholes in the stamp duty net, including oral contracts (which create no documents that can be stamped), trust arrangements (which avoid any transfer of title) and the shuffling of shares through Darwin, where the tax was not levied.

The Hon. J.C. BANNON: Throughout its term of office the Government has been very determined indeed to ensure that tax evasion and avoidance does not take place within the State, and it has cooperated with other States and with the Federal Government to make substantial efforts to crack down on those avoidance schemes and to find ways and means of closing loopholes. We certainly should not allow our system to be undermined by schemes the sole purpose of which is aimed at simply avoiding the payment of tax.

When the Liberals were in Government in Canberra, the Costigan inquiry described tax avoidance at the time as the highest growing industry in Australia. I think it is fair to say that that situation has changed in recent years, and that is a good thing. The State Taxation Office has an ongoing program of compliance monitoring to detect tax avoidance and evasion schemes and to look at any deficiencies there might be in legislation.

The honourable member has referred to a number that were identified in this particular publication, and I will comment on two or three of them. Legislation to deal with the oral or Clayton's contracts which were used to avoid tax has been in place through the South Australian Stamp Duties Act since April 1988; and, similarly, legislation to stop the scheme known as the 'Darwin shuffle', whereby share transactions were registered through Darwin where the tax was not levied, has been in place since 1978. The Stamp Duties Act also contains detailed provisions dealing with trusts.

Two particularly blatant tax avoidance schemes were effectively legislated against during 1989-90. The first was in relation to contract splitting, whereby stamp duty was being avoided by, for example, the transferring of 400 separate transfers between the same vendor and purchaser in relation to the one piece of property. The amendment enabled the Commissioner to aggregate these separate transfers for the purpose of calculating duty. The second amendment operated to close a tax avoidance scheme whereby land was placed in a shelf company ownership. Rather than prospective purchasers of the land buying the real property, they would be invited to take a transfer of the shares in the company rather than the land directly. Both these amendments had significant impact in preventing revenue loss from tax avoidance activities. The Government will certainly continue to support the efforts of the State Taxation Office to ensure that all taxpayers meet their legal taxation obligations.

BENEFICIAL FINANCE CORPORATION

Mr S.J. BAKER (Mitcham): My question is directed to the Premier. Following his statement reported in the *Adver-*

tiser yesterday that he has been kept informed of developments within Beneficial Finance Corporation, what explanations has he received for the departure of the Managing Director (Mr John Baker) and the Chief General Manager, Group Management Services (Mr Eric Reichert)?

The Hon. J.C. BANNON: Mr Baker, as has been reported, has retired from his position as Managing Director of Beneficial Finance. Effectively, that was following differences of opinion between Mr Baker and the board concerning the performance and direction of the company. Mr Reichert has also resigned. I have nothing further to add to that. The obvious follow-up question would relate to the financial standing and performance of Beneficial Finance. Like all those institutions involved in that area in Australia, the company found that the second half of the financial year just finished was a difficult one.

Members may recall that Beneficial Finance was able to declare a profit for the first half of the financial year, but the accounts have not been concluded for the full financial year. Certainly, there has been a major downturn in that period. The extent of it, of course, can be placed on the public record only when those accounts have been finalised. As I said in answer to the Leader of the Opposition a minute ago, those accounts will be tabled in this House as well as published to the marketplace.

RURAL ECONOMY

Mr HOLLOWAY (Mitchell): Will the Minister of Agriculture inform the House what are likely to be the immediate consequences on the South Australian rural economy of the Iraqi invasion of Kuwait?

The Hon. LYNN ARNOLD: I thank the honourable member for his question, knowing that he, like all members in this place, is concerned about the events that have taken place in the Middle East with the invasion of Kuwait by Iraq. That concern is, first of all, for the people living in the region, and then we turn to the further question most directly referred to by the honourable member, namely, the effect upon agriculture in South Australia. I can advise that, today, the Federal Minister for Primary Industries and Energy (Mr John Kerin) made the following statement:

Australia cannot stand idly by while small sovereign nations are subjected to this kind of aggression. We have no choice but to comply with the United Nations mandatory sanctions and direct the Australian Wheat Board to suspend all shipments to Iraq.

I will now set out the implications of that statement for South Australia. In 1989-90, South Australia supplied some 142 000 tonnes of wheat to Iraq and, currently, the Australian Wheat Board is loading for Iraq 36 000 tonnes of South Australian wheat valued at about \$5 million. With respect to wheat sales to that country, there is the question of outstanding debts that may still apply to the 1989-90 wheat sales and for other sales which have been contracted but which are not able to be delivered as a result of the recent sanctions.

The Federal Government provides guarantees for the Australian Wheat Board's borrowings and also honours a percentage of the debts that are not met by creditor countries where credit has been an approved arrangement. I anticipate that we will have further advice from the Federal Government as to what will be the guarantee cost to the Federal Government as a result of the present situation in Iraq. A further situation not covered by formal guarantees is a cargo of 4 500 tonnes of split peas that was scheduled for shipment this month to Iraq from South Australia. In itself, that was a significant deal because it represented the

end of a long series of negotiations following the cessation of the Iran/Iraq conflict and looked promising with a view to opening up a new market opportunity. That is very much in jeopardy.

The Federal Minister has not indicated what will be the support arrangements for other areas affected by sanctions, and I will contact him to find out what might be the position. Quite apart from immediate sales to this particular area, there is also the question of the effect on purchases of Australian products by the Middle East in general, for example, purchases by Saudi Arabia and the Emirates. It is too early to say what the impact of that will be but we are most concerned about this situation and will monitor it very closely.

I want to make one further comment. I had intended to go with some people in the agricultural/industrial sector on a trade mission to the Middle East early in the new year, and that mission may still proceed. It had been intended that Iraq would be on the agenda of that mission. Clearly, that will no longer be the case. With respect to my other portfolio of Industry, Trade and Technology, I am advised that no South Australian manufacturing firms are presently involved in commercial deals with Iraq, the most recent having been two or three years ago, and there are no outstanding debts of which we are aware. Sagric International conducted a farming project in the first half of the 1980s and there is still a payment of \$428 000 owing on that project. The project is covered by EFIC (Austrade's export finance and insurance facility) and discussions are presently under way to see whether there can be a resolution of that debt to Sagric International from Iraq.

BENEFICIAL FINANCE CORPORATION

The Hon. E.R. GOLDSWORTHY (Kavel): Is the Premier in a position to confirm information given to the Opposition that late last Wednesday night (about 11 o'clock) papers were taken from Beneficial Finance Corporation as part of an internal State Bank group investigation of the company's affairs which revealed that Beneficial Finance has significant unsecured loans? Can he reveal the extent of the exposure with these loans, for what purposes they have been provided and what impact they are likely to have on the financial performance of the State Bank group?

The Hon. J.C. BANNON: No. I cannot confirm that. Because of the trend of questioning here, which I think is going down a fairly dangerous path, and we have explored this in the House—

Mr D.S. Baker: Here we go. You were briefed, you said.

The Hon. J.C. BANNON: The Leader of the Opposition purports to understand the business world and how it operates. I am amazed that he carries on in that way in relation to this matter. I would have thought that he had particular responsibilities in this area. Referring to the question, I cannot confirm those actions. Let me make clear to the House—and this has been done *ad nauseam* over the years—the relationship that the Government has, and I in particular as Premier and Treasurer have, with the State Bank and in turn its subsidiaries.

The Hon. E.R. Goldsworthy interjecting:

The Hon. J.C. BANNON: The honourable member who is interjecting sits next to the member for Light, who at least is one who is well aware of the responsibilities and the relationship that has to be preserved, and that indeed is embodied in the Act, because he is one of those who referred to it specifically in the debate at the time the legislation was before the House. He said:

... the possibility exists that a Government could seek to interfere unnecessarily into the affairs of the merged bank. That is not on for members of the Opposition ...

He is quite right. Indeed, the member for Hanson is also on record on the matter (and he knows a little bit about banking because he has some considerable experience in that area). I will quote his words because they are as relevant today as they were then, and it is as well to remind the House of them. He drew attention to clause 15, and said:

The Government or Treasury in no way can instruct the new bank to do what it would like it to do. If it does, then the board would be required to or should report the action. I like that provision, because that clause protects all parties.

That is very appropriate.

The Hon. J.L. Cashmore interjecting:

The Hon. J.C. BANNON: I was waiting for the member for Coles, who has fortunately been confined to the back bench; she tried to do a lot of damage to the State Bank and the State Bank group over a number of years. I think that was most unfortunate.

As Treasurer, I hold regular meetings with the Chairman and the Chief Executive Officer of the State Bank. The Under Treasurer also attends these meetings, and I am kept advised of the major issues concerning the bank—not the detailed operations, day-to-day events, or actual way in which the bank carries out its functions. It is not appropriate, nor indeed does the Act provide for me to be so informed, or so direct or interfere with its operations. Those consultations are in line with sections 15 (3) and (4) of the State Bank Act. It provides for consultation, and that consultation takes place.

So, I believe the questions asked by the Leader and the Deputy Leader, framed as they were, were quite legitimate and proper questions. I regret that the member for Kavel—who has been given his traditional hatchet-man role, I suppose, to try to put the boot in and kick a few heads, and it is great to see that he still retains that enthusiasm for the job—is, in fact, traversing into grounds and doing so in such a way that all of us in this place and in the State of South Australia should be fairly wary of because the viability and strength of the State Bank and the State Bank group is important to South Australia. I can assure the House that there are no fundamental concerns there whatsoever. However, I can only repeat that in relation to the performance of the State Bank group—and particularly the Beneficial Finance Company, which has been mentioned—that will obviously be set out fully indeed when those annual reports are presented.

ABORIGINAL DEATHS IN CUSTODY

Mrs HUTCHISON (Stuart): Will the Minister of Emergency Services outline the progress being made in addressing the recommendations of the Royal Commission into Aboriginal Deaths in Custody, and in particular in relation to police cell facilities?

The Hon. J.H.C. KLUNDER: I am aware that the honourable member has had an interest in this area for some time. Indeed, I think we have talked about it not only here but also on those occasions when I have visited her electorate. While the Police Department is committed to addressing all the recommendations of the Royal Commission, the Government has given special emphasis through the budgetary process to the upgrading of police cells.

A cell upgrading program designed to minimise risks within cells and improve surveillance and communication has been under way since last December. The program involves a range of minor works at 29 locations, both

metropolitan and country, on a priority basis. The total cost of this program is \$1.2 million, and the bulk of the work is expected to be finished this year. In addition, major construction projects at the City Watch-House, Port Adelaide, Berri, Kadina, Port Pirie, Whyalla and Ceduna all incorporate design features which conform to the recommendations of the royal commission. These major projects, all of which include completely new cell facilities, will do much to provide a safer environment for people in police custody.

ARENA PROMOTIONAL FACILITIES (AUSTRALIA) PTY LTD

The Hon. B.C. EASTICK (Light): Did the Grand Prix Board seek the Premier's approval to take over full ownership of Arena Promotional Facilities (Australia) Pty Ltd, earlier this year? If so, was the Premier advised that at the time of this buy out the company was on the brink of being forced into receivership with immediate liabilities in the region of \$750 000, including \$600 000 to the State Bank? What influence did these financial circumstances have on the Grand Prix Board's decision to take over the company? What was the cost to the board of the share buy out and what now is the liability to the State Bank?

The Grand Prix Board is subject to the general control and direction of the Premier and must seek his approval to undertake functions other than those specifically identified in the Act. In 1987, the Grand Prix Board bought a 50 per cent share in Arena Promotional Facilities (Australia) Pty Ltd. The 1987 annual report of the board explained that this was 'in line with its policy to expand its role and improve the financial return from its assets'. The cost to the board of buying shares was \$100 000. On 5 September 1988 the State Bank of South Australia took a charge over all the assets and undertakings of the company for 'unspecified moneys owed to the bank'. Arena Promotional Facilities is involved in the hiring out of Grand Prix seating and other facilities at major events such as the New Zealand Commonwealth Games. The company's latest balance sheet lodged with Corporate Affairs shows that at 30 June 1989 it had accumulated losses of \$148 000 and total liabilities of \$2.155 million. The Grand Prix Board bought out the 505 shareholding held by the United Kingdom based parent company in June 1990.

The Hon. J.C. BANNON: As the member for Light has indicated, the Grand Prix board held a 50 per cent shareholding in Arena Promotional Facilities (Australia) Pty Ltd. This came about as a result of the Grand Prix Board's seeking to have active control over the supply and price of its seating. It was on that basis that I approved such an acquisition, because it was strategically necessary. The situation that existed prior to that purchase was that, for its very large demands for seating, the board was effectively at the mercy of the market.

While goodwill and other factors could operate in the early stages of the contract, that position made the Grand Prix very vulnerable to price dictation from the marketplace in an area where such a large requirement for one event was present. So, it was a sound and sensible commercial decision. It brought with it, of course, the opportunity for the board to also gain some dividend from seating that would not be required for its own purposes and could be used for other events.

As the honourable member has pointed out, one such major contract, which was of great benefit to us here in South Australia, both in the construction phase and in the

subsequent leasing, was for the Commonwealth Games held in New Zealand. In fact, the Grand Prix Board report, which I tabled today, notes:

Arena Promotional Facilities has continued to double its turnover each year with exports comprising around 20-25 per cent of its turnover. The company recently completed a contract for the supply and construction of 22 000 grandstand seats . . . at a value of \$2.5 million.

That contract was successfully undertaken. Following this, the board, by its decision and in pursuit of its charter under the general authority I have given, negotiated a total buy out of the shareholding by the UK parent company to consolidate the business of Arena Promotions in Australia. So, the board acquired that company fully and, in so doing, negotiated what the board would regard as an extremely good deal in terms of price and assets.

Certainly, the company needs restructuring and the board has advised me that it has in fact consolidated APF into the Grand Prix Office with considerable cost savings in terms of management, administration and so on. Those steps have been taken to ensure that it can continue to operate, that the Grand Prix can continue to have its own source of seating which, of course, will affect market price determinations, and have an asset which it is able to use when not required by the Grand Prix Board. That is the position as I understand it to date, and I thank the member for his question.

CONSERVATION TRAINING SCHEMES

The Hon. T.H. HEMMINGS (Napier): Will the Minister of Employment and Further Education inform the House whether there are any plans to involve young, unemployed people in training schemes with a conservation emphasis? Members will be aware that a number of studies in recent years have shown that young people are very concerned about environmental issues, and that is certainly true of my own electorate. I understand that in New Zealand and California there are Government training programs designed to harness young people's concern about conservation issues in a very practical way.

The Hon. M.D. RANN: I am certainly pleased to inform the House that both the South Australian and Federal Governments are joining together in a national first—a conservation training program for young unemployed people. The program, known as the South Australian Conservation Training Corps, has already received the backing of renowned international environmentalists, Dr David Suzuki and Dr Paul Ehrlich, who have agreed to accept positions as patrons of the scheme. I am sure all members would be aware of Dr David Suzuki, both as an environmentalist and a broadcaster, and Dr Ehrlich is the Professor of Population Studies at Stanford University in California, and is a pioneer in environmental studies.

The scheme will be the first of its kind in Australia and combines the needs of conservation with a full-scale youth training program. Under the scheme, young people will learn new skills, while, at the same time, helping the environment. Young people will be able to take part in land rehabilitation projects including the renovation of salt flats, the reduction of water degradation, tree planting and revegetation. The project would lead into horticultural courses at the Brookway Park College of TAFE and the Certificate of Vocational Education.

The Conservation Corps, which will be managed by the Youth Affairs Division, is a direct result of the interest that young people are showing in the environment, and I pay tribute to the work of the Minister for Environment and

Planning in this area. We want to harness the energy of young people to help the environment. This scheme will enable them to take positive action on environmental problems. However, as Minister of Employment and Further Education, I stress that we also want to enable them to upgrade their skills so that they can gain jobs or further training and education at the end of their involvement in the scheme. It is no good just getting them involved for, say, six months in a project that does not lead any further than that.

I am certainly pleased to hear of strong interest in our program from all other States. We have had discussions with both the Federal and State Governments. The scheme has the strong support of the Hawke Government and my Federal counterpart, Peter Baldwin, and it is of national significance. The training component is very important. Obviously, whilst young people would gain enormously from their involvement with conservation projects, we want them to have a formal training component to help them gain jobs or future training. The scheme will be launched this summer and initially will involve the training of 160 young unemployed South Australians.

It is true, as the member for Napier says, that there are similar schemes in New Zealand and California. To some extent, our scheme will be based on those. However, ours has a much stronger training component, which is vitally important. Each participant will spend an average of six months on a scheme and nearly half that time will be spent on formalised training programs, particularly through TAFE. In this way our community and the environment benefits, and the young unemployed people involved in the program will gain new skills which will equip them to gain further training and jobs in the future.

DEFENCE PROJECTS

Mr INGERSON (Bragg): Will the Premier make urgent representations to the Defence Department about delays in awarding defence projects to protect employment in South Australia? I am advised that it has cost the major defence electronics and contracting group, AWA Limited, up to \$1.5 million over the past year to maintain its South Australian work force in anticipation of receiving some national defence contracts, including work associated with the ANZAC frigate project. However, delays in awarding this work, some up to 12 months, are forcing the company to consider shedding up to 5 per cent of its work force.

I have been further informed that there is growing concern within the defence industry that the Defence Department is giving no real consideration to the impact of these delays and the uncertainty they cause about the maintenance of employment in our State.

The Hon. J.C. BANNON: The honourable member no doubt refers to an article in today's paper which talked about defence delays hitting AWA workers. It is certainly true, and our Department of Industry, Trade and Technology has reported to the Minister and to me that there does seem to be slippage in a number of contracts and, of course, that affects the contracting companies, particularly in terms of their work force. We are currently obtaining a report on that and either my colleague or I will be taking up this matter with the Federal Government. We are not sure of the reason for it: it may be because of pressures or constraints on the defence budget at the Federal level which is obviously providing a bit of room prior to the bringing down of the Federal budget; or it may be because of technical problems which have arisen in relation to aspects of

the contracting procedure. Whatever the reason, it is obviously in all our interests that these projects proceed smoothly, and we will certainly take up this matter.

SEWAGE DAMAGE

Mr HAMILTON (Albert Park): Will the Minister of Water Resources advise what action her department has taken to address the damage from untreated sewage to units 43, 44, 45 and 46 at Woodbridge Boulevard, West Lakes, Sunday week ago? Sunday week ago I was called by tenants of those aforementioned units to inspect sewage that had reportedly entered those units through tenants' kitchen sinks, bathrooms, shower recesses, laundries, and so on. Considerable damage was caused to carpets, not to mention towels which were used to mop up the untreated sewage and which had been dry-cleaned two to three times previously due to a similar occurrence in March 1988.

Constituents advised me that untreated sewage had flooded their homes due to pumps being turned off at the Port Adelaide Sewage Treatment Works. My constituents reminded me of correspondence I had sent to them which was dated 13 July 1988 and in which the then Minister stated:

To safeguard a repetition of this incident, pump station alarm levels have been reset to trigger sooner and a non-return valve has been installed on the sewer main serving the properties affected.

All members of the House, I feel sure, would share my concerns for what my constituents have had to put up with in this awful incident.

The Hon. S.M. LENEHAN: I thank the honourable member for his question and I would like to acknowledge the concern that he has expressed on behalf of his constituents. In the past he has certainly represented his constituents very ably and I imagine he will continue to do so in the future. In this case the residents live in Lakeside Village and this part of the area is serviced by an internal private sewage collection system. The unit that was referred to in the honourable member's question—unit 43, the one that, I understand, was most affected in the unfortunate incident—is at the lowest part of the system and consequently will be the first to suffer if at any time the Boulevard pumping station breaks down for any reason. And that is exactly what happened.

The honourable member was quite correct when he said that all the pumping stations at the Port Adelaide Sewage Treatment Works were shut down on Sunday morning 27 July as part of the rehabilitation program. Unfortunately (and I will not go into the long and detailed explanation), a valve failed and this caused the sewage to flow back through the system and up into those homes.

After the units were flooded, officers of my department attended as quickly as possible and provided full assistance to the householders. I believe that they helped to clear up the mess and the department has undertaken to pay for any damage, including the provision of new carpets for those residents.

In concluding, I would like to add two points. First, the department has now implemented a design change which should ensure that this flooding does not recur. Secondly, I ask that the honourable member personally convey my very sincere apology to his constituents for the distress and inconvenience that was caused to them by this most unfortunate accident. I am informed that it should not happen again.

SOUTH AUSTRALIAN FILM CORPORATION

The Hon. D.C. WOTTON (Heysen): My question is directed to the Premier. Prior to the finalisation of negotiations for the South Australian Film Corporation's involvement in the *Ultraman* production, did the Premier or his department receive a telephone call from Tokyo from the former Managing Director of the corporation (Mr Richard Watson) seeking approval for revised financial arrangements? Was this approval given notwithstanding concerns that production costs may exceed the budget of \$4.2 million? If not, will the Premier reveal what Government instructions Mr Watson was acting under in relation to the cost of the corporation's involvement?

The Hon. J.C. BANNON: I will have to take that question on notice and obtain a report for the honourable member.

ADULT MATRICULATION

Mr De LAINE (Price): My question is directed to the Minister of Employment and Further Education.

Members interjecting:

The SPEAKER: Order! The member for Price.

Mr De LAINE: Will the Minister inform the House about future plans for adult matriculation in TAFE colleges and say how those plans will affect matriculation studies at the Port Adelaide college?

The Hon. M.D. RANN: As members would be aware, there is much understandable concern being expressed by TAFE matriculation students, TAFE lecturers and others in the community given the misinformation and speculation that has been circulating about the future of matriculation studies in TAFE colleges. I think it is important that accurate information be provided.

In November 1989 a joint ministerial statement was released concerning schools/TAFE cooperation. The statement was entitled 'Providing High Quality Education and Training Services for South Australians' and was prepared with the express intention of improving access to and participation in the education and training services provided in schools, TAFE colleges and institutions of higher education. That statement made clear that the Education Department would increase its responsibility for pre-matriculation, matriculation and re-entry programs, and that TAFE's responsibility would decrease.

Some current TAFE students have expressed concern about their being placed in some kind of a school situation with younger students who would share little in common with them. If that were true we could understand that concern, and these fears need to be allayed. The development of the Education Department's re-entry schools continues and significant community support is obvious.

For example, the Elizabeth West Re-entry School has approximately 580 students, and the average age of those students is 33 years. The re-entry schools are adopting adult learning principles and methodologies. The Education Department has provided staff development to support teachers in catering for the needs of adult learners. Current TAFE students can also be assured that there is no intention whatsoever of interfering with their present studies. In other words, arrangements will be made to allow anyone currently enrolled in the TAFE matriculation program to complete that course, contrary to various statements that have been made in the press. Consequently, the situation regarding matriculation programs is to proceed with the growth of provision in the Education Department and a reduction of

provision in TAFE colleges as per the ministerial agreement of last year.

Understandably, the member for Price asked questions in relation to the Port Adelaide college matriculation provision. That will certainly be considered, as will all other TAFE matriculation centres, within the context of the total State provision and in consideration of the Education Department's capacity to provide for adult students within any particular geographical area.

Some very clear information must be understood, though, and that is that, while secondary schools are facing declining enrolments because of South Australia's demography, TAFE colleges confront substantial increases in demand arising from industry and award restructuring, with a very clear focus on vocational education and training. Schools are equipped to deliver matriculation studies and do so successfully. They have invested in providing for adult students. However, schools do not have responsibility in the task that TAFE has in training and retraining adults in a large range of trade related, technician and para-professional skills.

PETROL PRICES

Mr LEWIS (Murray-Mallee): Following the recent OPEC price increase, which is likely to be compounded by the impact of the Iraqi invasion of Kuwait to quickly force a significant increase in petrol prices in Australia, will the Premier immediately review any plan to increase State petrol tax in this year's budget to avoid further inflationary pressures?

The Hon. J.C. BANNON: I am well aware of the implications of the Iraq situation and its impact on petrol prices. The increase in the price of oil has already been felt in a number of areas. The State's levy on fuel—the fuel franchise levy—is considered separately from that overall cost structure, which is a universal one. I point out that the structure of our levy in South Australia has particular regard for country interests and constituents represented by the honourable member. Any adjustment that may be necessary in the course of the State budget will have regard to that factor as part of the structure of the fuel levy system which was introduced in that form by this Government. However, I cannot confirm, deny or otherwise foreshadow what may or may not be the treatment of the fuel franchise levy in the budget. The honourable member will learn about that when those appropriate decisions have been made.

MARINE AND HARBORS WORK FORCE

Mr HERON (Peake): Will the Minister of Marine advise the House as to the number of white collar workers compared with blue collar workers who are employed in the Department of Marine and Harbors? How have these numbers changed in recent years? I read with interest claims by the Leader of the Opposition that weekly paid or blue collar staff are bearing the full brunt of restructuring at the Department of Marine and Harbors. In particular, he said that white collar numbers have remained static for the past 20 years.

The Hon. R.J. GREGORY: I thank the honourable member for his question and advise him that the member for Victoria is wrong.

Mr D.S. Baker interjecting:

The Hon. R.J. GREGORY: The member for Victoria is interjecting again. He should have the manners to wait until I answer the question.

Members interjecting:

The SPEAKER: Order! The Minister will address the Chair and the Opposition will come to order.

The Hon. R.J. GREGORY: It would have done the member for Victoria some good to have had some discussions with the shadow Minister of Marine because then he would not have made such foolish statements. The shadow Minister of Marine sought my permission to have discussions with the office of the Department of Marine and Harbors so that he could be fully briefed. I understand that that briefing was very extensive and went on for four hours, and that every question he asked was answered.

In relation to the relationship between the white-collar and blue-collar work force, on 30 June 1970 there were 294 white-collar workers employed by the Department of Marine and Harbors. Now there are 235, which is a fall of 20 per cent in that period. In 1970 there were 775 blue-collar workers and, at this stage, there are 382.

Mr S.J. Baker: Look at the ratio.

The Hon. R.J. GREGORY: That interjection again demonstrates the ignorance of the member for Mitcham as to what has happened within the industry in that 20-year period. It illustrates why Opposition members are in opposition—they do not understand about the structural changes that are taking place in industry. First, they do not understand—and refuse to accept—that when the Boating Act was implemented a number of people employed to operate that Act, as boating inspectors and also to collect the fees and whatever, were white-collar workers. No-one in the Opposition says that we should not have had the Boating Act; indeed, they want me to employ more boating inspectors. So, they want us to increase the white-collar work force.

Members opposite have not bothered to even have a look at what has happened around South Australia with the Department of Marine and Harbors. I understand that the member for Victoria is a member of the United Farmers and Stockowners group, which I understand has some tenuous connection to the National Farmers Federation. That organisation has been demanding a reduction in the blue-collar work force on the waterfront. It has been demanding that work be put off to private enterprise and that the number of people be reduced, yet the honourable member is saying in this House that we should not do it.

If we applied his philosophy to the waterfront, and if we were to do it on the same ratio, as he is saying we should have done in the case of the Department of Marine and Harbors, there would not be a clerk there to see where cargo was going. The honourable member knows that we are no longer constructing jetties and bulk loading facilities, because there is no need to. He also knows that a significant change has occurred in the function of the Department of Marine and Harbors; it has gone from a constructing authority to an authority that is maintaining its facilities and ensuring that they work as efficiently as possible.

The member for Goyder, the shadow Minister, had the activities being undertaken by the department to reduce the overall work force by 25 per cent explained to him in some detail. An overhead study we had done into the white-collar work force indicated that a 25 per cent reduction in that work force would be achievable with the same output of work from those people by rearranging their work so that they work more efficiently.

We are also in a position where the Waterfront Industry Reform Authority has demanded that there be a reform on our waterfront. The member for Victoria has consistently remained quiet when those demands have been made. I would think that he joins with his good friend the member

for Barker in the Federal House in insisting that there be reform. That reform has led to reductions of blue-collar workers, and it will mean that there will be a two-thirds reduction of waterside workers on the waterfront itself. This authority has also demanded that there be a rationalisation and efficiency gains on the shipping side, as well as in the port authorities. I make no apology for the work we have been doing in the Department of Marine and Harbors, because we will ensure that our department will operate efficiently and effectively, and will return money to the Treasury instead of being a drain on it. We will ensure that the Port of Adelaide will exchange cargo as quickly and as cheaply as any other port. I request that the member for Victoria consult with the member for Goyder and get the facts right, instead of putting out falsehoods in press releases.

ELECTORAL SYSTEMS

Mr GUNN (Eyre): When the Premier meets the Prime Minister of Malta tonight, will he ask Dr Fenech-Adami for advice on establishing fair election systems? Biographical notes about the Prime Minister circulated by the Premier's Department state:

Between 1982 and 1983 his Party did not take up its seats in Parliament in protest at the gerrymandered result of the 1981 elections in which his Party had won 51 per cent of the vote but had been deprived of parliamentary majority.

In particular, will the Premier ask the Prime Minister about the implementation of a top-up system which Malta has introduced to prevent a similar result from occurring again—a system also proposed for South Australia by the Liberal Party which is being treated even more unfairly by our State's electoral system than Dr Fenech-Adami's Party in Malta?

Members interjecting:

The SPEAKER: Order! This is an important question. One of the Opposition's platforms for electoral reform is a top-up system. The Premier has been asked for his opinion, and I ask the Opposition to respect the response given.

The Hon. J.C. BANNON: As the honourable member is well aware, the issue of electoral redistribution in this State is being addressed currently by a select committee of Parliament, and I hope that it comes up with an appropriate system. If Prime Minister Fenech-Adami's experience is a useful one, no doubt it can be drawn on. I take it that the honourable member is foreshadowing the imminent withdrawal of the Opposition from Parliament for the rest of this session. Is that also something that I should discuss with the Prime Minister?

ETHNICITY

Mr QUIRKE (Playford): Can the Minister representing the Attorney-General say whether it is possible under South Australian law to bar entry to premises on the basis of ethnicity? I have been contacted by constituents who have been barred entry to an establishment by the name of 'Jules', allegedly on the basis of ethnicity. They further allege that this is common practice there and that bouncers are hired to stand on the door and deny entry to people, particularly Greeks, Italians and non-Europeans.

The Hon. G.J. CRAFTER: I thank the honourable member for his question and I can advise him and all other members that it is contrary to the law to prohibit access to services on the grounds of ethnic origin. I can only advise the honourable member to advise those who have made

representations to him that they should contact the appropriate authorities and have this matter fully investigated.

POLICE COMPUTER SYSTEM

Mr MATTHEW (Bright): Can the Minister of Emergency Services say whether a new computer system being developed for the Police Department will result in more taxpayers' money being wasted on the implementation of high technology information systems in the public sector? I am reliably informed that development is in its advanced stages for the introduction of a Brief Enquiry And Management system, or BEAM system, with the Police Department to provide management statistics, details of matters before the courts (including witness, victim and offender details), preparations of summonses and to act as an offender based tracking system.

This system will mean that from 3 December this year, the Police Department will be obtaining all outcomes for all criminal matters through these programs. I understand that a paper proposing BEAM Stage Two is being finalised for presentation to Cabinet. However, in the meantime, the Justice Information System (JIS) is developing a similar system due to be implemented late in 1991. I am further informed that until the JIS is completed, some 20 staff will continue to record manually all court results even though this information will be available from the BEAM system. This duplication of effort and potential for waste has raised the question whether the Police Department now has a plan for not using the Justice Information System and, if so, what will be the additional cost to taxpayers?

The Hon. J.H.C. KLUNDER: The answer to the honourable member's question is 'No'.

OPENING OF PARLIAMENT

The Hon. J.P. TRAINER (Walsh): My question is to the Deputy Premier as the Leader of the House responsible for the management of Government business. Can the Deputy Premier, in conjunction with the Presiding Officers, inquire into the cost saving possibilities of not having a second opening day in the same year in which an opening day ceremony has already occurred as a consequence of the election of a new Parliament? Each year we have a formal opening of Parliament at the end of July or the beginning of August for the budget session, yet this year we have already had an opening day when the new Parliament was sworn in on 11 February.

If I can take this opportunity, I am sure that all members will join with me in expressing regret at His Excellency's recent intimation that it would be the last occasion that he would address the Parliament on opening day. Indeed, it would have been appropriate if we had broken with formality by applauding that announcement as a sign of appreciation to His Excellency. Returning to the main theme of my question, there has already been the expense of two opening days in this year 1990, and that situation may again arise in three or four years.

The Hon. D.J. HOPGOOD: Having been asked to get the precise cost, I will do so. However, I should point out to the honourable member and to the House that this possibility was canvassed within the Government, because we were aware of the proximity of the two openings and the sum appreciation of the additional costs involved. However, it was decided that each session of Parliament should be dignified by an address by His Excellency, and that is what prevailed and led to the situation to which the honourable member refers. However, having been asked for specific information, obviously I will get it.

MEMBER REPRESENTATIONS

Mr S.G. EVANS (Davenport): In view of the Premier's serious breach of convention in releasing representations to Ministers by Liberal members of Parliament on behalf of their constituents, will he release details of all representations to Ministers by ALP members on behalf of constituents? Is this now to be the standard that any representation by MP's to Ministers on any issue will be made public? Does the Premier acknowledge that his action was a deliberate attack on members who were exercising their constitutional responsibilities to their electorates?

The Hon. J.C. BANNON: I think that the honourable member protests too much. It would appear—

Members interjecting:

The Hon. J.C. BANNON: Let me say, first, that this Government will not release private representations and personal details but, where members wish to raise matters of public interest and policy, I would like to ask: what is the honourable member ashamed of in that? I suspect that what he has to be ashamed of is the very point that I was making: on the one hand his Leader is up front saying that we should cut expenditure, decrease public services, reduce taxes and all that marvellous stuff—

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: He is echoed by each and every member on his side, while at the same time this plethora of demands and this raising of expectations takes place.

Members interjecting:

The Hon. J.C. BANNON: Yes, of course members on this side represent their constituents and make requests on their behalf, and I welcome that because they are not hypocritically demanding that the Government get out of this, cut that and not do something else. They understand that there is a responsible connection between what one spends, what services one delivers and the revenue that one raises for it. The honourable member is simply saying, 'I do not want anyone to know that I am making these massive demands.'

Mr S.G. EVANS: On a point of order—

Members interjecting:

The SPEAKER: Order! There is no way that the Chair can hear the point of order against all this background noise.

Mr S.G. EVANS: I have a point of order: at no time did I refer to 'demands' about which the Premier spoke. I referred to representations, and at no time did I—

The SPEAKER: What is the point of order?

Mr S.G. EVANS: The point of order is that the Premier is debating an answer. That is against Standing Orders. He is also abusing the system by refusing to do the same in respect of his own members as he does concerning members on this side of the Chamber.

Members interjecting:

The SPEAKER: Order! I would ask the Premier to be careful in his response so that he does not debate the matter.

The Hon. J.C. BANNON: Yes, Sir. In fact the point of order made by the honourable member has clarified a point in his question which I will address. I understand the honourable member to mean that he and others in the Opposition can sit in their offices and simply pass on all sorts of requests and requirements of constituents to the Government and hope that no-one will notice they are doing this. Of course the responsible action would be to say, 'Our Party's policy is that there should be no more expenditure on these things. Our Party's policy is that we should be

reducing this, so please do not expect me to make requests on their behalf.' That would be the honest course—

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: That would be the honest course to take, and I thank the member very much for his question because he has highlighted the very point I was making. The Opposition seems absolutely incapable of making some kind of link between what it requires of the public sector and what it is prepared to do in support of the resources of the public sector to do it.

BARTON ROAD

Mr ATKINSON (Spence): Will the Minister of Transport tell the House whether he can require the Adelaide City Council to reopen Bowden and Brompton's access to the City of Adelaide via Barton Road?

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: Thank you, Mr Speaker. What an extraordinary welcome! The answer to the question is 'No'. Just to clarify that, I thought I heard the member for Spence ask whether it was within the legal capacity of the State Government to order the opening of this road. I cannot see that there is any expense involved in that. I do not see the connection between all the yahooping from members opposite and the very legitimate question of the member for Spence. The answer is 'No'. The road in question is entirely under the control of the Adelaide City Council and it is up to the Adelaide City Council what it does with it.

I was rather amused to read in the newspaper about a week or so ago that a Mr Gordon Howie had taken on the Adelaide City Council over this matter, claiming that it had not gone through all the proper procedures prior to the closure of this road. Had I been the Adelaide City Council, I would have immediately thrown up my hands, and said 'fair cop', and then I would have gone about rectifying the problem rather than attempting to pursue Mr Howie through the courts for some kind of unpaid fine. Nevertheless, I am afraid that the member for Spence and his constituents are entirely in the hands of the Adelaide City Council. I can only recommend that he make representations to the council. It is not within my power to do anything at all about this road, so I regret that I cannot help the member for Spence, no matter at what cost.

MINISTERIAL STATEMENT: DISTRICT COUNCIL OF STIRLING

The Hon. M.D. RANN (Minister of Employment and Further Education): I lay on the table the ministerial statement relating to the District Council of Stirling made earlier today in another place by my colleague (the Minister of Local Government).

PERSONAL EXPLANATION:
MISREPRESENTATION BY PREMIER

The Hon. E.R. GOLDSWORTHY (Kavel): I seek leave to make a personal explanation.

Leave granted.

The Hon. E.R. GOLDSWORTHY: I have been grossly misrepresented by the Premier, as indeed have many of my colleagues, in what is the grubbiest and filthiest political exercise—

Members interjecting:

The SPEAKER: Order! All members have the right to make a personal explanation, but the rules for so doing are very clear in the Standing Orders. I ask the member for Kavel to comply with those rules.

The Hon. E.R. GOLDSWORTHY: I have been misrepresented by the Premier in a document which I have with me. I suspect that the document was cobbled together by some of his political lackies. In this document, the Premier states that Opposition members are making unreasonable demands on the Government and wanting it to spend billions of dollars. This is a gross misrepresentation of the correct position and, indeed, the proper function of members of Parliament, whoever they may be—Opposition or Government. As I recall, this is the first time that letters to Ministers have been thrown into the public arena in this fashion with this detail. I am number 31 in this list, and I am quoted as having written to the Minister of Transport on 24 May this year demanding that the Government spend \$5.75 million to upgrade the Stonefield to Sedan Road. The facts are these: I was approached by a district council in my electorate and asked whether I would please make representations to the Government to see whether we could have this road upgraded. Is the Premier seriously suggesting that I should say, 'No, I won't do it.' The fact is—

The SPEAKER: Order! Standing Order 108 clearly states: . . . The subject matter of the explanation may not be debated.

The Hon. E.R. GOLDSWORTHY: Mr Speaker, I acted correctly (as indeed have my colleagues), despite the Premier's accusations. I wrote to the Minister, as I was requested to do by this council, putting its point of view. I was not stating that the Government must spend this money. I was hoping that the Government could reorganise its priorities so that a timetable could be given to this work. The new chum Minister laughs. The fact is that this is a debasement and prostitution. The Premier's statements are a prostitution of the proper role of backbench members in this place, and I for one bitterly resent it. If he wants to turn this place—

The SPEAKER: Order! The honourable member is debating the issue.

The Hon. E.R. GOLDSWORTHY: I was going to say 'as effective as a brothel', but I will not say that. The Premier is prostituting—

The SPEAKER: Order! Leave is withdrawn.

PUBLIC ACCOUNTS COMMITTEE

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

That pursuant to section 15 of the Public Accounts Committee Act 1927, the members of this House appointed to that committee have leave to sit on that committee during the sitting of the House today.

Motion carried.

SELECT COMMITTEE ON THE CONSTITUTION (ELECTORAL REDISTRIBUTION) AMENDMENT BILL

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

That Standing Order No. 339 be so far suspended as to enable the Select Committee on the Constitution (Electoral Redistrib-

tion) Amendment Bill 1990 to authorise the disclosure or publication, as it thinks fit, of any evidence presented to the committee prior to such evidence being reported to the House.

The Hon. D.J. HOPGOOD secured the adjournment of the debate.

SESSIONAL COMMITTEES

The Legislative Council notified its appointment of sessional committees.

ADDRESS IN REPLY

Mrs HUTCHISON (Stuart): I move:

That the following Address in Reply to His Excellency's opening speech be adopted:

May it please Your Excellency—

1. We, the members of the House of Assembly, express our thanks for the speech with which Your Excellency was pleased to open Parliament.

2. We assure Your Excellency that we will give our best attention to the matters placed before us.

3. We earnestly join in Your Excellency's prayer for the divine blessing on the proceedings of the session.

In moving the motion, I would like to congratulate the Government on a very sound program that has had to be framed in an extremely difficult economic climate, not the least of the difficulties being the fact that South Australia has been left in the situation of having to take substantial funding cuts—\$180 million in real terms. This has naturally caused a large number of difficulties for the Government in ensuring that there is fair, just and equitable use of the available funding in order to carry out its legislative program and to ensure that there is good government for the State of South Australia. In its forward planning for the State the Government has had to make difficult decisions which are not always popular. Nevertheless, it has tried to maintain stability in the provision of services and has sought, and continues to seek, to attract developers to South Australia.

In spite of the outrageous and blatantly untrue statements by Opposition members, the outcome of the Premiers Conference for South Australia was not good and meant an effective reduction of funding to this State of \$180 million. I repeat that: it was \$180 million. This was due to a cut in the real level of financial assistance grants of \$40 million; a cut in the level of capital grants of \$3 million; a cut in water quality grants of \$53 million and, because of a change in the Grants Commission calculation period from three to five years, a further \$50 million; and the cost of the national teachers' benchmark salary of a further \$34 million. That makes a total of \$180 million.

The Premier has already explained, but I reiterate, that the \$180 million reduction compared with 1989-90 has occurred because, first, general revenue funding, such as financial assistance grants, is untied as to purpose, so it provides direct assistance to the State's budget by financing general recurrent expenditure. This was cut by \$43 million. Whilst this cut was offset by a \$41.7 million increase in specific purpose payments, as stated earlier this is of little or no benefit to our State budget, because these are tied payments and are used mostly to fund specific Commonwealth programs or initiatives. They cannot be used to help provide the essential State services for which this Government is responsible, and these State services naturally make up the bulk of recurrent State expenditure, hence the \$41.7 million is of little benefit to our State budget.

There is also a reduction in water quality grants. In the past, in addition to funds distributed at the Premiers Conference, South Australia has received a special payment which recognised the increased cuts Governments have had to bear to maintain and improve the State's water quality. It is not a one-off payment. South Australia has received increased funding for water quality for the last three years and my own electorate of Stuart has been one of the beneficiaries of that funding. It was not unreasonable, indeed it was very reasonable, to expect a continuation of this funding in 1990-91. This was not the case and the so-called water quality grants to this State were, in fact, reduced by an amount of \$50 million in real terms for this year.

There is also the change in the Grants Commission calculation period. In its 1990 report on recommendations for the distribution of financial assistance grants to the States, the Grants Commission presented two funding options: one was based on a three-year period of review and the other was based on a five-year period of review. Under the three-year period of review, South Australia was to receive \$60.4 million but under the five-year period, only \$9.5 million. For the past decade the commission has adopted the three-year period and, in fact, in its report recommended a continuation of this policy. Based on the fact that the Prime Minister had written to State Premiers advising them that the three-year period would be used, South Australia's budget included the expectation of an extra \$60.4 million in funding. The recommendations of the Grants Commission were ignored and the Commonwealth Government decided to change the base period for calculating grants to five years. This change meant a loss to South Australia of \$50 million.

Regarding the cost of the national teachers award, the Commonwealth Government proposed a national salary benchmark for teachers in the interests of uniformity—and I repeat that it was the Commonwealth Government which proposed that. The cost of that Commonwealth Government decision for South Australia is about \$34 million in a full year. There was no consultation with the States on this proposal. The Commonwealth was the architect of the increases. However, when the States asked for compensation from the Commonwealth for the increased costs that this would mean for them, that compensation was denied them. Because of that, \$34 million extra has to be added to South Australia's budget—because of a decision reached not by us but by the Federal Government.

Another big cost for South Australia has been the reduction in housing grants, and this is really quite serious for South Australia. Under the Commonwealth-State Housing Agreement our funds will decrease from \$104.5 million to \$95.2 million. This seriously hampers the Government's building program. As I am sure all members here are aware, South Australia leads the nation in the provision of quality public housing. This Government can, indeed, feel very proud of those efforts and of its reputation nationally with regard to the provision of quality housing. So we can see, in spite of the noise made by members opposite that there has not been a decrease in funds made available to South Australia from the Commonwealth, this is well documented and easily understood by those with any economic and financial nous. In fact, there has been an effective reduction.

There has been a perceived need by all States because of this budget for a more coordinated approach in coming to terms with reduced Federal funding. This accounts for almost 50 per cent of all State budgets, thus it is really quite serious when there is any reduction in that Federal Government funding. Discussions have already taken place with regard to State taxing in order to achieve some semblance of

consistency in any proposed rises. The difficulties flow through to all States, not only to South Australia.

In spite of what the Opposition says *ad nauseam* that X number of State taxes and charges have risen X number of times in X number of years, the fact remains that South Australia is not a high taxing State; the facts show otherwise. In fact, the ABS statistics show that revenue collected from taxes, fees and fines per head in South Australia is less than in any other State except Queensland and is 10 per cent lower than the national average. This is a fact. The CPI figures for the June 1990 quarter show that increases in Government charges in Adelaide have been less than the Australian average for each quarter over the last year. This is another fact. During the June quarter Adelaide was the only city where State Government charges had a negative impact on the CPI. *Budgetary Stress; the South Australian Experience* states:

In brief, the South Australian Government runs a tight financial ship compared with most State Governments, taxing less severely and borrowing on a more prudent scale.

All of this is fact and makes a mockery of Opposition claims that South Australia is a high taxing State. It is not. The relevance of the Government's program for the State generally is clearly to maximise the use of the available funds in the most efficient way possible. That is a sign of good government.

One of the positive aspects of this Government's ongoing programs is the quest for the 1998 Commonwealth Games. It is gratifying that this quest has bipartisan support. If we achieve it—and I am convinced that we have the best possible chance of achieving it because of our highly professional submission—it will have a very real impact on this State's economy in a number of very positive ways.

Again, this Government has taken the initiative by entering a submission for the multifunction polis, and the results of that are now history: South Australia won. The concept is very exciting and is now to be further investigated, refined and improved after involving the public of South Australia in the consultations. The environmental, educational, communications and technological aspects of the project have high priorities with this Government. The potential for increasing the profile of the State, the enhancement of export earnings for the State and the nation, and the gains in our being able to become a leader in environmental protection offer a visionary future for South Australia.

The Premier, as Leader of the Government, and all those involved in the submission must and should feel justifiably proud that the first hurdle has now been cleared. The initial work has been done, and the Government is now committed to ensuring that the multifunction polis in Adelaide will be something that the State and all its citizens can be proud of. I personally feel very committed to this concept; to me, it offers a wealth of potential for the State and the nation. It is exciting and I look forward to the coming feasibility study and to seeing what eventually evolves from the project.

Another of the Government's positive achievements includes instilling confidence in businesses such as Actil, which has invested \$30 million in the past three years to upgrade its Adelaide plant. I believe that that plant can now produce in the vicinity of 250 kilometres of fabric per week. This augurs well for the State's future and also shows a good deal of confidence in the future of the State, and that is very important.

The aviation college at Parafield Airport, a \$4 million project of Hawker De Havilland for technology and training, is another such development and provides a world-class facility that will put South Australian pilots in the cockpits of the world's finest aeroplanes, as was stated by

the Premier when he opened the facility recently. The submarine project can be added to the growing list of achievements for South Australia. This and other defence projects are having a big impact on South Australia's economy and will continue to underpin this State's labour market (according to a report to the Government). These projects are boosting the State's economy at a time when the national economy is easing. I think that that shows a significant aspect of this Government's policies.

A report commissioned by the Department of Industry, Trade and Technology predicts that defence projects will provide some 2 500 jobs a year in South Australia over the next five years and beyond. This represents a sustained rise in employment of up to 1 per cent per year. Added to that, income generated from the projects will, according to conservative estimates, put an extra \$100 million per year into the South Australian economy. That is an increase in our gross domestic product of .5 per cent—a very significant increase.

The recent announcement of the Minister of Employment and Further Education of a third university for South Australia has generated a lot of enthusiasm in the community and in educational circles. The winter 1990 volume 1, No. 3, of the South Australian Institute of Technology magazine *In Touch*, in an article entitled 'Historical Agreement on New University', stated:

Educational history was made with the signing in Adelaide on 9 July of agreements merging three campuses of the South Australian College of Advanced Education with the South Australian Institute of Technology to form the State's third and largest university.

It went on to say that Mr Barrett, the President of the Councils of the South Australian Institute of Technology, said, 'The agreements were the first formal and legal step in the creation of the new university, and marked the end of more than 100 years of effort and achievement by the institute of whose council I am proud to be President.' 'It is a most exciting year for all of us concerned in this momentous transition,' Mr Barrett commented. He further said:

We can see this new university playing an increasingly important role in the academic and educational life of this nation, and it is satisfying to know that it will complement the courses and research offered at the existing South Australian universities. While we take pride in our past, and sense a natural nostalgia for it, we must also look forward with faith, hope and confidence to the future of a great new Australian centre of learning.

In this session, this Parliament will be dealing with legislation to establish that new university, which will come into operation on 1 January 1991. This is an historic occasion and credit must go to all those involved in the negotiations, which, I believe, have been quite lengthy.

As I have already said in this House, there is a very real need to attract development to my electorate of Stuart. I support, and will continue to support, the Government's efforts to encourage developers to come to South Australia and, from there, into the electorate of Stuart, where the potential for environmentally sound development would be welcomed and where developers would be able to obtain all the requisites for economically sustainable developments.

Increases in tourism because of the increasing profile of South Australia in relation to the Commonwealth Games project and the multifunction polis could, I believe, provide a stepping off point for increased tourism in the electorate of Stuart, especially in our beautiful Flinders Ranges and the surrounding areas. This State has a lot to offer and we must continue in our efforts to promote it to people in other parts of Australia and overseas. We still have a long way to go, although a lot of work has been done in the area of tourism in South Australia under the present Minister.

Under the Labor Government tourism has increased and credit for that must go to my colleague in another place, the Minister of Tourism, for her dedication to increasing the State's tourism profile. However, there is a need to continue to compete aggressively both in Australia and overseas for a bigger share of the market. I know that this will be done under the current Government in a constructive and positive way through its Minister of Tourism.

I also pay tribute to the success of the Wadlata Outback Tourist Centre in Port Augusta. This centre was the brainchild of the former member for Stuart, Gavin Keneally. His vision of an interpretive centre and his investigations overseas into such centres resulted in a first-class tourism attraction in Port Augusta. Since its opening, Wadlata has gone from strength to strength. It is a world-class facility and deserves all the accolades it has received. In fact, it recently received an accolade at the tourism presentations.

Carnbrae in Port Pirie, which is probably not as well known as Wadlata, is a heritage listed building (and I imagine that the honourable member opposite who is nodding his head knows this very well) which offers outstanding attractions for tourists. The building has been faithfully and lovingly restored. This private dwelling has some of the most outstanding examples of stained and painted glass that it has ever been my fortune to see. In fact, that has been said to me by people from across the nation and from overseas, particularly from Germany. The building is brilliant—absolutely wonderful to look at.

It also has wonderful displays of sculpture, glass, silver, furniture and musical instruments. In addition, there is a display of 2 000 dolls. The proprietors have told me that they have a further 1 000 dolls that they do not have room to display. I believe that they will be working very hard to get some extra room to display those dolls. It is a wonderful facility and more effort should be made to attract people from outside the region to it. In particular, I would like to see visitors from overseas attracted to that area.

Close handy and still in my electorate of Stuart is Port Germein, which has the longest jetty in Australia. Quite a claim to fame! It also has one of the best seafood restaurants, which is a delight for tourists, and all within a short, two-hour drive of Adelaide. Promotion of attractions such as these could enhance tourism in this State. Members will note that I have not mentioned in detail the delights of the Flinders Ranges, which offer so much to tourists. I could talk at great length about those attractions.

Education has high priority for the Government, and there have been some innovative approaches in country areas such as mine in education. The combined year 12 campus, which has been operating in Port Augusta for several years and which also operates in Port Pirie, has been very successful. The willingness of the various high schools to cooperate has assured its success. The public schools in Port Augusta and the non-government school are involved. It shows what can be done to improve country education if there is a preparedness to cooperate. All those high schools in Port Augusta and Port Pirie which have worked hard for a successful, combined campus must be commended for their efforts, as must the principals who have done so much work to ensure that the campus succeeds.

Maureen Morton, who is the Principal of the TAFE college in Port Pirie, which has a regional role, has shown a great deal of entrepreneurial ability in gaining approval for an outreach campus of the Flinders University in Port Pirie. This should be a major gain for country education, one which I support totally. Ms Morton's success in convincing the university to establish its outreach campus at Port Pirie deserves congratulations, and I put on record my congrat-

ulations to her on such forward thinking. It enhances the prospects of people in country areas to advance their education.

I am pleased to know that BHAS in Port Pirie is moving ahead with its clean-up plans for waste water. The company's waste water quality improvement strategy should be completed by September 1992, and a lot has been said about this recently. The first stage of the \$12 million to \$15 million project is the construction of a thickener and water treatment plant to handle the lead sinter plant waste waters. The project of \$2.95 million was approved in April and is due for completion in June next year. The next stage will be submitted for board approval this month and involves a series of six projects totalling \$2.5 million, covering areas in the two zinc plants, and includes a substantial upgrade of the final sedimentation pond. This is due for completion in 1991. Stage 3, costing \$2.4 million, will mean the installation of a new high rate thickener and water treatment plant in the slag fuming plant. That plan will be submitted for board approval in January 1991 and is due for completion in September 1992.

When this work is completed, waste water from Pasminco Metals-BHAS should meet the criteria for heavy metals set down in the Government white paper and the proposed marine pollution legislation, with the possible exception of zinc. However, zinc levels will still be reduced by 80 per cent, which is a substantial amount. Over the next 18 months, the company will be developing technical solutions for further reductions of heavy metals for incorporation into future stages of capital works. I also believe that BHAS has given a commitment to reduce emissions from the plant to the minimum level possible, given technical feasibility, within a five-year plan. The plan has been established with the Department of Environment and Planning and includes progress reviews next year and in 1993. I will certainly be keeping a close eye on those reviews.

It is heartening to find that a genuine effort is being made by Pasminco-BHAS to clean up the marine environment. This is an area of great concern to the Government, as was indicated by the marine environment protection legislation, which was debated in this House in the last session.

A number of environmental issues will need to be addressed in the foreseeable future. An interesting issue, which is already exercising the minds of some people, is the legal implications of the greenhouse effect for coastal engineers and town planners. I recently read an article about some of its ramifications.

The greenhouse effect has been spoken of for some years. It is now being said that one adverse effect will be rises in the global sea level and, although this impact may be decades away, it is becoming a cause of real concern for professional bodies such as coastal engineers and planners. They may need to incorporate predicted sea level rise estimates into current environmental plans. This involves some interesting concepts. Furthermore, I believe that there is already conflict in published scientific studies as to the actual extent of future sea level rises, thus highlighting the sort of problems facing engineers and planners.

The concern of these professional groups relates to their potential liability for information or advice which, if acted on, might subsequently lead to property damage and economic loss. A paper written by E.K. Christie, Master of Agricultural Science (Queensland) and Doctor of Philosophy (Macquarie), who is also a barrister-at-law and Associate Professor in Ecology at Griffith University, examines the questions of fact and of law which will need to be resolved with such a problem. Specifically, Professor Christie's paper discusses sequentially the following issues:

- (a) whether the potential cause of action might be Statute-barred (which would affect Parliaments);
- (b) whether any statement based on existing scientific knowledge as to the extent of future sea level rise might be incorrect, in particular, in relation to the standard of care adopted by professional bodies such as engineers and town planners;
- (c) whether it might be negligent to make such a statement; specifically, the question of duty of care, reliance and proximity with respect to alleged negligent misstatements by professional persons such as engineers and planners;
- (d) the issue of negligent misstatements in relation to purely economic loss; and
- (e) the measure of damages in the circumstances of the defined problem.

For those involved in coastal planning, and for legislators such as ourselves, there is a need to be aware of problems which could evolve in this area, and it may well be something on which we must make decisions in this House in the not too distant future.

I mention the excellent work that has been done by the Environmental Health Centre in Port Pirie, as a result of a grant from this Government. Indeed, this Government has spent a substantial amount of money on programs to monitor on a regular and ongoing basis the lead levels of children in Port Pirie. This has been and continues to be a successful program. As members would be aware, this was a problem in the area and the result of establishing an environmental health centre in conjunction with other allied programs is having a beneficial effect on the blood lead levels in the children of Port Pirie. For that we must all be grateful.

Another of the issues that we as a Government and Parliament will be addressing is a recycling strategy for South Australia. The Minister for Environment and Planning has already launched a document on that subject which is to serve as a green paper in canvassing community opinion on the broader issues of resource recycling. Unfortunately, we have become a disposable society and the problems involved in finding ways to cope with the enormous volumes of materials to be disposed of or used as recycled materials are becoming increasingly important and need urgent attention. The fact that we are already attempting positively to address the obvious problems we face is a step in the right direction. I suggest that the Minister should be commended for the work that has already been done, and that which continues to be done, in the area of waste management and recycling.

Another area of particular relevance to me, and indeed to the whole State, is the increasing concern about problems of theft and vandalism. This affects all electorates. I, together with two other members from this House, attended a conference on vandalism and graffiti held in Melbourne because of my concerns in this matter.

We were told that the costs involved in removing graffiti are enormous and that the ramifications for public transport bodies are quite serious. Some interesting ideas came up at that conference. The American idea (and to a large degree this was also the method agreed to by New South Wales) is to remove the graffiti almost immediately, or as soon as possible after it is done. In fact, that is what the New York City Transit Authority did when it started its program in 1984 when virtually all of its 6 200 subway passenger cars were covered with graffiti inside and out. It was an enormous effort for the New York City Transit Authority to get rid of all that graffiti in a certain period.

The commencement of the 'clean car program' was aimed at restoring public confidence, attracting new customers and

establishing an acceptable work environment for transit employees. In fact, I think this can follow through to all transit authorities wherever they are within the State, or within Australia. The Vice President of the New York City Transit Authority, Mr A.R. Goodlatte, advised that on 12 May 1989, five years after the program's inception, the last graffiti-covered train was removed from service.

The authority has attributed the success of its program to five major factors: first, a well-planned, coordinated strategy to clean up its fleet on a train-by-train, line-by-line basis; secondly, an effective deployment strategy with car cleaning forces working at terminal stations to maintain the cars and immediately remove the graffiti, or remove cars from service for heavy cleaning; thirdly, effective inter-departmental cooperation between all transit authority departments to support its overall cleaning efforts; fourthly, a sustained authority-wide top-management focus and effective deployment of authority-wide resources (these resources were absolutely enormous); and, fifthly, a management structure that delegated authority and responsibility which would enable the transit authority to respond to changing conditions rapidly and in an effective manner.

The cost of a clean fleet meant that the number of car cleaners increased rapidly and dramatically from 691 in December 1983 to a peak of 1 622 in 1988. However, these were funded through productivity gains in other areas and, in fact, the overall number of hourly employees actually decreased. Despite this significant shift in resources, the mechanical reliability of the fleet more than tripled between 1984 and 1990. So, substantial gains were to be had from that program.

At this stage, the authority is attempting to do more with less—in other words, reduce labour and material costs while maintaining the same standards of excellence. In 1990, its car cleaning force has been reduced by 5 per cent by becoming more efficient, changing jobs, providing better materials and equipment, and so on. Today graffiti is no longer a serious vandalism problem for the New York City Transit Authority—and many of us would like to be able to say that about our service. However, it does still occur and there is a continuing need to monitor the situation. That goes for all the sorts of programs that we instigate—we should monitor them.

There are some very positive ways in which vandalism can be dealt with. I refer to two enterprising local government bodies—one in Victoria and one in Western Australia—that implemented interesting programs. Knox City Council in Victoria came up with an innovative project called, ironically enough, 'Lovely Loos'. Usually, public conveniences are unsightly, yet basically functional, simple brick buildings susceptible to vandalism, and I think we would all agree with that. Through a program of community involvement and the infusion of ideas through its arts, design and building departments, this council has transformed a number of local conveniences from being merely functional buildings into structures of artistic and architectural merit. In that process, it established a completely new criteria for future public toilet blocks. I must say that photographs and slides which were shown to illustrate the results of this exercise were impressive, and gave a whole new meaning to the word 'innovative'.

The Knox council has evolved what it calls a 'Liveable Places Program', which encourages residents to work with artists and designers to embellish public buildings and other community assets. One of the benefits of its program has been a quantitative reduction in vandalism and graffiti. This does not happen very often; it is not often that the councils go through the exercise of actually quantifying the effects

of their projects. I was very pleased to see that at that conference there were actually people from our local government body. As this approach has attracted interest throughout Australia, the United States and the United Kingdom, it is well worth following up with the council concerned, which has won many awards for its positive and constructive attitudes to vandalism and graffiti. From what we have seen, they were well-deserved awards, and I believe they merited all the credit that they received for those projects.

The second council which showed an innovative approach to vandalism and graffiti was the Gosnells City Council in Western Australia. It approached the problem by calling public meetings and setting up a committee on vandalism, with an extension to focus on graffiti. It recognised one of its main objectives as being a need to provide alternatives for its youth, and I could not agree more with that because one of the reasons that youth resort to graffiti and vandalism is because they have nothing better to do. So, the Gosnells City Council involved the schools, the Government, the Minister, and the public generally in this. It looked at things such as Neighbourhood Watch, Industrial Watch, the reasons for youth offending and so on. I thought this was an extremely positive way to be looking at the problem. I believe it is the best way to look at it. After much discussion a positive approach on ways to prevent vandalism was formulated in conjunction with the whole community, so the whole community had input into it. It was a community problem, and they came up with a whole range of solutions which were positive and constructive.

In 1988-89, the Gosnells council found that programs it had set in place showed the youth were actually supporting the programs. In fact, for that 1988-89 financial year only one building and one other piece had been vandalised. That is a remarkable achievement when one considers that figures from the Western Australian police indicated that insurance claims in the Perth metropolitan area totalled some \$192 000 in 1988.

I would like to take the opportunity to put on public record my congratulations (and I am sure the congratulations of all members in this House) to the South Australian Police Band. It is said that it stole the show on opening night at the Forty-first Edinburgh Military Tattoo. Led by the Director of Music, Wing Commander Eric Banks, I believe the 47-member band treated those present to an impressive medley of Australiana, such as *Tie Me Kangaroo Down Sport*, *On The Road to Gundagai*, and so on. The band has put South Australia in the world spotlight and done its State proud, and I believe it deserves credit for the hard work involved in reaching such a standard of excellence.

The band was ably assisted, in enhancing Australia's reputation, by the Australian Drill Team which also enthralled the 8 000 spectators on the esplanade of the Edinburgh Castle. It is an impressive sight; I have been present at one of those tattoos. The drill team was introduced as world champions, and I believe the reports indicate that it deserved to be introduced as such. The team is well known in this State for its performances at such functions as the football grand final, the Grand Prix, and the Adelaide 36ers matches—something I am very interested in.

As a team, the band and the drill team were referred to by the official photographer as being amongst the three best performers ever seen by him in his 20 years plus at the tattoo. Their effort deserves much credit, along with the accolades given to them.

The Hon. D.J. Hopgood: I appreciate the tenor of your remarks.

Mrs HUTCHISON: Thank you. However, an area of great concern to me and all members of my electorate relates to the decrease in passenger services offered by Australian National. Both Port Augusta and Port Pirie will be markedly affected by any downgrading of passenger services. This move has already been indicated by Australian National. The Railway Industry Council document 'Rail into the 21st century' is looking at options for rail into that century and, in order to indicate my personal concern about any proposed reduction in passenger services, I have put in a submission supporting the only option that really looks at providing good quality passenger services for areas such as my district of Stuart.

Ironically, it would appear that throughout the rest of the world Governments are looking at increasing and improving rail services, whereas Australian National is trying to evade its responsibility, I believe, in providing passenger services. There are further concerns for Australian National workers in Port Augusta and Port Pirie in that a policy that has been in operation since the amalgamation of the Commonwealth and South Australian railways has been revoked. That policy involved no forced relocations or redundancy.

Australian National has now said that, if workers will not relocate, they will lose their jobs. This change will affect 41 workers in Port Pirie and could affect a comparable number in Port Augusta. The position is becoming so bad that there have been comments such as 'If Australian National goes ahead, it will tear the guts out of the next generation,' and 'It will take away any potential employment opportunities for young people let alone the effect it will have on the economy.' These comments were contained in a *Sunday Mail* article published on 5 August 1990. The report, 'End of the line for Port Pirie (days of rail steam just a memory)', refers to comments by a former Australian National worker, 61 year old Jim Fitzgerald, who has a wealth of experience in railway operations in Port Pirie. He can speak at great length on the impact of this proposal on that city. In the same article Port Pirie's Mayor, Denis Crisp, is quoted as saying that the Australian National proposal is in fact a 'betrayal of faith'.

Mayor Crisp has written to Australian National's Managing Director, the Federal Minister for Land Transport (Mr Bob Brown) and me voicing those concerns. I wholeheartedly support Mayor Crisp's concerns and hope that they will raise the social conscience of those officials on this issue.

Mr ATKINSON (Spence): I second the Address in Reply. I believe that His Excellency's speech is a modest, sensible and feasible charter for his Government in this session. It is a program in tune with the economy and the times. I shall speak to two aspects of His Excellency's speech. The first is the State's finances, which govern the rest of the program. The second aspect is the Government's move to authorise all day Saturday shop trading in all districts.

The State Treasury faces reduced real Commonwealth grants, static receipts from State taxes and real growth in recurrent outlays, especially in education. Commonwealth grants were 61 per cent of total State receipts in 1984-85, but that has fallen progressively and in the last financial year they were down to 51 per cent. Commonwealth funding for the States is down 2.4 per cent in real terms since 1984-85.

It is true that the Commonwealth recently increased specific-purpose payments to South Australia, but tied payments are of little help with the total budget. Voters know that the Government can do only two things: it can cut

existing programs or it can raise more tax to maintain services at their current level.

South Australia starts this process from a good position because, under successive Bannon Labor Governments, our State's economy has grown faster than Government spending and the Government has not needed to borrow as much as other States. Now the Opposition's approach to the budget is easy to predict. It is one of the pleasures of parliamentary opposition. Members opposite will flog the Ministry for raising taxes or charges, they will call for cuts in total spending and they will trot out some costly mistakes from the past but they will not specify cuts in existing programs. Each Thursday morning of sitting weeks they will ask for more spending in their own electorates. The member for Davenport extolled this approach in the House just last week.

Mr Holloway interjecting:

Mr ATKINSON: Yes, today as well. An honest approach is that of the Public Service Association (PSA), one of the State's biggest and best-organised labour unions. The PSA suggests that State taxes be increased to maintain public sector expenditure and employment. The PSA argues that South Australia is a low-tax State and our taxes could be lifted as a proportion of gross State product. Taxes that are less severe in South Australia than in other States are, according to the PSA, those on payrolls, gambling, licence fees on tobacco, some stamp duties and mining.

The PSA immediately exempts payroll tax from its list of taxes for raising. This rather spoils the case, because payroll tax is the biggest revenue raiser, bringing in 30 per cent of total State tax receipts. The union also advocates a harsher tax on alcohol.

As a member representing a working-class electorate, I have to tell the PSA the facts of life. The imposts on a beer, a bet and a smoke are already heavy enough. This is a Labor Government—not an Australian Democrat Government. The middle-class wowsers who wrote the PSA's submission needs to know that there will be more community resistance in Spence to the imposts that the PSA is advocating than to the kind of cuts this sensible Labor Government is likely to make. I think the PSA rank and file probably feel the same way. One useful suggestion in the PSA submission is that taxes be linked to particular projects, such as highway maintenance. Treasury, any Treasury, will oppose the tying or pledging of revenue but I believe the budget process ought to change so it can be more easily understood by voters.

I now turn to the second aspect of my remarks. His Excellency's speech foreshadows that his Government will reintroduce the Shop Trading Hours Bill. The Bill aims to extend the competitive Saturday afternoon trading now enjoyed in several provincial cities and towns to the proclaimed shopping districts, such as metropolitan Adelaide. I say 'competitive' Saturday afternoon trading because we have long had Saturday afternoon trading by groceries clever enough to fit within the law's size limits, such as the Triple Seven stores and others taking their supplies from Independent Grocers. All the current law and its exemptions achieve is the exclusion of department stores and supermarkets from the Saturday afternoon market.

I am in no doubt that public opinion favours the Government's Bill. Consumers want more choices in the Saturday afternoon market. In 1988 the political Party that avows choice and the market defeated the extended hours proposal. It blocked the Bill because it did not want a free market, even in something as basic as groceries. The Liberal Party wanted the market to stay rigged in favour of small retailers. Let me declare my interest in the Bill. Before

entering this House I was an industrial officer with the SDA, the labour union covering shop assistants and nearly all other retail workers.

In 1988 I listened to the debates here and in another place on the merits of the Bill. At that time the union had been negotiating with the Retail Traders' Association (RTA) about extended hours. The majority in the RTA, led by Coles and Woolworths, supported the Government Bill and a new deal with the union. The minority, led by Independent Grocers, feared it would lose market share and some wanted to protect their lucrative privilege of trading uncontested on Saturday afternoon. An extended hours wages deal was to have been arbitrated under the restructuring and efficiency principle of the then national wage guidelines.

Judge Stanley, of the Industrial Commission, told us the Shop Trading Hours Bill would have to become law before he would arbitrate the proposed new shop conciliation committee award. He said he would not promulgate an award whose rates were premised on hypothetical working hours. The Liberal Party, led by its then industrial relations expert, the member for Mitcham, said it would not support the Bill until the Industrial Commission had handed down a new award.

The SDA would have been frustrated by this catch-22 had not most of the benefits of the proposed wage deal soon been granted to us without conceding Saturday afternoon trading. So the Liberal Party helped the union get a wage increase that the member for Mitcham denounced as outrageous without our having to make the historic concession of Saturday afternoon trading. How I would have loved to have been in the Liberal Party room as most members opposite wrestled with their principles and rival bids from the two retailing factions!

The Hon. D.J. Hopgood: You mean as a fly on the wall?

Mr ATKINSON: Yes, quite. I cannot say I am surprised that Coles-Myer and Woolworths finally won out when the member for Bragg assumed responsibility for industrial relations. Just over a month ago the SDA clinched a deal with the RTA on extended hours that gave SDA members the biggest wage rise in the union's 100-year history. The lowest rate for a shop assistant on a 38-hour week rose from \$333.40 to \$353.40 on its way to \$377 when extended trading starts and \$400 by February 1992.

Mr Ingerson: Are you happy with that?

Mr ATKINSON: We are very happy indeed. The new deal stipulates that existing full-time and part-time employees cannot be forced to work on Saturday afternoons, but new employees may be so rostered. These new rosters will encourage a return to full-time employment after two decades of increasing casual employment. The incentive to hire large numbers of casuals on the minimum number of hours has been removed from the award. More full-time employees are already being hired ahead of the new rosters.

Mr Ingerson: Are you going to talk about penalty rates?

Mr ATKINSON: I shall. This is good for the standard of customer service; it restores the principle of a living wage in retailing; it is an example of what the current wages system can achieve for lower-paid workers; and it keeps faith with the full-time and permanent part-time workers who have been the stalwarts of the union. The SDA has delivered to those retail workers who need its help most—permanent employees for whom retailing is a career.

Penalty rates have not been abolished as the member for Bragg falsely claims. Penalty rates have been added to the weekly wage and fixed. They will rise as wages rise. Before the deal, few full-timers worked on the late night or on Saturday and therefore did not enjoy penalty rates. Now all full-timers shall benefit. When it comes to the shop concil-

iation committee award, Mr Speaker, I am a full-timer and the member for Bragg is a casual.

The Shop Trading Hours Bill shall be an example of a responsible union and the Australian Labor Party complementing each other to deliver benefits to their traditional supporters. It shall be an example of Labor policy adapting to changing demands and thereby serving working people in a way that could not have been predicted by an earlier generation of labour movement activists. I shall be commending the Bill to the House when it is reintroduced.

Mr S.J. BAKER (Deputy Leader of the Opposition): I point out at the start that I am not the lead speaker in this debate and that the Leader of the Opposition will address this House somewhat later this week. In responding to the debate, I record my interest in the headlines of recent days. When the world is under great crisis and Kuwait's oil supplies are in grave doubt, football clubs head the news agendas. Perhaps that is a reflection of the regard that people hold for local political processes, because I believe what we do here is very important to the people of this State. However, the headlines would suggest otherwise.

We do have a particular interest in the budget and its outcomes because it affects everyone in this House and all our constituents. We are all affected by budgets. I was speculating as to how a Labor administration would increase taxation once again. I said to myself, 'If the Labor Government had performed to its best possible efforts, we would see a rush of honesty. It would be prepared to take the people into its confidence. It would be able to outline the plans for the future and justify any additional charges or imposts that were being made on the people of South Australia.' That was the first scenario and obviously that was false. The second possibility was that, if the performance had left room for improvement but there was now some dedication to producing the goods (indeed, treating the people of South Australia properly), the Government probably would have taken the same path as mentioned previously, namely, taking the people into its confidence and outlining the plans for the future and justifying all the expenditure.

My third proposition was that, if the performance of the Labor Government has been very poor and if the Labor Government possesses an inwardly cowardly streak and does not wish to assist constructively the long-suffering taxpayers, there is a particular formula on which it would embark, and it has embarked on that particular formula. The first strategy is to blame somebody else—in this case, Mr Keating. The second strategy is to blame another somebody else—namely, the Opposition. Of course, that has been done. The third strategy is to shift the debate from the central issue, and the central issue happens to be how well the Government of this State is running the State.

Before I go on to the strategy, I will take up the very important and fundamental issue of the rights of parliamentarians. On Sunday we saw an exercise of misconception, an exercise where some of the claims being put out were totally false and misleading but, more than that, we saw a breakdown of the fundamental rights which every parliamentarian in this House enjoys. That fundamental right is that any person in this House can stand up for his or her constituency, without fear or favour. That person can represent the views and needs of their electorate. By putting out this rather dubious list of Opposition claims, the Government has put the whole process at risk.

What is more disturbing is that the Government had to resort to a whole range of untruths to press home this point. The major item on this list totalling \$1.4 billion is the comment by the former shadow Minister of Transport that

there is a need for dual highways between major cities. That is a fundamental item. We are talking about fast rail between Melbourne and Sydney so, for two reasons, the least we could expect in the longer term, as the member for Bragg points out, is a dual lane highway between the major cities in this country. In fact, it should be there now.

First, it would reduce the number of accidents on our major country highways and, secondly, it would reduce the cost of transport between the major cities. It is an indictment on this nation that we do not have that in place. However, the Government said, 'Here is an extraordinary demand for dual highways between major cities.' It came up with a cost to the South Australian Government of \$1.419 billion. I am not sure whether this \$1.419 billion was a cost to the South Australian Government, the Federal Government or to whomever is responsible. In any event, untruths were told in the process, leaving a lot to be desired. There are other items.

The fact that the Australian Labor Party and the Government that has been in power in this State for 20 of the past 25 years has not seen fit to put through a north-south corridor which would relieve the traffic burdens on the people of South Australia means that we are looking at small solutions for large problems in the southern areas. I know that my colleagues from down south are trying to address the needs of their constituents in being able to commute adequately between the city and their homes.

Since we do not have a north-south corridor, we have to talk about other means of improving the traffic flow in the area, and those means have been canvassed in debates in this House. To say that they are demands on the Government is quite spurious. We see a figure of \$36 million in this dubious document along the lines that the teachers claim should be supported, according to the shadow Minister of Education. That was in line with what had already been said by the Minister of Education, who announced that there were to be increases in pay rises for teachers. I would defend to the hilt the right of any member in this House to raise matters of public concern.

Interestingly enough, the list was fairly well restricted to nuts and bolts in many cases, but what about the fundamental needs of people? What about the need for improvement of a traffic intersection where crashes are occurring? Does that prevent the local member of Parliament from putting forward a proposition? Does anything prevent the member for Semaphore from talking about the possible problems associated with chemical spills in the Port Adelaide area? Does anything stop the member for Semaphore from talking about the Birkenhead bridge? Does anything stop the member for Semaphore from talking about some of the pollution problems that may occur in his area? I could refer to every electorate and say that, if members have not made suggestions about their electorate, they have not been doing their job. Yet the Government has seen fit to go through this list, at expense to the taxpayer, and examine these so-called demands.

In fact, they were never demands; many of them were options that could be pursued to improve the quality of life of those people who raised the matter or of South Australians in general. They were never demands on the Government, yet the Premier has used this as a Sunday stunt to do two things. First, he wishes to somehow deflect attention from the fundamentals of the budget and the basic deficiency of the Administration and, secondly, he wishes to intimidate members on this side of the House who are intent on serving the needs of their electorate. I know that every member on my side of the House thinks a lot of the people that they serve. They will not resile from the needs

of their electorate; they will not stop asking questions in terms of the needs of their electorate. They will not stop because the Government says, 'We are going to sit down and cost it. It is a bad idea because it will cost money.' These options may well save lives or money in the longer term. We have not heard of any of those issues. All we have seen is the Premier of this State, absolutely despicably, release a quite nefarious list to achieve two aims: one is to intimidate Opposition members and the other is to deflect attention from the budget. That is not on.

No-one on the other side of the House should be pleased with the Premier's efforts in that regard: they should be ashamed of him. How many times have members opposite written to a Minister and said, 'Dear Minister, I have a problem with my school and I would like it fixed,' or, 'I have a problem with my roads and I would like it fixed,' or, 'My local hospital needs some repairs,' or, 'There is a dangerous situation arising in certain circumstances which should be fixed,' or, 'There are sand dunes which are being eroded and we do not want that to happen.'

The member for Albert Park is always having difficulties and asking for something. When we are talking about law and order members opposite say that a few more policemen are needed here and there, and the member for Albert Park has been amongst those who have regularly requested the Government for action. It is up to the Government to say whether or not it is a good idea. It is up to the Government to say to members that it believes that South Australia would be better off as a result of a particular initiative. But no-one should dare stop the right of members in this House to take up the concerns of their constituents.

In fact, the list I have here had actually been costed. There is another list in the 116-page document. Letters of members of Parliament were provided to the media. In relation to the uncosted list, it was said that I had asked for more funds to be made available to the intellectually disabled. What was not said, of course, is that I had asked for a change in resource funding. What I was saying was that we should be changing the way we fund the needs of the intellectually disabled; we should be putting far less into institutions and far more into support facilities. Under the Government's normalisation program, there are a lot of losers out there, people who do not have basic support, people who have been turned out of institutions without the proper support that they need and deserve. Even then they could not get it right. That was the desperate effort of the Premier and Treasurer of this State. However, this effort will live long in the memories of the members on this side of the House and I would hope that in Caucus members opposite would raise the matter of the principles of the exercise itself.

That was one of the smokescreens put up. Another of the smokescreens put up by the Government was the question of the \$180 million. Of course, in the debate last Thursday that was clearly demolished, although the Premier, through the mover of this motion, seems to be coming back into the field to try to justify the \$180 million. I thought we had settled the argument, but, obviously, we have not.

Members interjecting:

Mr S.J. BAKER: Can I say, just because the Premier is trying once again to justify the argument, that a response is needed. The response is that, if the general revenue and specific purpose grants are combined, the State is \$258.6 million better off than it was during the last financial year. In real terms that is an increase of more than 1 per cent in the moneys available. If members opposite wish to deny this, they should get hold of the budget papers. I have the budget papers here as well as the statement from the Federal

Treasurer. So the State is better off. We did not suddenly lose \$40 million. There was an offset, that is, general revenues for a specific purpose. If anyone wishes to go back to the history of general revenue and specific purpose grants over the past 10 years, they will find that there has been a gradual replacement of general revenue by specific purpose grants. There is a long history. Overall, the budgetary situation is what should be assessed, and that is taken by all the experts—people outside this Parliament. So let us not be dissuaded.

The Premier did very well. He did not lose any money; in fact, he got more. We will agree that he got \$3 million less in capital because of the nominal amount rather than the replacement in real terms. He referred to the one-off water quality grant. Of course, there are other works in place in other parts of the Murray River system. That means that the Federal Government did not fund them this time. There was a one-off capital injection, as everyone in this House knew. Again, we heard the argument about the three-year review period and five-year period used by the Grants Commission and the question whether we were \$50 million short or whether we got our just dues.

If the Premier believed that the State was to be disadvantaged to the tune of \$50 million, when the Federal Treasurer asked him for a response why did he not respond? Why did he not ask his Treasury officials to say to the Federal Treasurer, 'We are not happy with this five-year arrangement. We want to go back to three years, because we are going to be worse off by a net \$50 million.' It did not happen that way. Of course, the Premier would understand that he has been asking continually for long-term stability in the grants to this State. He would get far greater stability under a five-year rolling program than under a three-year rolling program. So, the point must be taken that, in the longer term, he is better off.

The bobby-dazzler of them all is the teachers award. The Premier, quite wrongly, put an expenditure against that loss of revenue, which I find quite extraordinary, as would anyone who knows what finance is all about. And, in doing so the Premier forgot to say that that had been agreed between the State and Federal Governments.

How much are we worse off? Not a cent; we are better off than we were last year. If we look at the relationship of South Australia to the rest of Australia, we will find that in 1989-90 the revenue that South Australia received from the Commonwealth represented 10.47 per cent of the national allocation. All members know that South Australia has only 8.5 per cent of the population, so it received 2 per cent more than its per capita allocation would be. Also, we know that in 1991 that figure will improve, rising to 10.53 per cent.

So, let us not hear this State Government blaming the Federal Government for what it perceives to be the problems with this budget. Let us get to the real problem areas which the Premier has been attempting to hide for some months now and which reflect on his performance. Questions have already been asked, and they will continue to be asked, about how well the Government is operating its budget. There have been suggestions—and I do not believe they are accurate—that there has been a budget overrun of \$130 million, that is, \$130 million more was spent than was budgeted for.

I understand that the estimates that were prepared were based on year to March 1990 figures and extrapolated. All members know that, with a little judicious application, the last three months of a financial year can be either very strong or very weak in terms of budget expenditure. If managers apply themselves well, they can reduce the average

level of expenditure for the year in that last three months, because all major expenditures have been catered for. I know that certain public sector managers spend up big in the last quarter of financial years because they have been prudent managers and have saved enough during the previous nine months to do so. That matter has been addressed year after year, and this Government has made no attempt to change the procedure. If a manager can save money, let there be a reward for that.

Whilst we do not have an expenditure overrun of \$130 million, we are well aware that there has been an overrun. To date the Premier has not informed this Parliament exactly how much the overrun will be and where the cost explosions have taken place. It is incumbent on any Premier of this State, before talking even minutely about taxes, to supply the Parliament with details of where budget overruns have taken place.

It is simply not good enough to say, 'We need to put up taxes because the Federal Government has reduced our grants.' The Opposition has shown clearly that that is not the case. If taxes are to increase, it is because of the poor performance of this Government. No-one on this side of the House would be foolish enough to say that there will not be rises in taxes, but there are obvious areas where improvement can take place. It would be an extraordinarily smart Government that could reduce the level of taxation. The Tonkin Government did it between 1979 and 1982, but we will not impose our ideas on a Labor Government. We know that a Labor Government is not capable of cutting back overall expenditure; we know that a Liberal Government is capable of doing so, but that will have to wait until we are elected to government.

We expect the Government to reduce real taxation increases; rather than imposing a real increase, there could be a real decrease because of a decrease in expenditure. We do not expect the Government to keep the same nominal rate as last year, but we do expect an attempt to reduce the impost on the State's taxpayers—and that has not occurred.

The Opposition would like the Premier to say exactly where the cost overruns have occurred. We would like to know who have been the bad managers and what penalties will be placed on those who have budget overruns. We would like to know what action will be taken in relation to the Manager of the South Australian Timber Corporation, and regarding the *Island Seaway*, Marineland and scrimber debacles. In those projects taxpayers' money was thrown down the drain with no output.

An honourable member interjecting:

Mr S.J. BAKER: Yes, we have missed the boat; all that money has gone down the drain and the poor, long-suffering taxpayers are being asked to make up the shortfall. The Opposition wants to know where the overruns are and whether they were avoidable, as was the case in respect of one or two of the more-prominent mistakes I have mentioned. We would like each Minister to come forward and say, 'I have overrun in these areas and some action will be taken against those people who cannot keep within their budget.' However, we will not know the outcome until the Premier reveals the budget details.

I reiterate what the Leader of the Opposition has already said on that issue: the Opposition will not agree to any change in taxation levels until the budget is debated fully. We are aware that some 500 regulations have been changed quite considerably over the past two months, and that over half of them have shown increases greater than the increases tipped in the Premiers Conference documents. The Opposition suggests that the Premiers Conference documents may be a little conservative on the issue of inflation in relation

to other State Governments, but we know that they make up for any differences if the inflation level is not met, so there is a compensating factor.

The Opposition would like to know what actually happened in the areas where Premier Bannon does have an impact, because we believe that real problems may yet come to the surface. How much of the \$333.1 million worth of stamp duties for 1989-90 have not been collected? We know that Treasury estimated that that figure would be \$12 million less than for 1988-89, yet our information shows that there could be a shortfall of at least \$40 million. We would like to know the outcomes in relation to liquor, petrol and tobacco, because we know they will be prime targets in the forthcoming budget. They are soft targets and hit only the working man, as has already been pointed out.

There are some very important aspects of this budget document and they relate to the contribution of the financial institutions. I remind the House that the estimated contribution in 1989-90 of the South Australian Government Financing Authority was to be \$325 million, plus a rollover of \$60 million from the previous year.

The total contribution was \$385 million. That figure should have been exceeded because of the high real levels in interest rates that prevailed in this country during that financial year. SAFA should not be involved in any doubtful ventures or any risk-taking ventures, because it is directly under the control of the Government. The State Bank contributed to the State budget a net \$88 million through various devices, including income tax sharing and return on capital. Is the figure for 1989-90 \$100 million, or is it short on that? That is what it should be. SGIC has lived off this State for the past 15 years, contributing very little to the State budget. The Opposition would like to know what happened to it in the last financial year and what is likely to occur in the forthcoming financial year.

Questions have been raised about the Beneficial Finance issue, and that will not go away. It will flow through to the State Bank's profitability and, over time, the Opposition will pursue a number of other issues. Because he is the financial manager of this State, we expect the Premier to explain to his Government and the Opposition exactly where we stand as far as budget contributions are concerned. Tax issues will dominate debate during the next three months and there will be intense scrutiny of every item in the budget. The Opposition will fight for the rights of the people and to minimise the tax increase placed upon them. The Opposition will not allow the Government to waste the people's money without some repercussions. I hope that any repercussions will be of such a substantial nature that those people who have involved themselves in speculative ventures that have made losses or who have failed to contain budgets will feel the brunt.

On a finishing note, I offer congratulations from a football point of view. The Port Adelaide Football Club debate has added a bit of interest to local news and it has made people think about the long-term future of football, and that is not such a bad thing. I join with other members in congratulating our drill team and our police band, who are attending the Edinburgh Tattoo. There are a lot of things that we can be proud of in South Australia. Although the MFP may have a lot of hairs at the edges, we can look to it and hope that, over a period, the proposition will be clearer and constructive so that it can be embraced by all sectors of the community. It is currently in the hands of the Labor Government of this State. In the space of 3½ years, it will be in our hands to do what I believe is essential for this State, that is, to attract a multinational concept because of all the advantages to be enjoyed. In conclusion,

I note the Governor's speech and pay tribute to the magnificent job that Sir Donald Dunstan has done for this State in his 10 years as Governor.

Mr HOLLOWAY (Mitchell): I am pleased to support the address of His Excellency the Governor on the occasion of the opening of Parliament. The Governor's speech correctly noted that South Australia is now entering one of the most innovative phases of its development. I am pleased that the Mitchell electorate is sharing in this process. The construction of the first multi-tenant building at Science Park at Bedford Park is well under way. Flinders University will merge with the Sturt campus of the South Australian College of Advanced Education next year and new courses are planned for that institution in engineering, information technology and law.

The Flinders Medical Centre has extended its fields of research and patient care in recent years. The hospital has presented a strong case for the establishment of a coronary surgery unit at the centre that I hope will soon be recognised by the Health Commission. This would further enhance the reputation of Flinders and ensure that it remains at the forefront of medical science.

Many industries within the Mitchell electorate will also benefit from the Bannon Government's success in winning major projects for this State, such as the submarine contract. The South Australian economy has demonstrated a resilience over the past few years that would have seemed impossible in the 1960s and 1970s when our industry was so narrowly based. While Australia as a whole and all States face lower economic growth and a squeeze on revenues, South Australia is at least better placed than most to deal with the crisis. The recent Moody's report on South Australia confirmed this. The report stated:

Economic activity in the State, boosted by high farm income during the 1989-90 financial year, expanded at much the same rate as the previous year's pace of 4 per cent. Growth remained at a pace above that of the Commonwealth.

On the important question of the debt burden of the State, Moody's found:

South Australia has responded to Canberra's fiscal squeeze of recent years by cutting the growth in recurrent spending, reducing capital works outlays, and managing its liabilities more efficiently. As a result, gross State borrowing as a share of gross State product was the lowest among the States last year. South Australia's gross debt burden on a per capita basis is below the six State average. South Australia's total debt at June 1989 was \$7.4 billion, the second lowest of the States. Its relative debt burden—a gross debt/GSP ratio of 29 per cent—ranks second highest among the States. This ratio peaked at 32.8 per cent in 1987.

The Moody's report also noted:

Much of the increase in public sector debt has been undertaken deliberately to build up income-earning assets, such as loans and investments by the South Australian Government Financing Authority (SAFA). Hence the gross debt figure, which does not net out the State's financial assets, does not fully highlight South Australia's more than adequate capacity and flexibility to meet unforeseen changes in the public sector's cash flows. This is reflected in the debt service ratio. On a gross interest basis, debt service was 19.3 per cent of revenue in 1988-89—the third highest after Tasmania (25.5 per cent) and Victoria (21.2 per cent) but, on a net interest basis, the ratio was the second lowest after Queensland at 12.1 per cent of State revenue.

There is a great deal of further evidence I could provide to support the good financial management of this Government. For example, in July the Centre for South Australian Studies reported favourably on this State's economic performance. While the Government, and the Premier in particular, can take pride in the State's performance relative to other States, we should not underestimate the difficulties that we face in the coming 12 months. The revenue of all State Governments is being squeezed by a combination of

Commonwealth cutbacks and the stagnation of State receipts, which are heavily dependent on the level of economic activity. As the Governor's speech pointed out, the State's rural industry is under pressure from poor seasonal conditions and low commodity prices. The States do not have the luxury of a significant growth tax, unlike the Federal Government, whose receipts from income taxation constantly outstrip inflation.

At the same time, the demand for services provided by the States, including areas vacated by the Commonwealth, is likely to grow with any fall in economic activity. In my short time as a member of this House, I have seen public and private welfare agencies struggle to cope with the escalating demands for assistance from the poorest sections of my electorate. Cuts in traditional transfer payments from the Commonwealth, such as unemployment benefits, have combined with mounting credit problems to force many people to seek charity. The multibillion dollar savings in social security benefits and pensions over the past few years may be a necessary component of overall fiscal restraint, and, undoubtedly, abuses of the welfare system have been rooted out by the many tougher measures now applied. However, the fact remains that many recipients of welfare are in a situation where a minor crisis can spell financial disaster, and our traditional support services are hard pressed to cope.

I sincerely hope that recent press reports suggesting that supporting parents benefits, invalid pensions and sickness benefits could all be restricted or abolished in the Federal Budget are not correct. I believe that, for the first time in many decades, holes are appearing in the welfare net and, as the Deputy Opposition Leader just indicated, the Opposition in this House and the Federal Parliament advocate further extensive cuts in welfare spending. The sick and the poor have every right to fear for their future.

While I am sure the Bannon Government will maintain its obligations in the welfare field we cannot expect it, in the current financial climate, to assume the responsibilities of the Commonwealth. We can only hope that the Federal Government is serious in its stated intention to pursue a new program of cooperation and efficiency of services with the States.

In my maiden speech to this House earlier this year, I expressed the view that the division of Commonwealth and State responsibilities was a hostage of history, and that the centenary of the federation movement in this country was a fitting time to re-examine the roles of each level of government in our federal system. I also expressed the view that the concentration of fiscal powers with the Commonwealth was the main stumbling block to improved Commonwealth-State relations. I am pleased that the Prime Minister recently announced his intention to examine these issues at a special Premiers Conference in October.

In any multi-government system there are four possible approaches to the problem of disparities between revenue raising powers and expenditure needs among the various levels of government, or what is known in the jargon of public finance as 'vertical fiscal imbalance'. These approaches are: the transfer of tax powers; the transfer of expenditure powers from one level of government to another; inter-governmental transfers or grants; and institutionalised revenue sharing. Historically, the transfer of tax powers between levels of government has gone in favour of the Commonwealth, and is the basic cause of the imbalance in our federal system.

At federation, the States yielded their major source of revenue—customs and excise—and in 1942, as a 'temporary' measure for the duration of the Second World War,

they yielded their income tax powers to the Commonwealth. Despite constitutional challenge this income tax power has been effectively retained by the Commonwealth. Since the war, there have been transfers of relatively minor taxes in the opposite direction from the Commonwealth to the States; for example, land tax and entertainment tax were transferred in the 1950s. Only the transfer of payroll tax in 1971 has provided significant revenue to the States.

The transfer of expenditure powers to the Commonwealth is provided for in section 51 (xxxvii) of the Australian Constitution, but has not often been used. The transfer of the country section of the South Australian railways in 1975, and the acceptance by the Commonwealth of the responsibility for funding tertiary education in 1974, are recent examples of this. Despite a number of attempts the Commonwealth has extended its spending powers by referendum, in a significant way, on only one occasion—in the social security amendment of 1946. This gave the Commonwealth the power to pay maternity allowances, widow's pensions, child endowment, unemployment, sickness and hospital benefits, medical and dental services, benefits to students, and family allowances.

The strategy more frequently used by the Federal Government to extend its effective spending powers is through specific purpose grants under section 96 of the Constitution, particularly in the fields of education, social welfare, housing, health and transport. This has given the Commonwealth a growing influence over State programs and ultimately threatens to destroy federation. The States would become little more than post offices for passing on Commonwealth funding if the trend towards tied grants continues.

The Commonwealth's preferred solution to the fiscal imbalance between Federal and State Government has been a system of grants to the States. These financial assistance grants have also been used to correct disparities between States in their ability to raise revenue and in the demand for services, that is, horizontal imbalance. The difficulty with this solution is that the Commonwealth has increasingly been reducing the proportion of its total funds that are provided to the States. As the Minister of Finance pointed out to this House last Thursday, the proportion of this State's income that is provided by the Commonwealth has fallen from 61 per cent in 1984 to about 50 per cent.

The fourth solution to the vertical imbalance problem is a system of institutionalised revenue sharing. Under this system a fixed proportion of nationally collected taxes would be assigned to the States or to local government, with the proportion being reviewed by all parties after a set number of years. This system is the basis of federal financial relations in West Germany, where the yield of the major taxes is shared among the Federal and State Governments. In 1976, the Fraser Government initiated a limited version of this scheme but failed to gain State cooperation because it confined the system to personal income taxation rather than including all major taxes. If we wish to retain a viable federal system in Australia, a policy of agreed revenue sharing provides the best solution. It preserves the advantages of uniform taxation while providing other levels of government with a fixed share of the growth of national tax revenue.

It is clear that we have not satisfactorily resolved our Federal-State financial relations in 90 years of federation, and the country as a whole is paying too high a price for it. The Commonwealth's recent decision to relinquish the bank accounts debit tax to the States and the Prime Minister's commitment to consider a move away from tied to untied grants and to review the duplication of services,

starting with health and welfare, are hopeful signs that some real progress will finally be made on addressing these problems. While the financial relationship between the national and State Governments is the key to a smooth-running federation, our federal system can also benefit from the greater harmonisation of taxation between States; that is, coordinated improvements could be made to State taxation to maximise economic development and minimise collection costs, without the changes adversely affecting other States.

The concern with maximising economic development arises because State revenues rely on taxes which tend to penalise employment, such as payroll tax. However, unilateral changes to the mix of taxation by any one State can have wide repercussions, as occurred when Queensland abolished death duties in the 1970s. Elderly affluent people migrated to Queensland to escape death duties in their former States and Queensland initially benefited from this migration. As other States responded by abolishing their death duties this advantage was lost. The net result was that all States lost a source of revenue, and were forced to rely on an even more restricted range of tax measures.

While full harmonisation of State taxation would imply identical tax bases and rate scales, it is neither likely nor desirable that all States would wish to agree to such uniformity. In practice, identical tax bases are likely to be more important than identical tax rates in reducing tax competition between States and the harmonisation of business tax bases are likely to be much more important than the harmonisation of personal tax burdens. A greater degree of harmonisation of tax bases would provide advantages to all States, while still allowing individual States the flexibility to adjust tax rates. State revenue would be better protected from companies or individuals transferring from one State to another to gain a tax advantage, and the administrative and compliance costs of State taxation would also be reduced.

Steps in this direction began in July after the Premiers Conference, when officials from every State Treasury, except Western Australia, met in Melbourne to consider State taxation. One result has been a move towards a uniform rate of financial institutions duty of 6c in \$100 in most States. However, further progress in tax harmonisation would benefit from joint State and Federal Government action, and I hope this question will be pursued further at the October Premiers Conference.

Another aspect of the Governor's speech to which I wish to refer is the crime prevention strategy and criminal law reform measures proposed by the Government. Central to this issue is the decline in moral standards throughout the community. I do not refer to the narrow view of morality, related only to matters of sex, which is held by some in our community. I refer to honesty and integrity, concern for others, and community responsibility. Nowhere have these standards deteriorated further than in sections of the business community and in some professions. While making money is a valid and desirable objective of business, it has too often come at the expense of honesty and responsibility to the community.

The 1980s were a decade of greed which ended, like similar periods of history, with the inevitable financial crash of the greedy, and the impoverishment of many innocent people. The Chairman of Standard Chartered Bank, Sir Bruce Macklin, in his address to the annual general meeting earlier this year, observed:

Most banks have made or will make provisions for bad debts for 1989-90 that will run into hundreds of millions of dollars. These losses have occurred as a result of many factors: outright fraud, blatant disregard of companies' contractual obligations, questionable ethical behaviour of the management of many failed

companies, the pilots' strike, national disasters, ineffective regulatory authorities and high interest rates.

I suggest the Chairman could also have included a degree of recklessness on the part of many financial institutions.

This corporate degeneracy first became apparent with tax evasion and particularly the bottom-of-the-harbour tax avoidance schemes of the 1970's. Company takeovers for the purpose of stripping assets, insider trading, the use of offshore tax havens, the abuse of \$2 companies and the payment of inter-company consultancy fees were other manifestations of this moral bankruptcy. We also had the phenomenon of people like Alan Bond who borrowed prodigiously but who were slow to repay creditors. The inability or unwillingness of governments of the day to curb these excesses inevitably led to people of more modest means wanting to get in on the act. Many in the accounting and legal professions showed themselves to be more concerned with profiting from the destruction of corporate ethics rather than protecting them. The inevitable result was that the excesses of a few became the standard behaviour for many.

A recent *Four Corners* program provided a typical case study of how two decades of inadequate corporate policing has allowed the confidence of corporate crooks to soar. The program documented the exploits of one Malcolm Johnson who has effectively stolen tens of millions of dollars from shareholders of Independent Resources Ltd (IRL) and is now being sought by the Serious Fraud Squad of Great Britain. Johnson began his corporate career here in Adelaide with Flinders Trading, a leading electrical store which I am sure many members will remember. Johnson wanted to take over Flinders Trading but he had no money, only massive debts, so he talked his way on to the board and got Flinders to buy a company from him for which he had just paid \$100. He sold it to Flinders for \$300 000.

Under Johnson's management Flinders Trading went bust owing more than \$1 million. The liquidators moved in and Johnson was extradited from the United Kingdom and charged with milking money out of the company. *Four Corners* reported:

At the Supreme Court in Adelaide in December 1978, Johnson was sentenced to 21 months in prison, but he never went to gaol. In the end, after a retrial, Johnson got off with a \$200 good behaviour bond. According to the judge, he had seen the error of his ways and would act honestly in the future. A gaol sentence, it was said, would hinder his return to the world of commerce. Quite why the world of commerce needed him back is hard to understand. By this time, Johnson had twice been made bankrupt and he'd shown a talent for crime.

The handling of cases such as this reminds me of the words of a well-known American economist and jurist who remarked that company regulation was the bequest by a previous generation of economists to the present generation of lawyers.

We are all aware that corporate mismanagement, whether criminal or incompetent, has impoverished many individuals. Their contribution to our overseas debt and economic problems has yet to be properly quantified, but I believe it would be considerable. It is now widely recognised that corporate cowboys have caused enormous damage to Australia's standing overseas and this must have an adverse impact upon our ability to attract investment. In my view, the sort of corporate misbehaviour I have outlined, and the failure of governments to curb it, has also had a flow-on effect to community morality. The apparent toleration of those who have amassed fortunes from questionable deals has helped poison respect for the law and contributed to the cynicism and contempt in which we politicians and other professions are increasingly held.

The behaviour of banks over the past decade must also have dented community confidence in these once revered

institutions. 'Integrity' means a great deal more than having scrupulously audited accounts. The pivotal role of banks in facilitating tax avoidance and crime is becoming widely recognised. The policies of the banks also determine to a significant degree the values of our society. In a speech made nearly 10 years ago, the first Director of the Australian Institute of Criminology, Mr Bill Clifford, noted:

A very worrying feature of banking philosophy from the criminologist's point of view is the principle of lending only to those able to afford to borrow. This inevitably contributes to the gap between the 'haves' and the 'have-nots' and in criminology we are very conscious that crime is generated less by poverty or unemployment as such, but by the disparities in lifestyles.

We often hear conservative politicians raising the issue of crime, and the need to protect citizens and their property. When it comes to the corporate world, however, they seem to have the attitude that it is only when the law proscribes behaviour that it becomes criminal, so what the law does not expressly forbid is still permissible. Their political inheritance is that of the robber barons who made their fortune by strongarm methods and then form a committee to enforce law and order. Many famous family names in philanthropy and statesmanship have dubious records in their early business dealings. It is said that one should never ask a millionaire how he made his first million; of course, the second will have been made legitimately.

I trust that the reform of criminal law promised in the Governor's speech will look beyond the problems posed by petty criminals and consider the standards of behaviour in our community that derive from those at the top. I have pleasure in supporting the Governor's speech and the legislative program set out for this session of Parliament.

The Hon. H. ALLISON (Mount Gambier): First, it would be appropriate since His Excellency the Governor is in his final few weeks of tenure of office to extend our warmest thanks and best wishes for the future for the calm, dignified and responsible manner in which both Sir Donald and Lady Dunstan have conducted themselves on our behalf. They have played a significant role in the stability and progress of the State of South Australia.

With regard to the document released only a few days ago by the Premier accusing the Liberal Party of going on a \$1.8 billion spending spree, I seriously suggest that members on the Government benches of this House should view that document with considerable concern. I know that a question asked during Question Time today was greeted with some cynicism on the part of Ministers and the Premier. Really the Premier's document, if it was not one of panic or sheer cynicism, was certainly hypocritical because the document singled out the requests of members on this side of the House and it ignored not the requests but the responsible efforts of Government members in representing their electorates.

I simply point out to the House that the Premier's press release is a fairly lengthy document which really attacks the very heart of the Westminster system, attacking the whole system of parliamentary representation.

Mr Atkinson: Pork-barrelling!

The Hon. H. ALLISON: The honourable member says 'pork-barrelling', but, if he is at the receiving end of such things, it would be better if he did not mention it in Parliament. The responsible members who represent the best interests of their electorates have a bounden duty to seek the best for their electorates. As I said, it is the very core of the parliamentary system in the House of Assembly in South Australia where each member represents individual electorates and, if individual members do not ask for the

very best for their electorates, I suggest that no-one else will do it.

Members are elected by people in their closely confined electorate to do their best for them. However, the Premier criticises members for putting forward to the Government of the day responsible (and I emphasise 'responsible') requests for things to be undertaken within their electorates. As I said, if members do not do it as Government and Opposition members, no-one else is likely to do it. Members are closest to their electorate and they are best able with their electors to determine the foremost needs of their electorate. As I said, it is our bounden duty to put those matters before the Government.

The Premier, in an act of cynicism, said that Opposition members were simply looking for massive and irresponsible spending. Of course, the Government of the day is responsible for allocating priorities. The Government has to be aware of needs throughout the State of South Australia, both metropolitan and rural, and then it is the Cabinet of the day which decides upon the priorities. I suggest that no member of this House, on either side, should hang his or her head in shame simply because they point out to the Government where there are omissions of service and where there are deficiencies. Instead, those members who are named in this document should stand up with pride at having been named as a suppliant for assistance within their electorate.

Let me look at one or two of those things. I suggest that the document is grossly exaggerated. We have located error after error, or, even worse than that, deliberate misrepresentation. However, the thing that pleases me least of all is that my name did not appear on this list, although I have a substantial list of requests and promises which were made by the Government and which have yet to be fulfilled. More of those in a moment.

Included in the errors is a \$100 million request for the Murray-Darling Basin. I suggest that this request has been made repeatedly by members on this side of the House and by the Minister of Water Resources herself, if we are to give any credibility to statements she has made during Question Time. She said that she has gone cap in hand to the Federal Government which, of course, withdrew its subsidies. That action drew the ire of members on this side, particularly the member for Chaffey, who has had long involvement in Murray-Darling Basin Commission matters. We drew the attention of the Federal Government to the fact that it had shortchanged all the States on the Murray-Murrumbidgee-Darling system by reducing subsidies for those invaluable water resource research programs. That request was to the Federal Government, not the State Government. In fact, the Murray-Darling Basin Commission did provide \$43.21 million in 1990-91. We were asking the Federal Government not to withdraw its existing subsidies and in fact look to providing a three to five-year program. That is only one example.

In another instance, I understand that a request which would merely have involved the changing of a light globe has been costed at about \$200 000. So much for the cost of public service repair and maintenance! Obviously, that is a gross error and no doubt we will hear more of that from the member concerned. Would members in the southern Labor-held electorates suggest that requests for the upgrading of the Darlington intersection, for the provision of an O-Bahn or light rail scheme to serve the southern suburbs, the provision of pedestrian crossings adjacent to three or four schools to ensure the safety of children, and for pedestrian crossings and speed control devices across exceedingly busy highways are just specious requests to be given little or no attention by a responsible Government? I suggest that

these are requests that each one of them would fully support and in fact should have put to the Government in their own right.

The Brighton High School project, listed as \$2.25 million, is an issue that has been continuing for the past 20 or more years. I remember John Mathwin (the former member for Glenelg) continually putting this request to the Liberal Government of 1979-82, when we made progress towards phase 1, so phase 3 is certainly not a premature request. The upgrading of the port of Thevenard was a request which emanated not simply from the member for Eyre (Graham Gunn) but from the Mayor of the District Council of Murat Bay who came to see me personally only three or four weeks ago, saying that the state of repair of the port of Thevenard was now very desperate and the council would like a considerable sum of money to be spent on its upgrading. Of course, wheat and other exports from that port are extremely important to the State's economy. So, there are ports outside Port Adelaide which contribute significantly to this State's economy.

With respect to the dual highway system between major and capital cities, I do not suggest for a moment that anyone would deny that the provision of wider, multi-lane highways is one way of ensuring that there would be fewer of those bus and heavy transport accidents which attract far more attention to the vehicles than they really deserve because, when one looks at the tonne miles travelled by those vehicles in the course of a year, they have very few accidents. Generally, the accidents that they sustain are on the worst parts of Australia's highways. For example, the highway from Sydney to Brisbane and northwards is terribly narrow, undulating, old and patched up, with no runoff to the sides, and was the subject of one or two very serious crashes that were the genesis of the panic and initiated the Interstate Commission's inquiry into road user charges and registration. I will speak more about that in a little while.

Of course, Federal Minister Brown is using accidents like that to pillory the transport drivers and steer away public opprobrium from the state of the roads when he collects massive amounts of money by way of petrol tax, but more of that in a moment. I believe that the member for Murray-Mallee will have more to say later about the upgrading of the Taillem Bend to Pinnaroo road where the estimate of \$20 million is grossly in excess. One could go on almost *ad infinitum*.

What sort of representation did Labor members make to their Ministers in seeking redress for problems which exist in their electorates? If the answer is 'none', I suggest that they are derelict in their duty. They cannot sit there smiling smugly. If they have not asked Ministers for anything, I suggest that they should have because that is what they are here for. The question of—

Mr Quirke: We do a good job.

The Hon. H. ALLISON: The honourable member says, 'We do a good job.' In that case, it simply adds to my opinion that the document put out by the Premier is more about cynicism than realism. The Premier knew jolly well that he was protecting his own by not publishing the hit list or wish list from his own backbenchers. So much for the document. Incidentally, as I have said, I am not included in the document.

I think the South-East has been pretty patient. In 1984, prior to the 1985 election, promises were made by the then Minister of Health for a new Mount Gambier hospital built to South Australian teaching standards, a new health centre to replace the existing community health facilities—

The Hon. P.B. Arnold: That was for the purpose of trying to defeat you.

The Hon. H. ALLISON: The member for Chaffey suggests there might have been some motive other than the provision of good services to the South-East behind that promise. We were promised a new gaol. Finger Point was an issue that took 10 years from the first promise by Deputy Premier Des Corcoran to final construction. The health centre, the gaol and the hospital were promised in 1984, and we now have a promised completion date for all those by 1994, which indicates that members in this House should be making requests to the Government for things to be done because, in my experience, they will wait 10 years from start to finish before the bricks and mortar are there and the people are receiving the appropriate service. No honourable member should be embarrassed if they appear on the Premier's list—I certainly would not.

I studied the Governor's speech carefully, because the question of transport and compulsory legislation has been before South Australia, indeed the whole of Australia, since Federal Minister Brown decided that he would require a change in the breath alcohol content from .08 to .05, and I know that you, Mr Speaker, have a very keen interest in this matter as I have read papers that you have put out publicly on this matter. I know that unions—whether left, right or centre—which have lobbied me seem to be less interested in the politics of the matter than in the social and safety aspects. They have opposed the idea that we come down from .08 to .05. The Minister has admitted that the change from .08 to .05 makes little difference in the number of road accidents, certainly not in deaths inflicted on motorists and pedestrians as a result of a blood alcohol content up to .08.

He has some reservations, but the Minister has capitulated by saying, 'Look, for \$12 000 I will sell South Australia's soul and put this legislation through.' Apart from that, there is much more to the intended Federal Government legislation.

I am wondering when the Minister intends to implement that legislation, because, apart from the alcohol question, there are a number of other things. For the past 25 or 30 years Mount Gambier has had the largest concentration of road transport vehicles per head of population anywhere in the Southern Hemisphere. Therefore, I have to put the South-East's case so that the State Minister can confer with the Federal Minister to see whether the Interstate Commission has it right when it makes sweeping recommendations and tells us that we shall get tremendous benefits from those recommendations. I suggest that there may be some margin for error in some of the statements and assumptions made by the Interstate Commission in its report on road user charges and registration.

Federal Minister Brown, who received the report, in praising the work of the Interstate Commission, reminds me very much of the Whitlam years when so many of us, just prior to the demise of the Whitlam Government, strenuously opposed the establishment of the Interstate Commission on the assumption that those of us who were in any way interested in States' rights would not like to see the powers of the State Government, and, indeed, of the Federal Government, passed to an Interstate Commission which would have had massive control and responsibility and certainly more power in many respects than the Federal Government. One of the end results of that opposition was that the Whitlam Government fell. But now we have the Interstate Commission coming forward with recommendations which closely parallel many of those put forward by the then Interstate Commission 10 years ago.

I believe that the recommendations could put the road transport system, in South Australia particularly, under tre-

mendous threat. After all, the road transport industry is one of our strongest industries. It earns money, not only in South Australia but all around Australia, because the South Australian companies are so strong and powerful that they compete very effectively on the interstate haulage markets and therefore bring a lot of interstate dollars into South Australia. The South Australian Minister has not been excessively vocal on this issue or on the maintenance of the passenger train transport services to the South-East, Whyalla and Broken Hill, but that is another issue which I may not have time to address.

One aspect of the Interstate Commission's recommendations is a proposal to have a mass distance charge in addition to a fuel levy. That proposal is strenuously opposed by the road transport industry in South Australia. The commission admits that it favours the more densely populated Eastern States, particularly Victoria, which is small, compact and densely populated, and New South Wales, which is also densely populated. While advantaging those States, both with regard to the transport and the ordinary motorist, whose charges would probably go down by \$100 or \$200 a year, it disadvantages the already disadvantaged remote and less populous central States of South Australia, the Northern Territory and Western Australia, which already have the problem of transporting their goods and products to the Eastern States in order to sell them, at a considerable cost. It further disadvantages South Australia, the Northern Territory and Western Australia, and Queensland to some extent, because freight charges will definitely increase.

I suggest that the cost to remote communities might also be considered. Many of the smaller communities in those large under-populated States do not have a rail system because the Federal Government, through the Australian National Rail Authority, has been assiduously closing down both freight and passenger systems to the small rural communities, stopping them from transporting wheat, superphosphate, heavy mineral products and a whole range of other things by rail, and not improving the narrow, relatively under-utilised country roads, but concentrating mainly on the grand arterial system around Australia, encouraged of course by the petrol levy which was raised under the Fraser Government and which was spent on the bicentennial road program. Many of those country communities are now increasingly isolated and will be even more so if the Interstate Commission is allowed to introduce this 'user pays' system which the commission believes will introduce equity, and yet it will not introduce a social equity and certainly will not introduce equity in serving the small remote country districts.

Reference to the cost of road trains, the cost of the B double units, which the Federal Government says should reduce the cost of freight in rural areas, is really only being used as a cynical ploy, because what happens in fact is that the States in which those B doubles and road trains operate increase the charges to the operators and so make it a marginally viable system, but it will become less viable if the mass distance charge coupled with the fuel levy are allowed to be put into operation by the Interstate Commission.

It will cancel out any present economy of fuel use by using one vehicle with a double or triple articulated trailer. As I said, the New South Wales and Victorian motorist and householder wins, but the rest of us will be losers, and since it is South Australia which has to enact its share of the legislation, we should be looking at the impact on this State while, at the same time, looking at a number of things across the whole of Australia which could be rationalised. There are, of course, a wide number of points of agreement.

I have had a look at the effect on the South-East industry, with the assistance of the senior executive of the industry and with small operators, too, in my electorate, and I find that the cost to major transport operators in the South-East will be in the region of \$3.5 million extra to what they currently pay if this new scale of mass distance charges plus fuel levy is brought into effect. I can give members of the House the precise mathematical calculations if time permits. The effect of that would be to further isolate South Australia's industrial, manufacturing and mineral products from other States, because it would increase the charges and make us less competitive. The South-East timber industry could face an extra \$700 000 in costs at a time when we are already experiencing a massive downturn in the timber industry because of the decline in housing construction.

Also, the export of dolomite from the South-East of South Australia, the import of superphosphate, the export of grain and the export of livestock—the general movement of those heavy goods—will be done at greater cost if the Interstate Commission's recommendations are allowed to pass this House. I suggest that the States can standardise a number of matters involving heavy transport, such as registration, insurance, fuel charges, speed limits and driving licences without the draconian measures proposed by the Interstate Commission and without total Federal control.

The Federal Government claims that there will be benefits, and one of the benefits would be to double the current road expenditure from \$1.7 billion to about \$3.5 billion. That sounds very good, but when one has a look at the amount of revenue that the Federal Government currently collects from fuel, which must be somewhere in the vicinity of \$4.5 billion, and if one considers the \$1.7 billion which is put back into our roads, is there any reason why we should trust the Federal Government to put back the \$3.5 billion which it says it will put back into Australia's road systems, when it has a very poor track record of reimbursing the States from the levies which it already collects?

If the Federal Government is well intended, why does it not exercise those good intentions by simply taking that surplus fuel revenue now and giving it back to the States? That would be an exercise in good faith. I simply suggest to members that, while this is a piece of Federal legislation which it is proposed will be enacted, I am not sure that we can trust the Federal Government to return funds if the mass distance and fuel levy joint charges are imposed on our heavy transport industry. In a document, which I was privileged to be given by executives of the South-East road transport industry, they do, in fact, see a great number of areas where they can agree with the recommendations of the Interstate Commission. They are not completely at loggerheads; it is simply that on the mass distance and fuel levy questions they are strenuously and implacably opposed to Federal Minister Brown.

I can give examples of the increases in charges that the South-East heavy transport industry would have inflicted on it if those two joint charges were imposed. Examples that have been cited to me—and these are common vehicles operated right across Australia—include a six-axle articulated truck, for which an additional \$13 000 to \$16 000 per annum will be paid, and a triple road train, such as those which operate on the gunbarrel highway and the Alice Springs to Darwin road (in fact, all around the Northern Territory) for which an additional \$56 000 per annum will be paid.

I suggest that those costs can be won back only if they are added to the freight charges. That would make the cost of living in remote areas even more expensive and less desirable, forcing people to move back towards the already greatly overcrowded capital cities. That, as I said, represents

an increase in cost of \$3.5 million a year for only one substantial company in the South-East, with the obvious corollary that we would be looking at an increase in freight of about 10 per cent, making the movement of South Australian goods interstate less competitive on those markets.

No consideration was given by the interstate commission to the supply of goods to this State's remote communities. No consideration was given to the social and economic implications of increasing those transport costs to the central and western States. The commission seemed to be concerned only with the question of equity—the user pays—right across Australia. It is very similar to the member for Eyre, as a member of Parliament, representing 80 per cent of South Australia, the quality of his representation depending largely upon his energy. Road transport companies that service two-thirds of Australia outside the populous eastern States will find that very difficult with increased charges. The mass distance charges proposed by the interstate commission must result in significant increases in the costs of operating road trains and B doubles in the western States, and that is to the detriment of our primary and secondary industries and all residents.

The transport industry, quite properly, is opposed to the imposition of a joint mass distance charge in addition to the fuel levy, because that will have an adverse effect on the economy of South Australia, the Northern Territory and Western Australia. We do not want simply to be looking after the populous eastern States and the people in Canberra where, after all, most of the Australian votes reside. I suggest that this is one of the reasons why, in 1901, the founding fathers decided that senators would have equal representation across the States. They were conscious of the fact that some State rights have to be protected. That, I suppose, is one aspect where I might be slightly out of kilter with some members on my side of the House as well as with members on the Government benches. As a States righter who recognises that small States do face problems, I suggest this is one Bill in relation to which we should pay very careful attention to the long-term impact of the interstate commission's recommendations and the long-term impact on South Australia's social and economic standing.

Mr VENNING secured the adjournment of the debate.

SITTINGS AND BUSINESS

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

That the sitting of the House be extended beyond 6 p.m.

Motion carried.

ADJOURNMENT

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

That the House do now adjourn.

Mr HAMILTON (Albert Park): Today in Question Time we saw a demonstration of the quick response of a Minister of this Government to representations that I made to her in relation to problems experienced by my constituents on 29 July this year. On that particular day, I had been attending to the problems of two constituents on the Semaphore Park sand dune area and, time permitting this evening, I hope to return to that matter. After I came home on Sunday 29 July, my wife advised me of a telephone call from a Mr Quinn, who, for some time, has been a resident of units at

Woodbridge Boulevard at West Lakes. Mr Quinn is a lovely gentleman who is well known to me. He briefly advised my wife of difficulties being experienced with raw sewage entering his unit.

When I got down there, I found that the local E&WS workers were assisting my constituents in cleaning out the water and waste from their units. I must say that I was horrified to see the damage that was caused by the raw sewage that had bubbled up through the toilets, the drains in the bathrooms and even through the sinks. I had a great deal of sympathy for them. In some instances, furniture and wet carpets had been taken out to dry. The E&WS workers had already been cleaning up outside the units.

I place on record my commendation to those E&WS workers for the magnificent job they did. Over the years I have heard much criticism, particularly from members opposite, about workers in Government departments. I can say only that my experience in this case and in many other cases has been that they do a fantastic job. Mr Keith Hendry, the damage assessor for the E&WS, was also very helpful to my constituents and, quite properly, whilst not admitting liability on behalf of the E&WS, did everything to try to assist my constituents.

The Minister's response today indicates, in my view, that she has a lot of courage and guts for a woman of her size, and I do not say that in an unkind way. She is a Minister who is prepared to make quick, proper decisions, as it turns out in this case. After assessing the case and the evidence placed before her, the Minister decided to replace the carpets in the four units concerned. I place on record my admiration for the manner in which, particularly in my electorate, the Minister is prepared to come down and have a look at the problems, make a quick assessment on the information put before her, and make decisions to eliminate these problems.

This is not the first time that the Minister has done this. I can remember when she first became Minister for Environment and Planning and the sand dunes at West Lakes were being encroached upon. I wrote to the Minister welcoming her to her portfolio and, after doing so, I wrote, 'Now comes the crunch.' In effect, I invited her to come down to my electorate to inspect the problem of encroachment. She made that inspection and in no time at all that matter was resolved. I commend the Minister for that. These sorts of actions give Governments and, indeed, Ministers a good reputation, when they are prepared to make decisions based on information put before them.

The Hon. Frank Blevins is another Minister who, in my view, has been of great assistance to my constituents in the Albert Park electorate. I refer to the manner in which he has addressed two tragic accidents in my electorate in which people have been killed at railway crossings in a matter of only months. I suppose I should not single out individual staff members of the STA, but it was a delight to witness the manner in which Mr George Erdos came around, in his own time, and told me what the State Transport Authority was doing in relation to the Morley Road fatality and the work being carried out there and about the recent fatality at the May Terrace railway intersection. It is people like that who, in my view, give Government agencies a good reputation; and rightly so. In my view they should be mentioned in Parliament because too often we hear of people knocking Government agencies.

It has been my experience over many years that Government agencies and their staff go out of their way to try to help members of Parliament who make representations—and quite properly so—on behalf of their constituents. Only in isolated cases do we hear in this Parliament that the Public Service is unhelpful. That is sad, and sometimes it

is the old bad apple syndrome spoiling the whole barrel. I can cite many other examples of employees of Government agencies giving assistance.

In the few minutes left to me I wish to place on record another matter in relation to my electorate, that is, the erosion of the sand dunes around Semaphore Park. When I first came to this job in 1979 I can remember walking along the beach from Semaphore Park to Fort Glanville and noticing that in many areas the sand dunes were seven or eight feet high. Since that time they have gradually eroded. If one has a property abutting the coastal area and one has made as big an investment as have these people at Semaphore Park, it is only natural that one would be increasingly concerned about the erosion that is occurring in those sand dunes. The dunes have eroded to such an extent that, as I am informed, there needs to be only another three or four metres of erosion before the Government will have to step in and do something about it.

As I said earlier tonight, on the same Sunday that I addressed the sewage problem, I spoke to these people at West Lakes Shore and Semaphore Park. They are very concerned about the erosion that is taking place along those dunal areas. I am looking forward to receiving a response from the Minister responsible for the Coast Protection Board and the Port Adelaide Sewage Treatment Works about the impact that we all know the treated sludge and effluent is having on the seagrasses in the gulf.

Anyone making an investment such as these people have made and finding that the sea is gradually creeping further and further towards their property quite properly is very concerned. I am looking forward to receiving a response from the Minister, because I have had numerous representations made to me. Also, deputations have been made to previous Ministers, and site inspections have been undertaken and meetings held with local people in relation to this matter. It may well be that, in the very near future, the Government will have to address this issue, and very quickly.

Mr MATTHEW (Bright): It is indeed unfortunate that neither the Premier nor the Minister of Emergency Services is here to listen to the speech I am about to make, as the subject is particularly pertinent to them. I hope that the honourable Minister is listening in the comfort of his office, so that he can learn from some of the words of wisdom that are about to be imparted.

Today I am speaking on a subject that, by rights, should not need to be addressed in this House. It is a subject over which the Government has had its head in the sand for too long, that is, city violence, and to illustrate the points I wish to make tonight I want to talk, in particular, about a married couple named John and Vera Koop, who live in my electorate.

John and Vera recently mustered the courage to tell their story to the public in the hope that someone in authority would sit up and take note of what happened to them, and to ensure that no-one else will ever have to go through the living hell that they have experienced for the past 20 months or so. John and Vera's story was told in the *News* of 15 July 1990. It is not the first time their story has been told to the public. In fact, it was initially related on 15 March 1989, but in that instance their surnames were not used because John and Vera feared that their attackers would strike again. John and Vera were savagely bashed and left unconscious outside the Casino in the early hours of New Year's Day last year. This marked the end of their first night out for over a year.

Almost three years ago, Vera fell down some steps. This accident resulted in an operation to remove a disc and part

of her spine. After being housebound for some 12 months, Vera and John were looking forward to New Year's Eve, their first night out in that time. They started the night by going with friends to a restaurant, and afterwards went to the Casino. The year 1989 started well for John and Vera: they turned the \$20 with which they went to the Casino into \$170 within a short period. But that is as far as their luck went early in 1989.

John and Vera decided to leave the Casino and, finding quite a few people waiting for taxis outside, decided to wait for King William Street in order to find one. They got as far as the pedestrian ramp entrance to the Adelaide Railway Station when someone grabbed Vera's hair from behind and wrenched her head back. A youth called her a 'white whore' and spat in her face. She was then given an agonising kick in her back, right where she had been operated on, and she blacked out. Vera was then dragged to an STA bench from which a youth repeatedly jumped on to her back. I hope that members sitting in this House are picturing this scene: a woman lying face down on the pavement, unconscious, while a youth wearing steel-capped boots jumps repeatedly from an STA bench on to her back—a back that had been operated on some 12 months before.

At that time, John was also being attacked, repeatedly kicked and punched in the face by a group of youths. In all, John and Vera estimate that they were attacked by up to 11 youths, both boys and girls. An Aboriginal youth, at great personal risk, came to Vera's aid because he feared she would be killed. That youth was to be a witness for the prosecution. Unfortunately, he was found hanged from a tree after the Magistrates Court hearing. At the time, he told the Koops that his life had been threatened.

Vera spent 5½ weeks in hospital after her ordeal, recovering from her back injuries, internal and external bruising and fractured skull. She is about to go into hospital again for more surgery on her back. Her husband suffered fractures to his face and nose, and had to have plastic surgery. John claims that his doctors told him that it was one of the worst fractures they had seen.

Jewellery, a bankcard and money won at the Casino were stolen from John during the assault and have never been recovered. The result of the court case has emotionally shattered John and Vera to an even greater extent than did their physical injuries. In all, six youths were brought to trial. A girl appeared in the Juvenile Court last October, but went free because of insufficient evidence.

A youth and a girl appeared in the Magistrates Court and, despite strong submissions from the prosecutor, were granted bail and disappeared before the case could come to the Supreme Court. Two other youths who appeared in the Supreme Court went free when it was decided there was insufficient evidence to convict them.

One youth was convicted and sentenced to six weeks imprisonment after he pleaded guilty to common assault. I remind members that Vera Koop spent 5½ weeks in hospital after the attack and has to go back into hospital again.

Mr Lewis: That's her sentence.

Mr MATTHEW: That is her sentence—a life sentence effectively. One offender who pleaded guilty has been given a mere six weeks. Obviously, the Koops are angry and disillusioned. They are now standing up and demanding justice. They do not care who knows their name; they just want to see justice done and they do not see it happening in this State under this Government.

The Koops' financial situation has been strained by the ordeal. Vera's round trips to her specialist at North Adelaide

were costing \$50 by taxi, and she and her husband John could not afford a solicitor.

I am pleased to say that Victims of Crime came to their assistance with a volunteer to drive Vera to the hospital, and they also employed a solicitor for John and Vera. On top of that, they arranged for Domiciliary Care for Vera. Among all this heartache it is indeed refreshing to be able to mention the fabulous support offered by Victims of Crime. The Koops would have been in a much worse plight without the support of that excellent service. They have been forced to change houses since the attack for two reasons: their original house was split-level, and the stairs were agony for Vera to use. They also wanted to try at that time to remain anonymous. They also have a silent telephone number. Vera lives in constant fear: she is too scared to go outdoors, let alone to travel alone into the city.

When the case came before the Magistrates Court the Police Prosecutor described the bashing as the 'lowest, most cowardly animal behaviour to come before a court for some time'. The prosecutor also told the court that one of the women charged, an Aboriginal health services worker, had been standing near the Casino offering sex to passers-by for \$10. Four of the others charged had attempted to solicit money from two groups as they left the Casino. I have written to the Attorney-General on this matter and requested that he undertake a thorough and immediate investigation of this case with a view to appealing against the leniency of the sentence. Six weeks imprisonment for this sort of crime appears to be far too lenient.

Further, I have requested that the Attorney's investigation include an analysis of the court proceedings that permitted the alleged offenders to be granted bail despite strong representation from the prosecutor against the granting of bail. But these sorts of problems are not isolated simply to John and Vera Koop. In a newsletter that I recently circulated to every householder in my electorate, I included an open letter on city violence.

In response to that letter I have received an overwhelming number of phone calls and letters. But there is one that I wish to mention particularly. It was a response from one elderly lady who rang me to relate her experience in the city. She caught the train into the city recently, one weekday afternoon, to do some shopping. When the train pulled up alongside the Adelaide Railway Station platform at around 1.30 p.m. she disembarked carrying her bag over her shoulder. She had walked only a few paces when she was knocked to the ground from behind by a youth while another attempted to remove her bag from her shoulder. She yelled out for help and a transit police officer came to her aid. The youths escaped on foot. She was well looked after by the transit police and was driven home.

Like Vera Koop, this lady is now too scared to go into the city. She told me that until she received my newsletter, other than the police, she had never had the courage to relate her story to anyone else. The amazing part is that she had not the courage to relate that story before because she felt too ashamed. She was too ashamed to talk about the attack in the city. She felt guilty and ashamed that she had been attacked. What sort of city are we living in under this Government when people feel ashamed and too scared to go into the city because of the situation that prevails?

Members opposite can bleat and moan about it, but it is a fact and the sooner they stand up and recognise that there is a problem in this city the better, because lamenting and moaning about it, and saying that these incidents are isolated, will not solve the problem. There is only one way to solve the problem and that is to, first, recognise that a problem exists. Until members opposite recognise that this

problem exists, it will not be solved. It is no laughing matter; there is a problem and it must be rectified.

In the 1950s there was a Government which recognised that these problems existed. There were problems with the bodgies and the widgees era. To combat those problems a special squad called the Anti-Larrikin Squad was set up. In March of this year I asked the Minister—who is absent still but who, I hope, is listening in his office—to consider setting up a similar sort of squad. I do not mean that we should rip the police off essential duties, but we should set up a separately staffed and funded squad.

The DEPUTY SPEAKER: Order! The honourable member for Henley Beach.

Mr FERGUSON (Henley Beach): During the course of this adjournment debate, I wish to take the opportunity to refer to the situation that has occurred in New South Wales as far as the disposal of the Government Printing Office is concerned, with a view to convincing those people who are of a conservative bent that privatisation is not the entire answer to solving all the financial problems confronting State and Federal Governments. The Greiner Government, in trying to establish its credentials early, determined that all Government printing would be privatised and disposed of the Government Printing Office with a loss of 700 jobs. This is not the first time that conservative Governments in Australia have looked at the probabilities of disposing of a Government Printing Office, but this is the first time it has actually occurred.

To my knowledge, the former Federal Liberal Party Government took a look at disposing of the Government Printing Office in Canberra and thought better of it—a very wise decision in my view; similarly, the Gray Government in Tasmania had a look at disposing of the Government Printing Office, but, after sitting down and looking at the facts and figures, determined that it would not go ahead with the sale. Theoretically, I suppose, the question of privatisation has an attractive face to it. However, when one examines the dollars and cents of a proposition to privatise the Government Printing Office, the costs to the Government actually increase and do not decrease. Not only that, there is disorganisation as far as Government departments are concerned in gathering and keeping printing material. Also, it is not realised that the automatic activities undertaken by the Government Printing Office, that immediately cease when a Government printing office is disposed of, are an asset that needs to be kept. Administrative costs increase sharply when this automatic flow of printing material actually ceases. Not only that, but private enterprise requires a profit so that all printing ordered by the Government is then produced at a cost plus profit proposition.

I am aware also that, under the current situation, printing is contracted out to private printers, and I totally support that. Under our current Government Printing Office, as at the last time I investigated this matter, about half of the printing requirements of the Government were, in fact, contracted out. This makes extremely good sense because there are specialist printers with specialist machinery and it would not be in the interests of the Government to purchase machinery of this nature when the Government would be unable to produce enough work to maintain these machines fully in operation, but, by the same token, the Government Printing Office is extremely vital to the Government, and I hope that all members of Parliament look at the Government Printing Office and see what it actually does as far as Government service is concerned. The Greiner Government has been forced to review its printing and distribution arrangements less than a year after closing the Government

Printing Office and contracting out services to the private sector.

At a meeting of the Australian law librarians group and the Sydney law firm librarians group in Sydney earlier this year, representatives of law firms, Government departments and universities detailed their problems to representatives of the Department of Administrative Service and the Government Information Office in New South Wales. Here are the complaints. Law firms were still awaiting copies of Bills introduced to Parliament last year. Librarians say it is difficult to know what Bills are missing because no master list is produced. Most lawyers are aware of the passage of legislation only through newspaper reports.

Some libraries have not had any copies of *Hansard* since August 1989, while others have only just received their first copies for 1990. Only first proofs are available, which legally cannot be copied or quoted. Bound copies of *Hansard* take one month to reach the New South Wales Parliamentary Library, significantly longer than the one to two week delays that occurred during the operation of the Government Printing Office.

As of last week, about 140 of the 239 acts passed in 1989 had been distributed. A spokesman for the Minister said that the remainder were ready for distribution, but had been held up by a backlog which had occurred in December last year. Libraries have not received any bound volumes of New South Wales statutes since 1986. Last week's meeting was promised that the 1987 editions would be delivered soon. There are also, reportedly, no reserves of any bound volumes. The library said it had received only a few printed or amended regulations since the printing office closure, although there are normally several hundred produced a year.

Availability of the *Government Gazette* was initially delayed by several weeks when the office closed. While distribution is now on time, law librarians say there are problems with the accuracy of the information.

Members should cast their minds back to the criticisms which have occurred in relation to the printing of *Hansard* and information during the Estimates Committees. I cannot remember one Estimates Committee, which I have been chairing during the past eight years, when there has not been criticism of the amount of time it takes for members to receive their information. On the basis of what is hap-

pening in New South Wales, it seems to me that it would be almost impossible for members to receive *Hansard* that would be of any use to them whatsoever.

It is my view that the Government Printing Office is absolutely essential to Government business. Information has been given to me that the Deputy Leader of the Opposition has already promised at a public meeting that the Liberal Party would close down the Government Printing Office, once it came to office.

I suppose this is a sop to those people within his Party who believe absolutely in privatisation. They need to look very carefully at what has happened in New South Wales with regard to the Government Printing Office, as far as privatisation is concerned.

I should add the warning that, once a Government Printing Office has been closed down, it is very difficult to start it up again. The Government Printing Office is staffed by highly skilled technicians, tradesman and other people who have spent a large part of their lifetime learning and relearning their craft. They are in strong demand and in New South Wales, when the Government Printing Office was closed, only 44 of the 450 tradesmen who were involved in production at the Government Printing Office are now seeking employment. It does not take much imagination to realise that it would be very difficult to reassemble a skilled work force of this nature once a Government Printing Office has been closed down. The difficulties that the New South Wales Government has found itself in are not easily rectified once the first step has been taken. For example, a spokesman for the Minister said that, as a consequence of the meeting with the law librarians and the Sydney law firm librarians group, the Government now realises there were issues to be addressed.

I believe it is too late to easily overcome this problem once a decision has been taken. Now the New South Wales Government has had to go back to employing more people and the private sector is now producing the work and being paid on the basis of cost plus profit. In addition, the Government has to employ more people within its ranks to aid the distribution of the information.

Motion carried.

At 6.6 p.m. the House adjourned until Wednesday 8 August at 2 p.m.