

## HOUSE OF ASSEMBLY

Tuesday 4 September 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, intimated his assent to the Bill.

## PETITION: MOUNT GAMBIER HOSPITAL

A petition signed by 2 064 residents of South Australia praying that the House urge the Government to suspend the construction of a new hospital at Mount Gambier and upgrade the present facility was presented by the Hon. H. Allison.

Petition received.

## QUESTIONS

The **SPEAKER**: I direct that written answers to the following questions on the Notice Paper, as detailed in the schedule that I now table, be distributed and printed in *Hansard*: Nos 3, 4, 7, 13, 16, 17, 19-28, 30-42, 44-67, 71, 73, 76, 78, 79, 81, 82, 86-88, 90, 92-94, 102-105, 107-109, 113, 114, 116, 118, 120, 129, 132, 134, 137, 138, 140, 145-147, 149, 151, 158, 160, 161, 164, 166, 169, 170, 172 and 173; and I direct that the following answer to a question without notice be distributed and printed in *Hansard*.

## MULTIFUNCTION POLIS

In reply to **Dr ARMITAGE (Adelaide)** 9 August.

The **Hon. S.M. LENEHAN**: The environmental and pollution issues which have been identified (and studied) to date on the Gillman site are:

- soil and groundwater;
- stormwater quality;
- river estuary environment;
- geotechnical and hydrological aspects;
- social planning;
- land use and development;
- hazard and risk identification.

At this stage the detailed actions to be taken in response to these issues have not been decided. Decision will depend on the final design of the new development, lake and lock systems adopted, further detailed studies and a range of other factors.

However, the results of studies to date indicate that none of the issues identified above is either too difficult or too costly to be successfully resolved. All development sites present difficulties, and this site has some special difficulties. These have been identified and studied and, at this stage, the problems have been assessed by very competent consultants as being manageable at costs which can be accommodated.

## AUDITOR-GENERAL'S REPORT

The **SPEAKER** laid on the table the Auditor-General's Report for the financial year ended 30 June 1990.

Ordered that report be printed.

## PAPERS TABLED

The following papers were laid on the table:

- By the Minister of Health (Hon. D.J. Hopgood)—  
Drugs Act 1908—Regulations—Veterinary Products.
- By the Minister of Education (Hon. G.J. Crafter)—  
Local and District Criminal Courts Act 1926—District Criminal Court Rules—Arrangement and Stays of Proceedings.  
Builders Licensing Act 1986—Regulation Licensing Exemptions.  
Commercial and Private Agents Act 1986—Regulations—Devices and Exemptions.  
Education Act 1972—Regulations—Non-Government Schools Registration Fees.  
Land Agents, Brokers and Valuers Act 1973—Regulations—Education Programs.  
Local and District Criminal Courts Act 1926—Regulations—Bailiff Fees.  
Supreme Court Act 1935—Regulations—Bailiff Fees.
- By the Minister of Transport (Hon. Frank Blevins)—  
Road Traffic Act 1961—Regulations—  
Traffic Prohibition—Woodville.  
Weighing Devices.
- By the Minister of Finance (Hon. Frank Blevins)—  
Friendly Societies Act 1919—Amendments to the Constitution of the Independent Order of Odd Fellows Grand Lodge of South Australia.  
South Australian Superannuation Fund Investment Trust—Report 1989-90.
- By the Minister of Labour (Hon. R.J. Gregory)—  
Promotion and Grievance Appeals Tribunal—Report 1989-90.
- By the Minister of Marine (Hon. R.J. Gregory)—  
Boating Act 1974—Regulations—Fees.  
Marine Act 1936—Regulations—Floating Establishments.
- By the Minister of Employment and Further Education (Hon. M.D. Rann)—  
Department of Employment and Technical and Further Education—Corporate Review and Report 1989.  
Public Parks Act 1943—Disposal of Parklands, Fuller Street, Walkerville.  
Aboriginal Lands Trust Act 1966—Regulations—Yalata Reserve—Alcohol.  
Corporation By-laws—  
Campbelltown—  
No. 28—Tents.  
No. 35—Caravans.  
Glencelg—  
No. 1—Permits and Penalties.  
No. 3—Vehicle Movement.  
No. 4—Streets and Public Places.  
No. 5—Parklands.  
No. 7—Caravans.  
No. 9—Inflammable Undergrowth.  
No. 10—Dogs.  
No. 12—Garbage Containers.  
No. 14—Repeal of By-laws.  
Tea Tree Gully—  
No. 5—Garbage Removal.  
No. 7—Animals and Birds.  
District Council of—  
Naracoorte—  
No. 1—Permits and Penalties.  
No. 8—Repeal of By-laws.

## MINISTERIAL STATEMENT: NOARLUNGA HOSPITAL

The **Hon. D.J. HOPGOOD (Minister of Health)**: I seek leave to make a statement about the Noarlunga Hospital.  
Leave granted.

**The Hon. D.J. HOPGOOD:** I refer to reports today that the new Noarlunga Hospital is being kept on ice despite being ready to roll. At the outset, let me say that the hospital is not on ice and, in fact, is not ready for patients.

To give some background—capital works at the hospital site are virtually complete, at a cost of \$17.65 million (\$3.7 million under estimate for the Public Works Standing Committee). Initiative moneys advanced in the 1990-91 budget amount to \$1.8 million, which will allow 40 beds out of a total of 120 to be opened in late April 1991. Even if moneys for full operating costs (\$10.8 million) were provided immediately, I am informed by the Administrator that the hospital could not be opened before late March 1991.

Key medical and nursing staff, including the Medical Director, are still to be recruited and many items of equipment, including stores and supplies, are still to be ordered. The fact is that one cannot open a new hospital overnight and considerable work needs to be done even after the construction of the physical shell of the hospital. Similarly, this is a community hospital and it is quite proper for interested southern residents and GPs to be consulted in regard to the development of services and facilities. They expect this, and these consultations are being undertaken.

It makes good sense to open a hospital in stages and that has always been the Health Commission's intention, on a time frame to be obviously determined by future budgetary considerations. Casualty services are expected to be transferred from the Noarlunga Health Village to the hospital in December 1990.

Decisions on the future development stages at the hospital are currently being determined between the Hospital Board and the commission. If the Government were to take the advice of the Opposition Health spokesman on this matter, it would be immediately committing \$10.8 million to this project. To do this in our present financial circumstances would require massive savings in other health units and programs, including the elimination of the \$5.5 million 1990-91 budget initiatives. Initiatives that would have to be abandoned would include respite and accommodation support for people (mostly elderly) looking after disabled people, especially the brain injured (\$1 million); urgently required moneys for the Royal District Nursing Society (\$300 000); moneys to assist purchase of specialised equipment for disabled people (\$300 000), etc.

The point that I have emphasised during and post budget is that, while we want the best for everyone, the State simply cannot afford it. As such, the Government is required to make difficult decisions about the relative merits of services and programs and assess the priorities. In the case of Noarlunga Hospital it was determined that the hospital would not (and could not) come on stream immediately and that it would be wasteful to open the first stage (approximately 40 beds) prior to Christmas, which is a very slow period for hospitals. The hospital has currently employed three executive/administrative staff and several office support staff—so it is hardly 'filled with administrative staff' as reported today.

#### MINISTERIAL STATEMENT: PHARMACEUTICAL BENEFITS 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:** In the recent Federal budget, the Treasurer announced changes to the pharmaceutical benefits scheme, part of which included a redirection of

pensioner subsidies in the area of pharmaceutical benefits. From 1 November this year, pensioners and sickness beneficiaries who currently receive free pharmaceutical items on the PBS will be required to pay \$2.50 per script, up to a maximum of \$130 in a calendar year. A special pension increase of \$2.50 per week (single rate) and \$1.25 (married rate) will be paid to all pensioners affected by this change in the scheme. In addition, those people who currently hold a pharmaceutical benefits concession card, and therefore now pay \$2.50 per script, will also receive a pension increase from 1 March next year of \$2.50 (single rate) and \$1.25 (married rate). Clearly, most of these beneficiaries will be better off under this new scheme.

While this Government applauds the action of the Commonwealth in seeking to limit the overuse of pharmaceutical drugs through this scheme, nevertheless, its introduction does present all State Governments, including our own, with some significant problems. In the area of public housing the problem arises because Housing Trust rents are set at a percentage of pension income, designed to meet the requirements of the Commonwealth-State Housing Agreement. In fact, a penalty is applied if the State does not institute the agreement. Therefore, when the increase in general pensions takes place from 1 March next year, there will be a commensurate rise in Housing Trust rents for pensioners unless the Government takes specific action to exclude those pension increases from consideration as income.

This matter is of concern to this Government, as it is clear that some pensioners in Housing Trust accommodation may be worse off under the scheme should their pension increase be considered as income. Clearly, many pensioners are also concerned about this issue: we have had considerable representation from pensioners seeking clarification on the matter.

This problem has, we believe, been forced upon us by the Commonwealth Government and presents long-term implications for the funding of public housing. Currently, the Housing Trust subsidises its pensioner and low income tenants to the amount of \$88 million per year (1988-89 figures). In the current climate of declining Federal funds for housing, we need to think very seriously about increasing the size of the subsidy that we provide for pensioner tenants.

As I have indicated, we believe that the Commonwealth has a responsibility in this matter. I have already spoken to Mr Brian Howe, the Federal Minister responsible for housing, to indicate our concern at the possibility of our public rental income being eroded in this manner. We believe that this issue is one that should properly be resolved at a national level. Therefore, we intend to place this issue on the agenda of the State Housing and Planning Ministers Conference on 4 November this year and to seek the cooperation of all States in resolving the matter with the Commonwealth. There may well be measures that could be undertaken by the Commonwealth to ameliorate the financial loss faced by the States in discounting pension increases as income. One possibility could be the direct debiting by the Commonwealth of Housing Trust rents from pension payments, a move which would result in considerable administrative savings.

In the meantime, I reassure all pensioners that they will not have their Housing Trust rents increased as a result of extra Commonwealth payments under the revised PBS scheme in the period leading up to 1 March next year. Furthermore, I will do everything within my power, through negotiation at national level, to ensure that no pensioners are worse off when the general increase in pensions occurs as a result of the Commonwealth alterations to the pharmaceutical benefits scheme on 1 March 1991.

## QUESTION TIME

## SOUTH AUSTRALIAN SUPERANNUATION FUND INVESTMENT TRUST

**Mr D.S. BAKER (Leader of the Opposition):** My question is directed to the Treasurer. On what dates did the South Australian Superannuation Fund Investment Trust purchase its holding of 4.5 million convertible notes in Qintex, and who approved the use of public servants' superannuation money in such a high risk purchase and in further speculation as a result of a put option?

**The Hon. J.C. BANNON:** I may have to take that question on notice in terms of on what dates particular transactions took place. In relation to the general investment policies of SASFIT, I advise that, obviously, SASFIT has a policy which is both prudent and conservative. In fact, it pioneered, for instance, the use of index related investments which gave a guarantee of real return related to the CPI index in a number of transactions. I think that one of those was actually undertaken under the Tonkin Government, in the law courts redevelopment. It has a range of other investments, most of which are, of course, in the area of low return and long-term investments. In fact, SASFIT's investment performance over the years has been very good. There has been a good level of return. Last financial year's return was not at that same level: it was below average for various reasons which will be detailed in the SASFIT report.

Regarding the Qintex notes, SASFIT, in investing in Qintex, was in company with a number of extremely eminent financial institutions—household names with considerable standing in the community. So, it was not alone in considering that investment, particularly with the security attached to it, in terms of its place in the queue of claimants, as being very secure and reasonable at the time. If there was an error on the part of SASFIT's investment policy (as indeed was proved, because Qintex subsequently collapsed), it was an error shared by a number of eminent financial managers whose very presence in the Qintex investment would have encouraged SASFIT to become involved as well.

So, I do not think it is reasonable of the honourable member to point the finger at that particular investment; rather, in regretting it, it should be looked at in the broad context of SASFIT's investment policies and the very good return SASFIT has had over the years.

## FINANCIAL INSTITUTIONS DUTY

**The Hon. T.H. HEMMINGS (Napier):** Will the Minister of Finance inform the House whether the changes to the financial institutions duty announced recently in the budget will affect the exemptions from duty that have applied to pensioners and other beneficiaries? Since the State budget was brought down on 23 August, a number of pensioners have made inquiries to my electorate office as to whether the existing exemptions that they have enjoyed in relation to the financial institutions duty will be taken away from them.

**The Hon. FRANK BLEVINS:** I was a little concerned this morning to be engaged in a very brief debate with the Leader of the Opposition on the question of the financial institutions duty, and I was pleased in some respects, in the main because the Leader of the Opposition did not like the financial institutions duty. I had a great deal of pleasure in saying that I thought that it was an excellent revenue raiser for the State Government.

One of the reasons why I thought so was that it is a progressive tax. It falls more heavily on those who move

very large amounts of money and have the ability to bear that burden.

**Mr Ingerson:** It's a socialist tax.

**The Hon. FRANK BLEVINS:** That is correct. As the member for Bragg says, it is a good socialist tax. I thank him for his assistance. This tax does fall very lightly on those people who have a limited capacity to pay tax; that is, the people represented by members on this side of the House. I believe that the more progressive taxation we have the better things will be. The Leader of the Opposition's main complaint was that there was no outrage about the State budget. There was nothing to which the Leader of the Opposition could point that would have the population marching in the street. The budget was a very sophisticated and carefully constructed document, as has been the hallmark of all budgets of this Government.

As to the specific question from the member for Napier, he can assure his constituents—and I hope that all members will assure their constituents—that the burden of FID will not fall on those social security recipients who were previously exempt: the exemption will continue. It is not the intention of this Government to increase taxes in an area and then have those taxes fall on the very poorest sections of our community. Those people who were previously exempt from paying FID in the past will continue to enjoy that exemption.

## STATE GOVERNMENT INSURANCE COMMISSION

**Mr S.J. BAKER (Deputy Leader of the Opposition):** I direct my question to the Treasurer. Why did the Government ignore the requirements of the SGIC Act in determining how much of the commission's surplus should be paid into the budget this financial year? For the first time, the SGIC is to pay a distribution from its profits into the budget this financial year. The provision in the revenue estimates is \$28 million. However, section 18 of the SGIC Act requires that before such a distribution is determined it must be formally discussed by the commission's Chairman, the Under Treasurer and the Auditor-General. I have been informed that no such discussion took place before the introduction of the State budget, and the view at senior levels within the SGIC is that the \$28 million is a desperate grab for cash by the Government to prop up its budget in the short term while in the longer term it will increase pressures for premium increases. For the first time in the Auditor-General's Report there is no reference to the SGIC having its accounts audited.

**The Hon. J.C. BANNON:** I understand that there were consultations—certainly with the SGIC. This is the first time that the SGIC has made that sort of contribution and many people could argue that it is high time it did because it commenced business in 1972. Admittedly, it commenced business without major capitalisation, and it has done a very good job over the years in developing its business. The chief improvement that we have seen in recent years has been in the way in which SGIC, together with road safety measures and legislative changes introduced by this Government and effected in this Parliament, has been able to control the compulsory third party insurance scheme to the extent that not only has the scheme moved into an actuarial surplus—in contrast with, for instance, the situation in Victoria and New South Wales where figures of between \$2 billion to \$3 billion deficit are estimated—but it has resulted in, first, a 10 per cent reduction in premiums for CTP and subsequently no increases. Therefore, with very real reductions in compulsory third party insurance payments in this

State, that is a tangible advantage and in this context it has produced a profit. What is being sought by the Government this financial year is very reasonable within the performance of the SGIC, not just in the past year or in its anticipated performance in the current financial year, but looking at its operations over the past few years.

We have not put great pressure on the SGIC to make a budgetary contribution over past years, because we felt that, as it was moving into this profit field, we should not be demanding that return on assets that the Leader of the Opposition, for instance, is very strongly advocating should come from all these financial institutions. I agree with him on that; I believe that investments in this State should be made by SGIC, because its client base is within the State, but I also believe that, over time, the Government has a right to expect some decent return from SGIC. This year, such an opportunity did arise, and an amount has been negotiated which I think is very appropriate, and I would hope that, although that amount would obviously vary from year to year, because SGIC is a commercial operation, this year has seen the start of that kind of return to the Government.

I might add that, as a State institution, SGIC also pays in moneys in lieu of income tax which would have been paid to the Federal Government and it is also subject to the normal taxes, such as payroll and land tax, and other requirements; so it pays its way. In so doing, it can rightly point to its commercial operation vis-a-vis other insurance companies. This is a complaint we often hear from opposition members, namely, that there should be a level playing field and that SGIC is unfairly advantaged in some areas of its portfolio. In that respect, the idea of SGIC making some return would obviously be supported and welcomed by the Opposition, and I presume the question was framed in that way.

### CONTAMINATED LAND

**Mr ATKINSON (Spence):** My question is directed to the Minister for Environment and Planning. What will her department do about the danger to Bowden residents of contaminated soil on the old scrap metal site on the corner of Eighth and Gibson Streets, Bowden, and how will this affect the redevelopment of the town of Hindmarsh?

**The Hon. S.M. LENEHAN:** I thank the honourable member for Spence for his question and I also acknowledge the fact that on Friday evening I was at the first annual general meeting of the new Bowden-Brompton Community Centre. There I had the opportunity to meet with residents, and a number of my colleagues on this side were also present. Although this is a complex issue, I think it is important that I not only spell out to the House exactly what the Government and a number of departments are doing to ensure that we clean up the contaminated land in the Bowden-Brompton area, and the specific area to which the honourable member has referred, but that I also clearly spell out what the Government will do in the future to minimise the possibility of any further contamination occurring.

The Bowden area in question was former industrial land which, of course, had been converted to housing development. Again, we must acknowledge that the problems with change in land use from industrial to residential are widespread and occur throughout the world in every inner city area that is moving to upgrade and rehabilitate degraded areas which have been the site of industries in the past. We in South Australia are fortunate in that most of this land

is under public ownership and, therefore, we have the commitment, for example, through the inner western program, the Hindmarsh project, to be able to put in resources to carry out this rehabilitation. Already, some \$200 000 has been spent on investigation and analysis of the soils. Clearly, the land must be rehabilitated before any permanent use can be made for residential or open space purposes, and this will be done. The sites that have been identified have been fenced, and those few remaining will be fenced within the next 10 days, after which all the identified sites within the Bowden-Brompton area will have been fenced.

As the honourable member alluded in an interjection, yes, I am proud to say that I have established a contaminated land task force. This will have technical representation from not only the Waste Management Commission, the Health Commission, the Occupational Health and Safety Unit and the Department of Environment and Planning; it will also have two local residents and a representative from the Local Government Association and the Conservation Council of South Australia.

The task force has been charged with the responsibility of reporting to me as soon as possible on the known sites under investigation in the urban area. The task force will consider the most appropriate form of rehabilitation of each individual site and this will take into account the nature of the site, the nature of the problem and the availability of suitable disposal. I give the honourable member an undertaking that I will be moving to investigate as quickly as possible the feasibility of amending relevant legislation to ensure that all sites that will in the future have their current planning use changed from industrial to residential are tested to ensure that they are free from contaminated substances.

I understand that this will be a large task. Let me also share with the House that in the past 12 months we have moved to ensure that all known contaminated sites are placed on lots and section 90 systems with the Department of Lands. At present there are 1 500 sites currently within the land information system which I believe indicates that it is an enormous problem and that in the past industry has been careless in the way in which it has disposed of contaminated substances.

In conclusion, I acknowledge that in moving to amend the legislation, which will be a complex issue, this will not pick up those sites where there has been illegal dumping and those sites where, for example, illegal substances have been put into waterways or pugholes. However, with the cooperation of local government and the local community which the member for Spence represents, I believe that we cannot only meet this problem but we can overcome it. We are moving ahead with this very worthwhile redevelopment of the Bowden, Brompton and Hindmarsh area to meet the Government's objective of urban consolidation.

### STATE BANK

**The Hon. D.C. WOTTON (Heysen):** My question is directed to the Treasurer.

**The Hon. T.H. Hemmings:** When are you moving to the other House?

**The Hon. D.C. WOTTON:** We will come to that later. Does the State Bank group have any formal arrangements with the Reserve Bank for supervision of its affairs? If so, what are those arrangements? When were they established and why and, if not, does the Government endorse the proposal made last week by the Federal Treasurer that State Governments should allow formal Federal supervision of State banks?

**The Hon. J.C. BANNON:** The comments made by the Federal Treasurer are an example of hard cases making bad law in the sense that, in responding to an obvious very real problem of the State Bank of Victoria, some broad-brush comments made about State banks generally (and also the Rural Industries Bank in Western Australia which declared a large loss in the financial year just completed) did not do justice to the way in which State banks operate nor, indeed, to their significance and importance to regional economies in particular.

These matters have been explored many times in public in this House and I do not intend to go through them again, suffice to say that I do not agree with the general statements made by the Federal Treasurer on this point that, for instance, State banks are an anachronism. Far from it. The period 1979 to 1983 in South Australia indicated just how vital it is to have a locally controlled headquartered financial institution, and the State Bank is the way in which we can achieve that long term in this State. It has obviously been a very necessary and important part of developments that have taken place in the South Australian economy. The State Bank is subject to the prudential supervision of the Reserve Bank of Australia on exactly the same basis as all the other banks of the country. There is constant dialogue and information exchange, appropriately, between the State Bank and the Reserve Bank and, as a matter of practice, those Reserve Bank guidelines are followed.

#### TORRENS RIVER LINEAR PARK

**Mr HAMILTON (Albert Park):** Will the Minister for Environment and Planning give favourable consideration to installing kilometre marker posts along the Torrens River Linear Park pathway? I have been approached by three constituents from West Lakes Shore who are regular walkers and who train regularly along that pathway. These constituents have advised me that the provision of signposting will assist walkers and joggers alike to pace themselves in their training programs.

**The Hon. S.M. LENEHAN:** I am aware that the honourable member participated in the recent Festival City marathon, walking for the Muscular Dystrophy Association. I understand that he completed the marathon in five hours 28 minutes and was accompanied by one of his constituents, who raised the matter. The other two constituents also completed the marathon, and it is important that we acknowledge their contribution.

The suggestion made by the honourable member is certainly a very sensible one. I am aware that the community is using the facilities of the Torrens River Linear Park more and more and, if markers were placed along the pathway, joggers, runners and walkers could use the linear park as their training program. Some form of marker system along the linear park would also be important for tourists and visitors. Therefore, I will take up this question with my respective departments. I thank the honourable member for his commitment to the linear park and for his use of the linear park.

#### COMMONWEALTH BANK

**Mr INGERSON (Bragg):** Was the Premier consulted by the Prime Minister or the Federal Treasurer before the Commonwealth announced its decision to privatise the Commonwealth Bank? Does he support the move?

**The Hon. J.C. BANNON:** No, I was not consulted, and I would not have thought it appropriate for me to do so. I

do not think that one can characterise the decision as being one to privatise the Commonwealth Bank. What has happened is that the State Bank of Victoria—

*Members interjecting:*

**The Hon. J.C. BANNON:** You said 'privatise', I thought. Sorry, Mr Speaker, I am out of order. I understood the honourable member to say 'privatise' and I am just correcting him. That is not what happened. The State Bank of Victoria has been acquired by the Commonwealth Bank and the price of that acquisition is to be raised from the general public. To that extent, it will dilute 100 per cent public ownership of the Commonwealth Bank but it will also add to the Commonwealth Bank the asset of the State Bank of Victoria.

As I understand, it is a pretty good deal in that the State Bank of Victoria, with its client base and core business, will be part of the Commonwealth Bank, but is not required to transfer major debts, including those incurred by its merchant banking arm, Tricontinental, as part of the transaction. I believe it was the most sensible solution to a very difficult situation.

#### AUTOMOTIVE INDUSTRY

**Mr QUIRKE (Playford):** Following the release last week of the State Government's submission to the Industries Assistance Commission about the automotive industry, will the Minister of Industry, Trade and Technology explain what implications there are for local manufacturers and how it fits into the Government's overall industrial policy?

**The Hon. LYNN ARNOLD:** The honourable member's question deals with a most important matter and he quite correctly identifies that the State Government has now made a submission to the Industries Assistance Commission so that it can report to the Federal Government by the end of the year as to what should happen to the automotive plan. The automotive plan, which is due to expire in 1992, has seen considerable benefits received by the automotive industry within Australia, particularly within South Australia. There have been benefits to the community at large through the retention of jobs, through the retention of wealth generation within this country and by the provision of opportunities for export by automotive component makers, in particular, and, to a lesser extent, by the major automotive manufacturers.

There are various suggestions around the place at the moment that there should be a major change post 1992. It has been suggested that we should go to the zero tariff option, in other words, the Garnaut option. It has also been suggested that the tariff base should fall below 20 per cent. I would be most interested to know the attitude of the Opposition to these matters, because on the Federal level its Leader (Dr John Hewson) has indicated that industry should go to a zero tariff regime by the year 2000. Is that the position being taken by the State Opposition? We need to know exactly the kind of policy that the Opposition would put forward for a sector that provides 11 per cent of the GDP of this State, 30 per cent of the fully built-up car market and 40 per cent of the automotive component market in this country. Does the Opposition want to see that market going to a zero tariff regime by the year 2000? If that is the case, it will achieve one very certain implication: that this country will not have an automotive industry, because what will happen—

*Mr Meier interjecting:*

**The Hon. LYNN ARNOLD:** The member for Goyder says that we hardly have an automotive industry. The

achievements that have taken place since the restructuring of the automotive industry in the past five years have been amazing. We have seen major contributions to export income and maintenance of employment. We have seen that these industries have provided opportunities for restructuring. For example, Mitsubishi in the past five years has made productivity improvements of 7 per cent a year. This has meant that Mitsubishi has been able to overcome the effect of inflation increases by simple productivity improvements. This company has reacted in this way to the steady pattern of change over the past few years and it should have the opportunity to that in the years ahead, an opportunity which the Opposition clearly does not want to provide.

The State Government does not say that there should be no reduction in tariffs; that is not the line we are taking. We say that there should be a maintenance of progressive tariff reduction in the years ahead but, as we have said in our submission, now is not the time, and 1992 is not the time, for the tariff to go below 20 per cent. We have said it is important that the tariff be kept at the 20 per cent level. This is a further reduction on what some automotive manufacturers want. As the basis of its submission, one of the major manufacturers in South Australia has suggested that a tariff regime of 25 to 30 per cent should be in place.

I want to go back to what would happen if all tariffs were removed, as the Federal Liberal Party wants and, undoubtedly, by the sounds of the member for Goyder—who is not the industry spokesperson for his Party, so I do not know what he is about to say—

**Mr Ingerson:** You will hear in a moment.

**The Hon. LYNN ARNOLD:** We will hear in a moment. Apparently, we will hear the wonderful view of the State Liberal Party on the automotive industry later today. The point I want to make is that, if there were a reduction to zero tariff, the automotive industry—the major producers of automobiles in this country—would simply move off shore. Companies would go to other parts of the world where there is not a level playing field because there are very high tariff barriers and non-tariff mechanisms. They would move there automotive production to the protected climates of those economies and then export back into Australia.

Some people suggest that, if the tariff barrier were removed, automobiles would be cheaper. An important point in the Government's submission is that automobiles would not be cheaper in this country: there would be no cost savings, because automotive companies, in balancing their accounts, would ensure that they continued to get the same prices from the Australian automotive market without employing Australian labour, thus increasing their profit opportunities.

The other point that needs to be made is that, for a large part, the automotive industry is organised internationally and not nationally. Therefore, we have to consider very carefully the implications of a tariff reduction. So this Government says that there should be tariff reductions but that they should be moderate, and that we should not aim to wipe out the considerable gains of the automotive plan of the past five years. In fact, any reduction below 20 per cent would threaten to wipe out those gains. Thus the Government proposes an ongoing follow-through of the philosophy of the automotive plan post 1992, but it appears, clearly, that the Opposition is not prepared to support that.

#### NOARLUNGA HOSPITAL

**Dr ARMITAGE (Adelaide):** My question is directed to the Minister of Health. Exactly how many office support

staff have been employed by the Noarlunga Hospital, given that the ministerial statement made in the House earlier today indicates that 'the hospital has currently employed three executive/administrative staff and several office support staff', yet a report in the local press dated 25 July 1990 has a photograph of 'about 20 administrative and finance staff who had recently moved into the building'? What is the cost of staff employed thus far at the Noarlunga Hospital?

**The Hon. D.J. HOPGOOD:** There are 20 employees at the health village currently working out of the hospital buildings, and they do not wear a separate uniform. I can understand that, if one were drawing one's conclusions from a photograph, one would not actually be able to look at Ms X or Mr Y and say, 'Aha—that one works for the hospital and that one works for the health village.' So, I am being charitable to the honourable member and assuming that he has simply been misled by evidence which is other than it seems.

**Mr Lewis:** No, he just wants an answer.

**The Hon. D.J. HOPGOOD:** I am giving him an answer. In fact, I think that I am giving him rather more of an answer than he has asked for. Let me explain to the honourable member—who is relatively new to this field, as we are all aware—that the health village is a separate entity which has been in operation for quite some time. In fact, I well recall that the Hon. Dr John Cornwall, as he then was (in fact, as he still is), as a member of Parliament, took my colleague the member for Mawson and me to New South Wales to look at a health village as a model, as it was that which we proposed to do as a first stage to moving into full hospital facilities once we got back into government in 1982.

That is what happened, and the health village has been there for some time. It offers an excellent service. I have been a patient there. I am not in a position to display things to this House, but I had, in fact, five stitches; I make the point that being a home handy person is a hazardous occupation. The five stitches were inserted on a Saturday evening at that place in a very efficient manner, and the staff were at pains to suggest that I come back to have them looked at and subsequently removed. It is a first-class service.

The whole point of my talking about the health village is not only to put the honourable member back on the rails but also to state that we are housing people from the health village in the hospital as part of a cost saving measure. The other thing we could do would be to build yet another building down there at an additional cost when, at this stage, it is not necessary. Given that part of the hospital is completed, we have an area which can be productively used by people who are working in administration and providing a service that has been there for some years.

The other point I make in relation to savings is that those people will be able to assist the staff of the hospital in the moving-in phase. That seems to be a sensible way to ensure that these people are, in effect, able to provide two services. I will obtain the detailed figures for the honourable member, but let him take note that a minority of those people actually working in the hospital at present are employed by the hospital administration; they are part of the health village.

#### ADELAIDE ENTERTAINMENT CENTRE

**Mr De LAINE (Price):** Will the Minister of Housing and Construction advise the House of the anticipated completion date and costs of the Adelaide Entertainment Centre?

I listened with some concern to the morning news on 5AD last Wednesday to hear the Leader of the Opposition claim that there had been a \$4 million blow-out in the cost of the entertainment centre. The Leader said that taxpayers have a right to demand that strict spending controls are maintained on major projects. He said that the project, still about a year away from completion, is significantly over budget. I, too, share the Leader of the Opposition's concern and reinforce the need for tight control on major projects. Will the Minister advise the House of the facts?

**The Hon. M.K. MAYES:** I thank the honourable member for his question and I am delighted to respond because I, too, listened with interest to the Leader of the Opposition's claim that it is anticipated that the cost will blow out by \$4 million. Construction of the Adelaide Entertainment Centre, which is another example of this Government's good management of projects of this sort, is currently within time and cost parameters. The claim that this project is likely to have cost overruns of the magnitude reported is quite misleading and indicates a misunderstanding of the processes involved in establishing a project of this size.

I will list the chronological events for the Leader of the Opposition so that he understands clearly what is happening, because this is a very important and significant project, from the point of view of not only the construction industry but also entertainment and sport, as well as for the youth of this State who four years ago presented to this Parliament a petition with about 36 000 signatures seeking that this Government establish an entertainment centre of this type. In summary, the order of events to July 1990 is as follows.

On 6 February 1989 Cabinet approved, in principle, construction of the entertainment centre. On 30 March 1989 approval was given to call tenders for demolition. On 17 April 1989 Cabinet approved the project and referred it to the Public Works Standing Committee. The anticipated completion cost was \$40.7 million (plus or minus 10 per cent). Construction completion date was set at February 1991. Cabinet approved a list of selected tenderers and tenders closed on 25 August 1989.

On 15 September 1989 a revised tender was submitted by Jennings bringing the total project within 10 per cent of the estimate submitted to the Public Works Standing Committee. On 28 September 1989 the tender was accepted by Cabinet at an anticipated completion cost of \$44.7 million. Construction completion date was set at 28 June 1991 and the anticipated handover date was set at 28 September 1991. On 29 August 1990 the anticipated completion cost was \$45.1 million, with an anticipated construction completion date of 31 May 1991 and the anticipated handover date, 1 August 1991.

I think it is important to point out to the Leader that we must be very clear about what we are establishing when we make these wild accusations about cost overruns. If the Leader is trying to compare a preliminary estimate at the time of referral to the Public Works Committee with the actual price as a result of tender, I suggest that he displays a very limited understanding of the construction industry and the processes of Government. In case he is unaware, I also remind him that standard procedure when projects are referred to the Public Works Committee is to nominate a potential variation of plus 10 per cent in the accuracy of the estimates to take account of the base knowledge on which the estimate is made. Those members of the House who have been members of the Public Works Committee will well appreciate what I am saying.

I reiterate that tender acceptance by Cabinet in September 1989 (over 12 months ago) anticipated a final completion cost of \$44.7 million, including associated fees, furniture

and demolition. Therefore, this figure was within the 10 per cent agreed variation of the \$40.7 million estimated at the time of reporting to the Public Works Committee. The Leader should have raised this question with his colleagues on the committee who approved this particular project. The committee's report was appropriately submitted to this Parliament, tabled in the House and ordered to be printed. The figure of \$40.7 million to which the Leader is referring, with the 10 per cent agreed variation, becomes \$44.7 million.

The current anticipated cost on completion is \$45.1 million. An additional total cost of \$400 000 has been incorporated in the project to meet proposed new Australian standards—which were not formulated at the time of the tender—for fire safety and for the purchase of equipment designed to ensure maximum return for catering services. This figure represents less than 1 per cent of the total project cost. There are no remaining unresolved major items, and I confidently predict that with good management and project control we will see this project completed in June 1991 and available for handover in August 1991.

The final product will, I believe, be a very cost effective entertainment centre, and I think, from dollar for dollar comparisons around Australia, ours will stand out as a shining light. I draw that to the attention of the Leader of the Opposition, because he obviously does not understand the processes involved when projects are referred to the Public Works Committee. In fact, the project is likely to come out less than 1 per cent above the total project cost as outlined when it was originally approved by Cabinet.

I think it is important that we acknowledge the work being done. I want to thank all those staff and employees working on that project, which is looking to me to be very successful. Thanks must go to the staff of Sacon and Jennings and to all the contractors who have worked on that site to make the project such a success, and I am sure that many thousands of South Australians will come to enjoy the centre and its facilities when completed.

**The SPEAKER:** Order! I would ask Ministers to give consideration to making ministerial statements.

#### NATIONAL CRIME AUTHORITY

**The Hon. E.R. GOLDSWORTHY (Kavel):** My question is directed to the Acting Attorney-General. Has the Government sought an explanation from the NCA for the alarming discrepancy between a public statement in March by the Adelaide NCA member, Mr Dempsey, and a letter dated 30 June last year signed by the former Chairman of the authority, Mr Justice Stewart, and, if not, will the Government immediately do so? In a public statement on 22 March this year, Mr Dempsey referred to the authority's Operation Ark—its investigation of the handling by South Australian police of allegations of police corruption made during last year's Operation Noah. Operation Ark has resulted in two reports being prepared by the authority, one being completed while Mr Justice Stewart was Chairman, and the other being a much watered down version under the chairmanship of Mr Faris.

In his public statement in March, Mr Dempsey said of the authority's investigation conducted before Mr Justice Stewart:

The draft report at that stage had not been completed. It was completed in July.

Mr Dempsey later said:

There was no report of the authority, save as was delivered to the Attorney-General of South Australia on 21 December 1989.

A letter, sent to Mr Sumner and signed by Mr Justice Stewart has appeared, indicating quite clearly that he was submitting with that letter an interim report to the Government. It states, in part:

This report, prepared pursuant to section 59 (5) of the National Crime Authority Act 1984, is forwarded herewith for your attention as the relevant Minister.

I ask whether the Government did in fact receive that report and what it intends to do about the apparent gross inaccuracies in Mr Dempsey's statement.

**The Hon. G.J. CRAFTER:** I thank the honourable member for his question and for the opportunity to explain this matter once again to members and to those people in the community who may be confused by this repeating of the matter that was raised in the Parliament some months ago. Indeed, the existence of this letter, its use and the question of who actually received it are really matters internal to the operations of the National Crime Authority and are not within the control of the State Government, as the honourable member may have led the House to believe. Indeed, this whole issue, including the existence of a signed letter of transmission, was thoroughly canvassed previously and was the subject of a comprehensive ministerial statement by the Attorney-General on 8 February and 5 April 1990.

In respect of the signed letter of transmission, on previous occasions the Attorney has made the following points: first, on Monday 5 February 1990 the Attorney-General's office was advised by telephone, by Mr Faris, QC, that a letter of transmission in respect of the document had been prepared and signed by Mr Justice Stewart on 30 June 1989. Secondly, the authority informed the Government that the authority, as constituted on 2 July 1989, determined not to forward that document. Thirdly, the letter of transmission was not sent to the State Government then or at any time and has not to this time either been sighted or received by the State Government.

It should also be recalled that, during the course of the ministerial statement on 8 February, the Attorney-General tabled a letter received on that day from the former Chairman, Mr Justice Stewart, in which he confirmed that he signed a letter of transmission on 30 June 1989. In conclusion, the media report raises no new facts or issues to the extent that any issues that do arise from the facts that have been on the public record since early February 1990, are matters for the NCA and its parliamentary watchdog, the Joint Parliamentary Committee on the National Crime Authority.

## HOUSING TRUST

**Mr M.J. EVANS (Elizabeth):** Will the Minister of Housing and Construction make representations to the Commonwealth Government to ensure that those Housing Trust tenants who signed letters of intent to purchase their trust homes as far back as May this year but who have not signed final contracts because of the delays often inherent in the purchase system administered by the trust will not now be denied First Home Owner Scheme grants as a result of the Commonwealth budget decision and, therefore, be unable to proceed with the purchase? Will the Minister indicate how the State Government intends to use the additional funds allegedly provided by the Commonwealth budget as a result of a discontinuation of FHOS to assist low income home buyers to meet the deposit gap?

**The Hon. M.K. MAYES:** This is an important question and I am sure that many people out there are concerned and interested in what is happening in regard to their application for the purchase of trust homes following the budget

brought down by the Federal Treasurer. I assure the honourable member that, in fact, the trust and the Government have made representations to the Commonwealth Government in regard to this matter. Officers of the Housing Trust have discussed the discontinuation of FHOS with Commonwealth officials, and have agreed that FHOS will be paid to trust tenants awaiting documentation for the purchase of their dwellings.

The next step in the process is also important to identify. In respect of those trust tenants who have signed an intention to purchase but who are awaiting valuation, the trust has requested that this concession be extended to them and the matter has been referred to the Commonwealth for consideration. We will pursue that and I strongly support this request and will make my position clear to Federal Ministers if the matter has not been finalised by 4 November. With regard to the delays in the process of sales of Housing Trust properties, we have taken measures which I hope will improve the processing so that we do not see those delays that have occurred in the past.

The first thing that we have initiated is the establishment of a panel of valuers to increase the number of valuers available to carry out the necessary valuation and, particularly, I might say for the honourable member's interest, in the area of Elizabeth. I understand that there has been some concern in the Elizabeth area with regard to that process. Secondly, we have introduced a direct courier service between the Elizabeth office and the trust sales administration office to avoid any delays in that process. Thirdly, sales will be the responsibility of regional managers so, in fact, we are actually allocating the responsibility for sales. I hope that that will assist with the processing for those people who are interested in making a purchase.

Regarding the First Home Owners Scheme, I can assure the honourable member that all attempts have been made to ensure that those tenants who have signed an intention to purchase and are potential FHOS recipients are not disadvantaged as a result of the Commonwealth budget announcement of the discontinuation of the scheme. In terms of funding, a new State scheme will replace the First Home Owners Scheme. The Commonwealth will provide the States with funds, as part of the Commonwealth-State Housing Agreement, to devise and administer the scheme.

The scheme in this State will be designed to meet the needs of South Australians. We follow a particular process and philosophy in this State, and we want to continue to ensure that people can purchase their own home. Basically, we have to look at it from the point of view of affordability. This is very important and I am sure that that is what the member for Elizabeth is driving at as part of his question: to ensure that people can afford to purchase their own home.

Funds will be used to provide deposit gap assistance for first home buyers as well as assistance to mortgage payers and private renters. I hope that we can soon release the details of this scheme, which are being developed with the Commonwealth Government. I hope that the scheme will come into operation, as I stated in response to the Federal Treasurer's announcement in the budget, early next year, so that we can maintain a continuation of that type of first home owners scheme in this State. I am not sure what is happening in the other States, but I imagine that they are looking at similar proposals. However, I assure the honourable member that we are addressing those people who have signed or who have indicated an intention to purchase.



### THE SECOND STORY

**Mr OSWALD (Morphett):** Will the Minister of Family and Community Services explain to the House the circumstances surrounding the fax message that was received by The Second Story youth counselling service in Rundle Mall last Friday advising the service that it was to be evicted in two weeks time? What will happen to the pre-booked appointments for youths who were to receive counselling after that date? What are the circumstances surrounding the request for an additional payment of \$34,900 demanded in the fax? Why is the counselling service being forced to move out of the mall?

**The Hon. D.J. HOPGOOD:** I thank the honourable member for his question and, I assume, his support for the ongoing work of The Second Story because, unfortunately, not everyone is as enlightened as that. As the honourable member probably knows, The Second Story has experienced some considerable difficulty in relation to some of its neighbours in the work that it is doing. In some way, I can understand people involved with commercial investments in Rundle Mall being a little concerned about some of the customers that are sometimes attracted to The Second Story.

On the other hand, this work, as the honourable member implied in his question, is very important. It deals with young people who have often been victims of sexual abuse and that sort of thing, and that sort of service has to be provided, and it has to be provided in a central location. I know all about this. I do not want to exacerbate the situation so far as The Second Story is concerned. I am quite happy to provide the honourable member with a full briefing as to what has been happening, if that is what he wants. I am not trying to evade anything. I just want to protect—

*Mr Oswald interjecting:*

**The Hon. D.J. HOPGOOD:** I am trying to answer the question but the honourable member keeps interrupting. I would see the honourable member and me being as one on this matter. Controversy has arisen with the lessors over security arrangements. The Second Story has insisted in having some knowledge of the arrangements, the way in which they operate and some vetting of the people who might be involved in security. There have been a couple of incidents down there, but I do not want to point the finger at this stage, where people involved with The Second Story feel that the security arrangements could have been rather other than they were in the way in which they operate. That has led to a deterioration in relationships, which has led to the situation indicated by the honourable member.

What I am here to say is that the Health Commission will work very hard to ensure that The Second Story is able to continue to provide the services which it has provided in the past. I guess that, if ultimately we are evicted from the place, there is very little we can do than try to put the pieces together somewhere else. That will not be easy in a short space of time. My priority would be for The Second Story to be able to continue to operate out of the present situation and to provide the services that it has been providing. I have to say that that is somewhat out of my hands. My agency and I are the tenants there; we are not the landlord. If, as a result of the unfortunate ill feeling that appears to have arisen, we are given the boot, we are given the boot.

**Mr Oswald:** Have you been given two weeks?

**The Hon. D.J. HOPGOOD:** I have no confirmation that two weeks has been given. However, I do know that one of the things we are looking at is the real possibility that we may have our tenancy terminated and we may have to make alternative arrangements very quickly. We are endeavouring

to do so while, at the same time, trying to ensure that The Second Story can continue to provide its services from its present location. I am glad that I have the honourable member's support in that.

### LITERACY

**Mr FERGUSON (Henley Beach):** Will the Minister of Employment and Further Education say whether the increased funding for literacy announced in the budget will benefit adult literacy programs offered through neighbourhood houses and community centres such as the Grange Community Centre in my electorate?

**The Hon. J.P. Trainer:** Excellent question.

**The Hon. M.D. RANN:** It certainly is an excellent question from the member for Henley Beach. I am sure that all members will be delighted to know that additional funds have been allocated to the State's adult literacy program, which doubles the Government's commitment compared with last financial year, and certainly will benefit neighbourhood houses and community centres such as the one in the honourable member's electorate.

I am sure that many members in this House believe that community-based adult education is a beneficial means of redressing the disadvantaged in our community. It offers a valuable service to those people who would not feel comfortable with more formal education institutions, such as colleges and schools. Because of this, we are launching a community adult education program which will fund a range of courses through neighbourhood houses and community centres. These courses will provide people with a vital second chance to lift their skills to enable them to enter more formal training. An advisory committee on community adult education has been established to advise me, as Minister, on strategies to improve literacy and adult education and, also, to help with the allocation of funds.

Our new emphasis on community-based programs is critical to the success of our literacy efforts. These programs offered by local community organisations are designed to help the socially and economically disadvantaged to take up opportunities for self-advancement. An amount of \$180 000 of State funds will be made available to community-based adult education courses for the remainder of this financial year (compared with \$60 000 last year).

This is a tripling of the allocation compared with the cut with which some members on the other side of the House seem to be enamoured. This will include an immediate allocation of \$43 000 to ensure that community-based English literacy and language programs will continue for the remainder of 1990 and will be run—and let me emphasise 'will be run'—through neighbourhood houses and community centres.

In addition, another \$140 000 will be spent on community literacy programs within TAFE colleges and will form an important bridge to more formal training programs. We are committed also to improving literacy at work, and an allocation of \$140 000 has been made to workplace literacy for programs delivered in factories and on work sites.

Members would realise that with the changing demands on workers to upgrade their skills—and these are increasing—an efficient and productive work force cannot exist if the foundation stone of literacy has not been secured. I point out to the House, in case there is any more confusion about adult literacy and other initiatives that we are taking in these areas, that all of these initiatives are in addition to the more than \$400 000 allocated for adult literacy programs through the TAFE network.

## SEWERAGE RATES

**The Hon. P.B. ARNOLD (Chaffey):** My question is to the Minister of Water Resources. Is it Government policy to make funds available from the surcharge on sewerage rates for the removal of common effluent oxidation ponds from the flood plains of the Murray River in South Australia?

**The Hon. S.M. LENEHAN:** I have made clear a number of times in public announcements the priorities identified by this Government for the use of the environment levy, which is the 10 per cent paid by all people who discharge effluent into the sewerage system provided by the E&WS. The common effluent ponds along the Murray River have not been identified as something that the Government was going to fund. The reason for this is that, quite clearly, the whole question of the common effluent systems along the Murray River is the responsibility of local government—and the honourable member would know this as well as I do—and, in fact, has always been seen as the prerogative of local government.

We have a system by which my colleague, the Minister of Local Government, subsidises CEDS and other common effluent schemes that are provided at local government level. However, because the Government identified that the major priorities were to remove sludge from the gulf and to look at providing an extension of the sewerage system into the very critical water catchment areas of the Hills and the southern area, it was decided that those areas would be the priorities for the levy. Also, I indicated that we would be clearly establishing the best ways of treating the effluent currently being discharged into the marine environment, to ensure that we can remove the nutrients of nitrogen and phosphorus. It is regrettable that, at this stage, the levy will not be sufficient to be extended for this purpose. However, I have indicated to the councils—

*An honourable member interjecting:*

**The Hon. S.M. LENEHAN:** Yes. My colleague is suggesting that we increase the amount of the levy, and I guess that that is something to be discussed with him in the future. I have indicated to the councils in the Riverland that the E&WS Department would be prepared to provide expertise in terms of working with local government to ensure that, eventually, we move these common effluent lagoons from the flood plain.

I am committed to doing that, but I would be dishonest if I said to the honourable member that at this stage that is the top priority for levy money, since, unfortunately, it is not. However, I will continue to work with local government and with the member for Chaffey to see whether we can ensure that we move those effluent lagoons from the flood plains. Let me remind the House that it is primarily the responsibility of local government.

## PERSONAL EXPLANATION: LEGISLATIVE COUNCIL SEAT

**The Hon. D.C. WOTTON (Heysen):** I seek leave to make a personal explanation.

Leave granted.

**The Hon. D.C. WOTTON:** I was amazed to read in an article this morning attributed to the political reporter of the *Advertiser* that I was considering standing for a vacancy caused in another place. I am pleased to be able to report to the House that there are absolutely no grounds whatsoever for this suggestion. It is my intention—and always has been—to continue to represent my constituents of Heysen

in this House. I look forward to my continuing involvement with the people of Heysen, whom I am privileged to be able to continue to serve.

## SELECT COMMITTEE ON THE CONSTITUTION (ELECTORAL REDISTRIBUTION) AMENDMENT BILL

**The Hon. D.J. HOPGOOD (Deputy Premier):** I move: That the time for bringing up the report of the select committee be extended until Tuesday 16 October.

Motion carried.

## APPROPRIATION BILL

Adjourned debate on second reading.  
(Continued from 23 August. Page 572.)

**Mr D.S. BAKER (Leader of the Opposition):** This budget has 'flare' but no light. Only nine months after promising South Australians light and flair, the Treasurer, with this budget, has drawn the curtains on the light. After his Government's fraudulent victory last November, he also promised flair. But what he did not tell South Australians was that he meant 'flare', the sort of flare that signals being becalmed, as this Treasurer and this Government have become with their lack of courage to tackle the challenges at hand and ahead, and the sort of flare that requires rescue from the fiscal and economic irresponsibility of this Government.

The darkness and dullness of this budget means South Australia sails into the 1990s under a Government that has run out of steam. It is steady as she sinks. And the Treasurer, as National ALP President, has already jumped ship. The micro-economic reform debate affects the States as much, if not more than, the Federal Government. But in this the Treasurer is showing all the guts of a deserter from our naval fleet on the way to the Gulf. Less than a year ago, in his election policy speech, the Treasurer told South Australians, 'Now is the time to move forward.' He said:

In 1989, South Australians are on the threshold of a new era. We have overcome the economic decline at the end of the 1970s. He promised tax cuts of \$55 million which, to use his words, 'have been built into the financial strategy of South Australia' (Labor policy speech 13 November 1989).

He promised an interest rate relief package that would cost \$36 million a year. He said there would be more jobs and less unemployment. But this budget switches off all that rosy rhetoric and throws overboard the chief promises on which Labor was re-elected, with a record tax grab and with predictions that employment 'may show no growth' this financial year; interest rates will remain at historically high levels, with little of the relief to those promised it; inflation will not drop; gross State product growth will slow significantly; capital spending will show a significant real fall; and tourism has only a mixed outlook. In summary, there will be a significantly lower level of economic growth.

Those are not my predictions: they come from the Treasurer. In his budget speech and its attachments, the Treasurer, in his introductory remarks to this budget, said:

... the coming financial year will be a difficult one and will indeed call for careful judgment, tough decisions and community understanding.

There is no community understanding of this budget, because it shows no careful judgment. It shows no willingness to

make tough decisions. Last week, the Federal Treasurer, Mr Keating, described Victoria's Ms Kirner as 'more forthright and more decisive' than any Premier he had dealt with. Mr Keating's message was pointed. His own Party's National President does not have the courage necessary to manage a State in the 1990s. As a result, South Australia will fall further behind—a continuation of the 1980s under this Treasurer.

**Gross State Product.** South Australia currently accounts for 7.6 per cent of Australia's gross domestic product. This is almost 1 per cent lower than it should be on a population share basis. The Federal budget papers show that only Victoria has had a slower rate of growth in gross State product since 1984-85 (Federal Budget Paper No. 4).

**Population.** When this Government came to office in 1982, South Australia had 8.8 per cent of Australia's population. Had we retained that share, our population would be 62 100 higher than it is now. That would mean more economic activity and more jobs in our State.

**Employment.** At June 1982, South Australia's share of total employed persons in Australia was 8.8 per cent. Had we retained this share, an extra 28 700 people would have jobs in South Australia today. The Treasurer, in his economic paper accompanying the budget, offers the opinion that a 2.1 per cent employment growth rate in South Australia last financial year was 'satisfactory'. But this rate trailed national average growth by almost 20 per cent. Unlike the Treasurer, we in the Liberal Party are not content with second best.

**Manufacturing Employment.** According to the Treasurer's own figures in his annual budget economic papers, total manufacturing employment in South Australia currently totals 2 000 fewer jobs than in 1982. The annual survey by the Economic Branch of Treasury shows employment numbers in 89 major South Australian businesses at 6 773 fewer jobs than in 1982. While there has been a recent revival in manufacturing employment, this has not picked up the slippage which occurred in the 1980s.

**Tourism.** In Tourism, South Australia's share of international and domestic travel is not as high as it was five years ago.

**Capital Expenditure.** South Australia's share of private new fixed capital expenditure is just over 6 per cent. Again, it is well below what our per capita share would be. As a key indicator of future activity in our regional economy, this figure foreshadows that relative to the other States. We will continue to fall behind.

**Retail Trade and Motor Vehicle Registrations.** Retail trade and car sales are two important barometers of current consumer confidence and relative living standards. Had South Australia retained the share of Australia's retail trade it had in 1982, our shops would be recording an extra \$16.4 million a month in sales. Our share of car sales also has eroded. As a result, South Australians would be buying an additional 3 950 cars a year had we retained our 1982 share of national sales. This budget does nothing to address the problem of our contracting State economy—of our declining national economic importance and influence. Rather, it will increase the likelihood of recession with real increases in taxes and charges on business, while living standards continue to erode, through higher inflation in the short term and, in the longer term, through more borrowings to fund this budget, adding to the interest burden for the future.

The budget sector deficit on Consolidated Account is put at \$260 million. For the public sector as a whole, including trading enterprises, the deficit is estimated at just over \$500 million for 1990-91. Interest on new and past borrowing will consume \$689.5 million of budget spending this finan-

cial year, or 50c in every dollar contributed to the Treasury by taxpayers. This annual interest burden has risen one-third since 1987. This budget puts it at almost \$173 million more than actual payments for interest in 1986-87. Over the past five budgets, including this one, the interest cost is \$3.097 billion. Interest in 1990-91 will cost South Australian taxpayers \$13.25 million dollars a week. Over the past eight budgets, including this one, total budget spending has exceeded revenues by a real \$2.7 billion.

The projected \$260 million deficit in 1990-91 exceeds by almost \$50 million South Australia's new money global borrowing limit set by Loan Council. This means SAFA may have to liquidate at least \$50 million of its financial assets to fund this year's budget. A run down in reserves and a rising interest bill are the costs South Australian taxpayers must bear into the future from this Government's big spending and big borrowing policies. The Government's cosmetic calculation of net public sector debt is irrelevant to these ongoing costs. The Government tells us that net debt has to be reconciled in terms of offsetting liabilities against assets. But the fact is that the fiscal policies of the past eight State budgets, in a climate of rising interest rates, have locked in a recurrent interest burden which denies resources to vital areas such as education, health and community safety.

Let us consider the true public sector budget deficit. In December last year, the then Under Treasurer, Mr Prowse, released a Treasury information paper on the State budget. At page 14 of the paper Mr Prowse said:

Use of the traditional budget result can be very misleading in interpreting the condition of a State's finances. For example, a budget 'surplus' due to high borrowing would lead to increasing debt servicing obligations and a growing debt, a deterioration in the State's financial position.

This misleading outcome results from including borrowing as a receipt, even though it is quite different to other receipts such as taxation or fees, fines and charges.

The practice has been rightly criticised for many years by external commentators.

Yet, if we examine the budget papers for 1990-91, we find the following statement:

The 1990-91 budget provides for a planned Consolidated Account cash surplus of \$10 million, aimed at writing down the accumulated deficit carried forward from 1989-90 of \$22.2 million to \$12.2 million by 30 June 1991.

How is this miraculous deficit result achieved? It is achieved by including borrowings of almost \$270 million. The Treasurer and the new Under Treasurer are perhaps less keen to adopt the standards urged by Mr Prowse. In the same Treasury information paper (page 15) Mr Prowse says:

Another area in which the States have traditionally been criticised is for undue emphasis on the Consolidated Account result, rather than the result for the total public sector. The result for the Consolidated Account in isolation can be quite misleading as an indicator of the general state of the public sector.

But where do we find this year's forecast of \$518 million deficit result for the whole public sector? It is in the small print on page 80 of Financial Paper No. 1. Condemned by this former Under Treasurer's own words, the Treasurer has again presented a budget which is 'quite misleading'.

**The Hon. Ted Chapman:** By the way, where is the Treasurer?

**Mr D.S. BAKER:** He has probably gone out to re-do the sums. In fact, even this \$518 million figure may underestimate the size of the true public sector budget deficit. This is because the State Treasury presents figures in a way that underestimates the deficit when compared with figures prepared by the Australian Bureau of Statistics. A few months ago, the Treasurer and his officials dealt with this disagreement by attempting to shoot the messenger. They said that the Australian Statistician's figures could not be trusted.

The hypocrisy involved in doing this is clear from the State budget papers, which last year also stated:

Because of differences in accounting and institutional arrangements among the States, it is necessary, if reliable comparisons are to be made, to turn to comprehensive data published by the Australian Bureau of Statistics relating to each State's total public sector.

This year, the Treasurer has softened the statement in Financial Paper No. 1 to read:

There are differences in accounting and institutional arrangements amongst the States. The ABS provides the only source of comprehensive data on the public sector in each State.

But the Treasurer cannot escape the fact that the ABS uses internationally accepted international monetary fund definitions and the State Treasury does not. If last year is a guide, the true public sector deficit as measured by the ABS could exceed \$518 million by up to \$100 million.

I now turn to the funding of the budget. The Treasurer now asks South Australians to accept he has no options with the tax raising measures in this budget because of a shrinking revenue base, which he said is caused, in particular, by declining Commonwealth funds.

Let me first examine the revenue outcome last financial year. Total receipts exceeded budget estimates by \$40 million, despite the fact that tax collections were just over \$19 million below estimates. As the Opposition said at the time, this was a drop in stamp duties, a factor that the Treasurer should have built into last year's budget projection because a fall in the property market was already evident 12 months ago. However, more than offsetting this decline were significant rises above estimates in recoveries which were \$45.4 million above estimate; Commonwealth specific purpose payments, \$34.7 million; and Commonwealth general purpose assistance grants, \$5 million.

The Treasurer now attempts to focus this debate on Commonwealth revenue. He hopes Parliament will ignore what is happening with the Government's own source revenues. For example, neatly tucked away in footnotes to the accounts of SAFA is the revelation that \$47 million was brought into the authority from the Electricity Trust last financial year to make up the SAFA surplus put into the budget. This was a return on non-repayable capital in addition to the interest paid by ETSA to SAFA.

Now, I have no argument with Government agencies making a return on taxpayer's capital, provided this is made possible by efficient and responsible operations. The more they do this, the less tax South Australian will have to pay. But the Treasurer should be up front about this. He should mention these transactions in his formal budget papers. He should not hide them in the footnotes of SAFA. This particular ETSA transaction means that last financial year the trust would have contributed \$85.7 million to Treasury, including the 5 per cent sales tax. This is the equivalent of an extra \$58.69 a year on the average residential power bill. We will be looking for assurances that this extra draw on the funds of the trust to help the Treasurer balance his budget is not further increasing pressure for tariff increases. I will return later to the question of SAFA and other revenue sources for the budget.

The Treasurer is always anxious that this Parliament should overlook his failure to control Government spending, which blew out by \$76 million last year. An analysis of this budget shows that increased spending is the largest single contributing factor to the deficit and the rising taxes and charges proposed in this budget. Again, this is neatly concealed. Unlike last year, there is no reconciliation of recurrent outlays and receipts. That is because, even after massive tax increases, recurrent expenditure growth of 1 per cent in real terms means there is a recurrent deficit of

\$37 million, and the Treasurer does not want to highlight that.

Before further considering the question of spending, let me once and for all, and comprehensively, debunk the Treasurer's consistently uttered falsehood that he lost well over \$200 million in Commonwealth allocations, which loss he could not possibly have anticipated. In addressing this issue, the assumption for inflation is important. In the Federal budget, Mr Keating assured Australians that inflation was abating. His estimate of 6.5 per cent for national inflation this financial year included an assumption of a higher world price for crude oil. If achieved, this would mean a drop of 1.5 per cent in the CPI over this financial year.

As South Australia has traditionally had a record of containing inflation below the national average, it could have been assumed that the inflation estimate for the State budget would have been at or below 6.5 per cent, and falling, last financial year. However, neither is the case. Our Treasurer uses 7 per cent for the inflation rate, a figure which is actually above last year's result of 6.9 per cent. Conveniently, this and cuts in capital spending allow the Treasurer to argue that his budget spending is not increasing in real terms. A higher inflation forecast also allows him to exaggerate the adverse impact of Commonwealth funding decisions.

Let me now briefly retrace some of the figures recently used by the Treasurer to argue his case that reduced Commonwealth funds have left him no option but to increase taxes. On day 1 of the Premiers' Conference in June the Treasurer claimed he had been cut by \$40 million. This was his estimate of South Australia's share of a \$400 million total cut in financial assistance grants to the States. By the next day, 29 June, the cut had grown to \$180 million after allowing for some wildly creative accounting, using grants periods, teachers awards and so-called water assistance grants.

The Treasurer stuck to \$180 million in this Parliament on 2 August. Exactly two weeks later, this had increased to 'more than' \$180 million. In the Treasurer's prepared release on the Federal budget on 21 August, the real cut was down to \$94.3 million in Commonwealth assistance grants. This wrongly assumed no Federal top-up if the inflation outcome was 7 per cent. The total cost, including the other elements, was put at \$179.3 million. Then, on the following day, the Treasurer told Parliament that the real cut was \$87 million, not \$94.3 million. But the total cost to the State was \$235 million, according to a memo from the Under Treasurer.

Then a day later with the presentation of this budget came another set of figures. On page 18 of Financial Paper No. 1 we were told that the real cut was not \$94.3 million or \$87 million, but \$108 million, and that the total cost to the State would be \$250 million, not \$180 million or \$235 million. But, in that same budget paper on page 104, we were told that the real reduction was \$167 million.

These differences are not unimportant. As an illustration, the \$70 million gulf between the Treasurer's \$180 million and \$250 million estimates of total funds lost is the same as the amount of additional payroll tax he intends to collect in a full year. Apart from upping the ante, each time a new figure has been used, many of the components of the so-called cut have mysteriously changed. These components require serious examination.

Let us look at Financial Assistance Grants. To get a \$94.3 million cut in Commonwealth assistance grants, the Treasurer has selectively omitted some grant increases and assumed inflation will be 7 per cent and not 6.5 per cent, as the Federal Treasurer has stated. The higher inflation figure alone has the effect of exaggerating the cuts and

understating the additional funding by about \$14 million. The Treasurer has also ignored the fact that page 46 of Commonwealth Budget Paper No. 4 says that the allocations will be 'further adjusted to reflect any differences between the outcome for the CPI and the Premier's Conference estimate'. That is a most important point. How can he just ignore this when such CPI top-ups are normal practice?

State Financial Paper No. 1 (pages 82 and 125) states that general purpose funds from the Commonwealth in 1989-90 were above budget 'mainly reflecting revenue gains from the indexation of these grants for actual increases in the CPI: the relevant inflation rate for this purpose was 8 per cent rather than the 7.6 per cent assumed by the Commonwealth in its 1989-90 budget'. The same State budget paper (on pages 103, 105 and 122) refers to CPI top-ups in 1990-91, stating:

The amount finally payable to the State will reflect the actual increase in the CPI in the four quarters ending March 1991.

Why then did the Under Treasurer and the Treasurer suggest otherwise?

I deal now with water assistance grants. The largest single 'cut' claimed by the Treasurer is in special assistance for water. On 5 July, he claimed in a prepared statement that 'so-called water quality grants to South Australia were reduced by \$53 million in real terms this year'. On 21 August he changed this story and put the reduction at \$41.5 million, but the truth is now clear. The so-called 'water quality grant' is part of a special deal Labor Premiers have struck with the Prime Minister and the Federal Treasurer to bypass Premiers Conference decisions. It has little or nothing to do with improving South Australia's poor water quality. In fact, the State Financial Paper No. 1, at page 25, says that the extra \$12 million will be used to support the housing program in 1990-91.

Documents from the Commonwealth Department of Finance show that the Treasurer sealed the deal with the Commonwealth on or before 29 June. This was a full week before he claimed that the grant would be cut to zero at a cost to the State of \$53 million in real terms. It is also now known that the special payments represent an illegal political use of the 'urgent and unforeseen' criteria upon which they were supposedly based. These criteria make a nonsense of the Treasurer's claim that the payments were not one-offs. The Federal budget papers also show that, if there is to be any reduction in this grubby political deal this financial year, it will amount to \$12 million—not the \$41.5 million or \$53 million claimed by the Treasurer.

I turn now to Grants Commission relativities. As a further justification for State tax increases, the Treasurer has claimed that South Australia was short-changed to the tune of \$51 million because a three-year review period used by the Grants Commission to recommend allocations to the States had been changed to five years. In a press statement on 5 July the Treasurer claimed that the Grants Commission 'in its 1990 report recommended a continuation of this policy' of a three-year review period. Apart from studying the reports, the Liberal Party has raised this matter directly with the commission. The commission has confirmed with us that nowhere in its 1990 report did it recommend a three-year period as asserted falsely and repeatedly by the Treasurer. In fact, the commission's 1990 report suggests the opposite. It states:

It is likely that five-year review periods would improve the distributional stability of general revenue grants [to the States].

And, rather than a cut, the 1990 Premiers Conference endorsement of the past five years as the averaging period means that South Australia's share of Grants Commission general revenue and hospital grants increased from 10.47

per cent to 10.53 per cent, worth \$9.5 million in extra funding, as the Treasurer's own financial statement with this budget twice admits at pages 17 and 68. The desire to increase this stability in grant distribution should have come as no surprise to the Treasurer or his officials. In the 1989 Federal budget papers the Commonwealth revealed that the Premiers Conference had:

... agreed to refer the question of the appropriate update process and review period to the commission, largely because the 1989 update of *per capita* relativities had resulted in larger changes in the distribution of financial assistance grants than had been generally anticipated.

And, when the three and five-year options were being investigated, the South Australian Treasury wrote to the Grants Commission on 26 January this year advising 'nil comment on the 1990 update of relativities'. Yet, the Under Treasurer has claimed subsequently that, despite receiving the 1990 Grants Commission report on 30 April 1990, State Treasury continued to expect that the three-year option would be chosen. It is curious that State Financial Paper No. 1, at page 116, concludes:

Annual updates of five-year relativities were adopted at the Premiers Conference on the basis that this would provide greater stability in the distribution of grants and assist the States in long-term planning.

If a three-year option was really the expected outcome, this smacks of serious incompetence and poor advice on Treasury's part. More likely, it was a further deliberate deception by the Premier.

He has behaved on this particular matter like the industrial advocate that he once was, who goes before an industrial tribunal seeking a \$60 a week pay rise but getting only \$9. (In this case he was seeking \$60 million but got only \$9 million.) To have budgeted on the basis of getting the State's ambit claim accepted in total, when we did not even put up a fight for it, has been wildly irresponsible to say the least.

On the matter of teachers' salaries, the Treasurer has added a further \$34 million to his Commonwealth cuts over the proposed national teachers' award. However, his own Minister of Education was widely quoted before the Premiers Conference as applauding the new award and saying that the taxpayers of South Australia would have to bear its cost. In Parliament on 2 August, the Premier also said:

At the Premiers Conference ... we received not a cent; we are up for almost the full tote odds—\$34 million this financial year.

But the Government now has had to concede that, as a result of the Federal budget, Government schools will get increased grants of 4.2 per cent, which will include the Commonwealth share of the national teachers' benchmark. The State budget will not bear the total cost. There is even a new line item in the Federal budget worth over \$15 million to South Australia in 1990-91 for a 'cost escalation allowance' in education funding.

I deal now with debt repayments. The Opposition has been appalled that a supposedly apolitical public servant has seen fit to join this grubby exercise to justify the Treasurer's hysterical claims about cuts from Canberra. The Under Treasurer's minute gleefully tabled by the Treasurer in the last week of sittings claims that increased debt redemption by the States of State debt held by the Commonwealth will cost South Australia an additional \$63 million. But this seemingly ignores the following statement in Federal budget Paper No. 4 (pages 64 and 91):

The Commonwealth has undertaken to provide the States and Territories with full compensation for the additional cost to them of this change on the basis of interest rate margins between Commonwealth and State debt applying at and prior to the change.

In other words, if the State pays back debt to the Commonwealth and reborrows itself at higher interest rates, it will be fully compensated for the difference.

**Commonwealth Funding—Summary.** It has been necessary to deal at some length with this question of Commonwealth funding because the Treasurer has deliberately attempted to mislead the people of South Australia. He wants them to believe that he has been a responsible, prudent manager and that the only reason taxes are rising is because the Commonwealth has been a scrooge. He has demanded that I join him in this deception.

We all know that the States have faced cuts in the past few years and Commonwealth own purpose outlays have not been cut by as much as they should have been; but, in tough times, all levels of Government need to make cuts. It is not true, however, that this year the Commonwealth has singled out South Australia for cuts of \$250 million or even \$180 million. Indeed, South Australia has received the largest *per capita* grant increase of any mainland State. So I have refused to join the Treasurer in his anti-Commonwealth charade. I will not be an accomplice in defrauding the people of South Australia.

The major reason why they will forfeit more of their hard earned money in State taxes and charges this financial year is that this Treasurer is a fiscal ferret. He preys on the confusion he has deliberately engendered in the community. He joins New South Wales Premier Greiner to his argument. Premier Greiner is the only State leader who has bitten the bullet on micro-economic reform and it has been on this basis that he has attacked the Commonwealth for failing to adequately compensate New South Wales for some of the up-front sacrifices it is making in the interests of reform and economic efficiency.

Had this Treasurer made some of the tough decisions Mr Greiner has undertaken, there would have been bipartisan support for greater Commonwealth recognition in funding allocations, but I will not compound this Treasurer's fraud on our people in South Australia. More funds from Canberra without micro-economic reform would have to be paid for in higher Federal taxes upon us all. That should not happen. I reject totally the notion that this Treasurer's lack of financial control and inability to make some tough decisions should be compensated by higher taxes upon us all.

To prove the Treasurer's deceit in this matter, I also make the observation that the impact of changes to Commonwealth allocations this financial year will be no greater than last financial year, taking into account inflation. The only difference is that a Federal election was due during 1989-90, meaning the Treasurer, as national ALP President, could not, in last year's budget, use his Canberra mates as a whipping post for his own inadequacies. To highlight this hypocrisy, I mention the press statement our Treasurer issued during the Federal election campaign on 6 March this year, when he said the election of a Peacock Federal Government 'would have disastrous consequences for the provision of vital community services in South Australia'.

That was on the basis of a Peacock Government cutting funds to South Australia by \$42 million a year. The pretence was that a Hawke Government would not reduce State funding. I can say only that the Treasurer fully deserves to have to sink with the Hawke Government—as inevitably it will at the next Federal election.

**State Government Spending.** I turn now to the Treasurer's spending policies. The budget papers demonstrate that recurrent spending blew out by more than \$76 million last financial year. The Treasurer's claim of a reduction below estimates is just more financial trickery. This blow out

would have been greater had the Treasurer implemented his chief election promise, that is, to provide interest rate relief. That promise was never affordable under this Government's financial strategy. The promise was hastily cobbled together in response to the Liberal program, which was fully costed and funded, and just as quickly dismantled after the election through the imposition of strictly limited criteria for assistance.

**Public Sector Employment.** One major reason for the budget going into deficit last financial year was that public sector employment levels have blown out. Over the past four years South Australia, with Victoria, has had the highest average growth in State public sector employment. The 1989-90 budget provided for an increase in employment in administrative units of 549 positions. However, the actual increase exceeded this target by more than 230 positions. The total 1989-90 increase in employment represents a full year salary cost of more than \$27 million. The blow out beyond the target adds more than \$8 million a year to this in the cost of employment in administrative units. In the wider public sector, the Treasurer, in his Financial Statement last year, at page 93, informed Parliament:

Broadly, the Government is committed to the maintenance of overall public sector employment at the level existing at 1 July 1982 of 89 500 FTEs.

There is no similar statement of policy in this year's Financial Statement. This is not surprising, because total employment in the State public sector now exceeds the 1982 level by 8 772.5 full-time equivalent positions. This is gleaned from the figures on page 184, the last page of the Premier's Financial Statement. Even allowing for adjustments to counting, the increase is 3 303 FTEs above 1982. In the past 12 months alone, more than 2 200 additional public sector positions were created. The total bill in salaries and on costs for the increase over 1982 levels is slightly over \$300 million a year. While not all of this is borne through the State budget, a significant portion of it is.

**The Hon. J.C. Bannon:** Some of the things you support.

**Mr D.S. BAKER:** That is why I said that not all of it is borne through the State budget and the Premier should note that—but a significant portion of it is. In a statement issued on 5 June 1987, the Treasurer announced an indefinite freeze on Public Service recruitment. He said that the only organisations not subject to the freeze would be the State Bank and SGIC. However, at June 1990, total public sector positions exceeded those at June 1987 by 1 627.2 FTEs, taking into account adjusted counting methods. I do not have the latest SGIC and State Bank employment figures. But, at June 1989, their increase in full-time employees over June 1987 totalled 667 positions—well under half the rise in total public sector employment despite the Treasurer's assurance that the State Bank and SGIC would be the only organisations exempt from the freeze.

The Government also has failed to meet targets with employment in senior white collar positions. In the 1984 State budget (*Hansard*, 30 August 1984) the Treasurer announced:

We have set in train action designed to achieve a substantial saving in salary terms over the next two to three years in the overall number of persons in executive and administrative officer classifications and equivalent positions, including statutory authorities.

The *Advertiser* of 28 August 1984 elaborated on this comment as follows:

South Australia's Public Service 'fat cats' will have to cut their total salary bill by 15 per cent as part of a savings strategy to be outlined in the 1984-85 budget on Thursday. Mr Bannon revealed the targets in a 'No Soft Options' briefing of about 40 senior public servants, including departmental heads, on Thursday.

However, on the latest figures publicly available, at 30 June 1989 there were 1 109 Public Sector employees in administrative officer and executive officer classifications—158 more than the 1984 level. The additional salary cost of this increase in so-called 'fat cat' employees is about \$5.53 million a year, when the Treasurer had promised a reduction of some \$5 million in this cost.

As well as failing to meet employment targets, there is further evidence in this budget that blue collar workers are being significantly cut while senior bureaucrats remain cushioned. Taking average employment figures, which are the only ones available in the budget papers for the purposes of comparison, the total number of weekly paid employees in administrative units was reduced by a further 182.4 FTEs last financial year, while the number of officers employed under the Government Management and Employment Act—the white collar work force—increased by 279.5 FTEs. All these extra public servants mean extra employment costs. For example, the State Services Department alone overspent its budget for vehicle purchases by \$4 million last year. It spent \$13 million on new blue plated cars at a time when the rest of the community was being forced to tighten their belts.

**Budget Failure.** Of course, there was no admission of the failure to meet employment targets in the Treasurer's speech. He does not concede that his bloated bureaucracy is the major reason for the rise in taxes, or that the Government has failed to honour some key election commitments. I have referred already to the Homesure fraud.

Members will recall that community safety was another key issue at the election. In anticipation of a backlash against its lenient treatment of law breakers, the Government announced a crime prevention strategy. In his last budget, the Treasurer proudly promised that this would involve spending of \$1.25 million in the election year. However, it is now revealed that actual spending on this strategy was only a third of that promised—a little over \$400 000.

The so-called social justice strategy has been a centrepiece of the Government's budget selling exercise for a number of years. A long list of spending promises were made in the election year. For example, \$100 000 was to be spent on screening procedures in correctional institutions for Aboriginal people, but this has been deferred to this financial year. An amount of \$350 000 was committed to fund a prison visitor scheme, but to March only a third of the allocated funds had been taken up. Similarly, almost \$130 000 remains unallocated from a \$400 000 promise to improve health and medical services for Aboriginal people in custody, while more than half of promised funding to Aboriginal people affected by adoption has also not been taken up.

Had these savings been made through efficiency, I would applaud them; however, these are just a few examples of promises being made without any proper planning by the Government. As it is, the so-called social justice strategy remains a farce this financial year. Almost half the new funds allocated in 1990-91 are earmarked for accommodation and cell improvements at the City Watchhouse and for redevelopment of the Elizabeth courts and police facilities. I would have thought any genuine social justice strategy would have given the highest priority to keeping people out of courts and custody.

In education, this budget confirms that teacher numbers in State schools have been slashed by 700 since the Treasurer's promise to maintain teacher numbers. It is a further indictment of the Government's failed priorities that, despite rising public sector employment overall, there should have been such a significant cutback in teachers.

The capital side of the budget continues to suffer because of the Treasurer's failure to control recurrent spending. Last year's capital spending was \$10 million below the budget estimate to help make the overall result appear more respectable. This year's level of capital spending through the budget will represent a real fall of 30 per cent over three years. Another major election bribe will suffer in the process.

Last August, the Minister of Recreation and Sport stood before the crowd at Hindmarsh Soccer Stadium and promised spending of \$3.9 million to upgrade the stadium and provide floodlights. This was a shameful grab for the vote of key ethnic groups which support soccer in this State. This budget abandons \$3 million of that spending. As a result, South Australia's opportunity to host the 1993 Youth World Cup is now in jeopardy. This Government has made a habit of announcing spending on major sporting facilities, and then withdrawing the support in subsequent budgets. Since 1985, total budget allocations of \$21.7 million have been made for major sporting facilities. However, only \$12.84 million, or a little over half, actually has been spent. The Government has used budget allocations like these to blantly buy support. The reduced spending below budget allocations has nothing to do with financial responsibility.

**No Spending Control.** It is not difficult to pinpoint this Government's failure to effectively control spending. It has increased its work force and failed to ensure Government employees are as efficient as possible. In the 1987 budget, the Treasurer said the second tier wage increase would have to be completely offset by productivity gains. However, that commitment was never followed through. No clear productivity targets have been announced on an annual basis. No widespread productivity savings have been identified.

Some of the other States lay down specific annual productivity targets. For example, since 1986, Victoria has been requiring all departments and agencies to achieve 1.5 per cent annual productivity savings. Such a target, rigorously applied to this year's budget spending in South Australia, would save \$32.6 million.

This Government has consistently failed to exercise proper control over major items of capital spending. I refer, in particular, to computer programs in the public sector. This financial year alone, almost \$20 million of capital spending is identified to purchase computer equipment. Yet, this Government has repeatedly ignored warnings by the Auditor-General to more effectively control spending in this area.

One result has been the JIS fiasco. Will the Premier say anything about the JIS today? I bet he will. This year's budgeted capital spending on the project will bring its total cost so far to \$20.9 million. This will exceed the estimated 1991-92 cost of the project accepted by Cabinet at the time of its approval in 1985, and the project remains a very long way from completion. A great deal more still has to be spent. Consultants will continue to reap the benefit of the Government's mismanagement. Another quarter of a million dollars has been allocated this financial year to hire consultants for the project. Over the past seven years, the project has cost almost \$1.5 million to hire consultants alone—half a million dollars above budget provisions.

Another unresolved computer fiasco is the purchase by the Registrar of Motor Vehicles. Several years late and at twice the original cost, the computer has caused lengthy delays and inconvenience to the public and the problems are still not resolved. There are now signs that the cost of the Entertainment Centre is blowing out. The budget capital works paper puts the completion cost at \$44.7 million. However, when the Public Works Committee recommended the project only a year ago, the cost was put at \$40.7 million

as at February 1991. Obviously, inflation does not account for this 10 per cent \$4 million blow-out. With site acquisition, the total cost of the project is now \$52 million.

Once again, the Treasurer's failure to undertake micro-economic reform will see a massive \$130 million payout to the State Transport Authority to keep it in the black, and this huge sum does not include the \$34 million cost of concessional fares or unrestricted free student travel. The contrast with New South Wales, where the STA is set to break even this year, could not be more telling. Liberal Premier Greiner is prepared to take the tough decisions on micro-economic reform, while our Labor Premier wimps out again.

In his Financial Statement, the Treasurer claims that the Government has 'made expenditure reductions and it has reallocated resources and made additional funds available where needed to provide essential service improvements in accordance with its policy priorities'. He further claims that spending decisions 'have resulted in an overall reduction of \$130 million in the no policy change expenditure estimate for 1990-91'. I challenge the Premier to produce an itemised list of these so-called savings, because they are not identified anywhere in the budget papers.

I would like him to explain how they will be achieved when there is no provision for any reduction in employment funded through the budget this financial year. After several years of prompting from the Auditor-General, the Treasurer last year included in his financial statement a list indicating the full year cost of new spending decisions. That list is conspicuously absent this financial year.

The Liberal Party has called repeatedly for the Treasurer to publish forward estimates of proposed spending for the next three to five years. The Commonwealth and New South Wales Governments do it, and the report by Professors Blandy and Walsh recommend it here, but there is still no action from this Treasurer. The Treasurer obviously is reluctant to justify real recurrent spending growth in this budget.

Had the Premier contained recurrent spending to no more than his inflation rate of 7 per cent, this would have reduced the cost to taxpayers by \$44.9 million this financial year. If we accepted Mr Keating's inflation rate, the saving would be \$67.3 million. Either way, it can be seen that further growth in recurrent spending this financial year is a major reason for tax increases.

Another reason is that other State non-government revenue resources are down. I refer in particular to returns from the State Bank, SAFA, the Woods and Forests Department and interest on investments. Last financial year, the Treasurer budgeted for more than \$470 million in revenue from these sources. This financial year, the estimate is \$295 million—a shortfall of \$175 million. Thus it can be seen that a combination of increased spending and reduced revenue in other State controlled areas, and not Commonwealth allocations, account for the bulk of the \$225 million in additional tax receipts the Treasurer is seeking this financial year.

This is partly offset by an increase of more than \$35 million in the contribution the SGIC will put into the budget. I understand that this contribution was determined without adequate consultation with the SGIC board. As with the contributions from ETSA, the Opposition seeks assurances from the Government that it is not milking this statutory authority of reserves as a short-term budget fix, leaving SGIC customers with higher insurance premiums in the longer term. I suspect that, in this particular case, this will occur.

Further examples of large jumps in the Government's take include the Pipelines Authority (up from \$1.6 million to \$2.4 million) and the South Australian Urban Land Trust (up from \$1.8 million to \$6 million). However, the key change in the State's own source revenues is a reduction of \$115 million—to \$270 million—in SAFA's contribution to the budget. This vindicates previous warnings by the Auditor-General about over-reliance on SAFA to balance the budget. The 1987 Auditor-General's Report stated:

If recurrent expenditures become locked into a level of contribution from SAFA, care should be taken to ensure that it is within SAFA's longer-term capacity to sustain that level of contribution. To the extent that SAFA could not sustain its contribution, then it would seem that consideration would need to be given to reduced expenditures, increased taxes or charges or a combination of both measures—or a resultant deterioration in the overall financial position on the Consolidated Account.

We now see the result of the Treasurer's becoming hooked on SAFA. He manipulated its surpluses to boost the election year budget by some \$60 million. Now, to make up the shortfall this financial year, he has shunned the responsible option of containing spending. He will increase taxes and charges and put the budget into deeper deficit.

Taxing—Not Axing. On the same basis as last year, the budget provides for a 16.5 per cent increase in State taxes, equivalent to \$225 million this financial year. That is real growth in State taxation of 9.5 per cent. In a full year, the tax increase could be 23 per cent or close to \$300 million. As Randall Ashbourne pointed out in his weekend analysis, the Premier has tried to mask the true extent of this growth.

In fact, the percentage increase in total tax collections this financial year is as high as the crisis ridden Victorian Government has budgeted for. Importantly, when considering the impact on South Australia's economy, we must recognise that Victoria is containing its growth in payroll tax receipts to a level below ours. Our budget estimate is for growth in payroll tax revenue of 19.3 per cent—2 per cent more than in Victoria. While our payroll tax rate, at 6.25 per cent, is below the 7 per cent rates being introduced in Victoria and New South Wales, our thresholds will lag behind. Victoria's threshold will be at \$500 000 by 1992. The thresholds in Tasmania and Queensland are already at that level.

This means that small businesses with a payroll of \$500 000 will be worse off doing business in South Australia than in the eastern States. This needs urgent review. The additional payroll tax revenue to be collected in a full year—\$70 million—represents the cost of 3 000 jobs at the average wage. Financial institutions duty at 10c per \$100 is 40 per cent higher than the proposed new rates in Victoria and New South Wales, while there is no FID in Queensland.

The Treasurer has squibbed on comprehensive land tax reform, and his decision to hold the tax free threshold at \$80 000 places small business at a comparative disadvantage with Victoria, where the threshold has been raised to \$150 000, and with New South Wales, where it is likely to be raised above its current level of \$135 000. South Australia's WorkCover costs are up to twice the costs faced by business in the eastern States. Electricity for business use is much more expensive in South Australia than in the eastern States because of this Government's failure to pursue efficient reforms and to pass on the rate reductions recommended by ETSA and achieved in the eastern States. It is estimated that royalties will increase by over 21 per cent on top of a 27 per cent increase last financial year. The Government is moving the goal posts on Santos and the other gas producers in the Cooper Basin by changing deductibility rules. In doing so, it threatens the investment and exploration needed for our future energy needs in South Australia.



This budget has an anti-business bias, particularly compared with our eastern States competitors. The Government wants business to pay for its own failure to control spending. Government charges, as well, will put our businesses further behind. Fees for regulatory services which impact, in the main, on businesses through licensing and registration requirements, will rise by a real 8.2 per cent. Fees, fines and charges are budgeted to show real growth of 11.6 per cent including a doubling of revenue from the on-the-spot fines that the Treasurer opposed when he was on this side of the Parliament. Revenue from business names fees is up 10.6 per cent and from companies codes fees up 8.4 per cent. The cost of running the Corporate Affairs Commission will be just over \$7 million. But the commission will collect fees, fines and charges of more than \$16.5 million—again a direct profit for the Government at the expense of business.

State tax on cigarettes has been increased from 28 per cent to 50 per cent. The Treasurer is assuming that smokers will find it easy to quit, but most will not, so that the tax will impact in a regressive way on ordinary working men and women who happen to smoke. Even after the Treasurer's \$122 million motor registration fiddle, the per capita cost of this budget in State taxation alone is \$18.64 a week for every man, woman and child in South Australia.

The eight budgets of this Government have increased per capita taxation by 160 per cent, or about three times the inflation rate. The Government pretends that the tax measures in this budget will not hurt the average person. But let me quote from a letter I have received from a leading retail grocery chain in our State. This business estimates the payroll tax and FID decisions in this budget will cost it an additional \$1 million a year. The letter describes the consequences as follows:

Even 'blind Freddie' can see that if we are, in fact, to perform at a level where we can attract new capital which is essential to expand our business, we have no choice but to take two steps:

1. We must reduce our wage cost which, unfortunately, means redundancies; and
2. We will be forced to effect price increases which will make us just that much less competitive in international markets in which we operate and, indeed, will make food prices more expensive to the average family in Australia.

It seems to me that someone should do some sums on what this really means to the average family. Quite simply, the public have to pay. Business only earns its income from the transactions it carries out with the general public and as such the measurement to business is merely a surrogate of the ultimate impact on the community.

Of course, we get no recognition of this simple but significant fact from this Government. From the Treasurer down, none of its Ministers has ever run a business. On this issue, we have also heard from the Retail Traders Association. Its Executive Director, Mr Peter Anderson, has estimated that the payroll tax increase alone will cost the South Australian retail industry, already depressed by sluggish sales, \$15 million a year—equivalent to 750 full-time shop assistants. He has stated:

No-one could expect in our current economic climate tax increases of this magnitude to be absorbed by business. Retailers will respond by immediately reviewing employment levels. Where labour costs can be cut, they will be. Where they cannot the additional costs will flow into prices and fuel inflation. Where competitive forces prevent prices from being increased, then slender profit margins will be further eroded and some businesses will fail.

Asset Sales: Sales of Government Land and Buildings. It is forecast that these will more than double this year to over \$60 million. Given the depressed and worsening market conditions, this target amounts to little more than a fire sale to prop up the budget. The process should be used instead, to retire debt and sell when market conditions

improve. These are some of the harsh realities of this budget. It is a budget for increased taxes, higher inflation, fewer jobs, reduced competitiveness for South Australian business and a continuation of falling living standards for all South Australians.

Future Budget Projections. I am concerned, as well, that the current financial strategy cannot be maintained without a continuing high level of taxes and charges. There is the potential for the deficit to blow out significantly this year if the predicted downturn in employment eventuates. Discounting the revenue from the higher tax rate, the Treasurer has still budgeted for real growth in payroll tax revenue. The real growth would be almost 1 per cent without the higher rate. I question whether this assumption is consistent with other economic projections of no employment growth. It is assumed that growth in stamp duty revenue, discounting the new measures in this budget, will almost match inflation. Given the declining property market, I also question this assumption.

Should these revenues fall significantly behind estimates, the budget deficit would deteriorate and, with the State locked into rising levels of spending, the choice next financial year would be either further tax rises or a very large dislocation to services to make the necessary savings. This outlook is compounded by uncertainty on the wages front, with two national wage decisions likely this financial year and the Government being faced with additional wage and salary cost pressures due to award restructuring. In summary, the present spending levels enshrined in this budget are not sustainable without additional revenues or a further deterioration in a deficit which is \$260 million this financial year.

Containing Spending. In the current economic climate, even the Victorian Socialist Left Government has accepted the need for expenditure restraint, public sector job shedding and extensive commercialisation and privatisation of public sector activities. As Mr Keating says, Ms Kirner has the courage which this Treasurer lacks. The so-called budget expenditure review process announced in this budget is all symbol and no substance. One of this Treasurer's first acts after taking office in 1982 was to axe the Budget Review Committee. That committee had been in the forefront of Government restructuring in Australia.

The last Liberal Government was the first at any level to significantly reduce public sector employment and to give breathing space to the private sector. The Treasurer opposed our policies at the time. He promised that South Australia would be economically better off under Labor, but I have already quoted the numbers to show just how much our State has slipped behind since he came to office.

This budget review process that he now announces—eight budgets too late—is not a genuine exercise in seeking to improve Government efficiency and costs. There are no cost saving targets and no deadlines for the committee's report. Indeed, I would challenge the Treasurer to explain the difference between this pretence at concern about Government efficiency and his comments in the Financial Statement presented with last year's budget. On page 133 of that statement he said:

The Government has decided to examine the feasibility of introducing a systematic process of program evaluation and review across all departments. Assessment and review is already occurring in many agencies.

Mr Deputy Speaker, will the review announced in this budget review the outcome of the review announced in last year's budget? The Treasurer pontificates like Sir Humphrey while taxpayers burn. The only streamlined arrangements he can announce in this budget are a restructuring of the Department of Premier and Cabinet, the Government Man-

agement Board and sections of the Department of Personnel and Industrial Relations. The estimated savings are three-quarters of a million dollars in a full year—one three hundredth of the amount of extra tax he wants to collect from South Australians this financial year.

This so-called review process is open to further question, because it is driven by the Minister of Finance. In July 1987, the same Minister told the Public Service Association that he stood for more Government ownership and more Government involvement and interference in the economy. Perhaps the Minister has undergone a transformation like some of his Socialist Left friends across the border, but I would doubt it. As Transport Minister, he continues to preside over the rising deficit of the STA, refusing to implement reforms already recommended, while his Government continues to pour good money after bad into a range of other enterprises which fail to perform.

The Treasurer would not admit to that, of course. We had to look at SAFA's annual report to find another \$3 million write-down in the value of the South Australian Timber Corporation. That is more than \$12 million write-off in just two years. The Clothing Corporation will require a budget contribution of \$350 000 this financial year just to keep its doors open. This means that taxpayers' subsidies of more than \$1.7 million have been paid over the past six years to support this failed business.

The value of the Government's own 5AA has been written down by \$3 million. No doubt, in the Auditor-General's Report tabled this afternoon, other failures will be identified. If the review process the Treasurer has promised is to have any semblance of significance, the Government must review its role in ventures like these.

This afternoon, I would urge the Government, if it is serious about structural review and change, to consider a two-phase review of all its activities. First, it must examine those agencies directly supported by the budget. It should look at achieving the following day-to-day efficiency gains in those agencies:

1. Contain employment at June 1989 levels. The full year saving would be just over \$27 million.
2. Seek productivity savings equivalent to 1.5 per cent of outlays on wages, salaries and on costs. These should be achieved in full by the 1992-93 financial year with a full year saving in current dollars of more than \$32 million. These targets have been set and achieved in New South Wales and Victoria. There is no reason why they cannot be implemented in South Australia.
3. Implement comprehensive contracting out and competitive tendering of day-to-day Government services such as cleaning, printing, maintenance and construction, security, meter reading, distribution of bills, and so on. This would assist in meeting the goals of reduced employment and productivity improvement. With a genuine approach to this process, savings of \$30 million a year could be aimed at. These fundamental reforms have the potential to achieve recurrent savings approaching \$90 million annually. It should not take the review committee long to identify them.

The committee should then move on to the second phase. In this, it must undertake a comprehensive and systematic evaluation of all Government activities. It should determine which activities should remain in total or part Government control and which activities should be put into the private sector. This process has been forced upon Victoria.

Let us ensure that here in South Australia it can be undertaken in a logical way that has the bottom line of economic efficiency and taxpayer benefit, so that we avoid mounting budget deficits of our own. I have already publicly nominated some areas to consider. They include allowing

the private sector to tender to provide some of our power supplies, our public transport services and to run our ports. This afternoon, I extend this proposal by nominating a number of other key areas for consideration.

First, I refer to our prisons. The cost of running them has escalated in recent years. The average annual net cost per prisoner in a South Australian gaol in 1985 was \$33 000. In 1989, it was \$58 000. This afternoon's Auditor-General's Report probably identifies a further escalation over the past 12 months. In Yatala, the annual cost per prisoner has risen over this period from \$67 000 to \$114 000. In raising these figures in the House, I concede that enforcing the law imposes custodial duties on a Government which must be fulfilled. I ask members, however, whether it is possible to do this at a cost to taxpayers which can be contained more effectively than in recent years. An option would be to privatise some of the activities in our correctional institutions. This has been done extensively in the United States.

In Australia, the new Borallon Prison near Ipswich, Queensland, is setting the pace. In this, its first year of operation, savings of up to 10 per cent have been sought. As well as reducing Government costs, privatising some of our correctional system would have the potential advantage of giving inmates more opportunity for vocational training. Obviously, such an approach would be more readily applicable to minimum and medium rather than to maximum security institutions. It could be that the most appropriate way to start the process would be to contract out certain areas of operation, such as prison catering and transportation of inmates. However, all options should be carefully considered. Privatising some correctional duties will have the advantage of reducing some recurrent costs.

I turn now to two options to significantly reduce our Government debt and, therefore, annual interest costs. First, I refer to our Government owned forests. In last year's Auditor-General's Report, Government equity in woods and forests was listed as almost \$600 million. Even a 4 per cent real rate of return to the Government on this equity would amount to \$65 million. Yet only \$400 000 was paid and this year the estimate is zero. This, and not mere ideology, is the key imperative behind privatisation.

For some time I have been investigating the options for alternative ownership. Last week, the Victorian Socialist Left Government announced it would sell all its pine plantations. Here in South Australia, the Woods and Forests Department has just under 70 000 hectares under plantation. Their current value is put at about \$420 million. I would urge the Government's review committee to consider the benefit of transferring ownership of these forests to a specially created Forests Trust. The trust would be managed by a joint venture to be established between current public and private sector agencies involved in the South Australian forestry and timber industry. There would be an independent trustee to administer the trust deed.

Institutions, insurance companies, investors, and individuals then would be invited to invest in the trust. They would be deemed covenant holders with registered interests. Participation could be limited to a percentage stipulated by legislation. The title to the land would remain vested in the Crown so that the land was retained for forestry purposes only. All existing supply agreements for the plantations would be honoured. It also would be a condition of the lease given to the trust that the amount of timber cut each year did not exceed new growth. The amount by which the sale of these plantations could reduce the State debt would shave \$62 million a year off interest repayments at current rates of interest.

There would be other benefits to the budget. The trust could be required to pay a fair annual lease on the land, amounting to at least \$2 million annually. The trust would pay other State and local government taxes forgone under current arrangements. In negotiating such a trust, guarantees could be given to existing Government employees in the industry. This trust, in cooperation with the Government, also could implement woodlotting schemes throughout the State and other environmental protection policies including extensive direct seeding operations. As well, it would create employment opportunities in forestry and timber industry operations and management, and new industry expansion such as value adding of woodchip into pulp. These arrangements would result in no effective loss to South Australia of the forestry resource industry. Rather, they would stimulate a very large expansion and international presence for a South Australian based and controlled public company. Shares held in the company would provide potential for capital growth as well as annual dividends, while the State Government would retain control of the land resource and hence have a significant influence in strategic growth.

The second option I nominate for significant debt reduction is the sale of the Moomba to Adelaide gas pipeline. The Commonwealth has already decided to commercialise the Moomba-Sydney gas pipeline. Provided there is legislation to prevent the new owner from excessive profiteering through monopoly exploitation, this proposal can have short and long-term benefits for South Australian taxpayers as the current owners of the pipeline. It is possible such a sale would be worth around \$100 million. Debt reduction made possible by such a sale could result in annual savings on interest payments on our State debt of a further \$15 million annually. I nominate our prisons, forests and the gas pipeline as options for privatisation in part or in full which I would urge the review committee to fully consider. Pending further detailed analysis, I offer no firm conclusions at this stage about the most desirable arrangement in each of these cases. This will come as part of any genuine review process. But even if the Government does not consider these options, the Liberal Party will continue to do so.

I now turn to the State Bank. The Liberal Party will continue to review its role for the future. In this, I note the recent comments of Mr Keating that our State banks are an anachronism and that their days are numbered. He says the name of the game now is transnational banking with full Reserve Bank supervision. I note also the view of the present Managing Director of the State Bank, Mr Marcus Clark, that privatisation is an option for the future.

Only our Treasurer, apparently, has a closed mind. I would urge him not to be so timid. I would certainly demand that he ensures members of his Party in South Australia do not run around again trying to scaremonger over this issue as they did before the last State election. It is an issue which is vitally important for the future economic well being of our State. It deserves an informed and objective public debate, and this is the way the Liberal Party intends to conduct its part in that process.

In interviews with *Business Review Weekly* in August 1989 and with Keith Conlon last month, the bank's Managing Director, Mr Marcus Clark, said that a 'proper return' on capital and reserves attributable to shareholders of the State Bank would be 15 per cent. If we use Mr Clark's figure of more than \$900 million capital, that equates to a return on capital alone of about \$140 million—the amount that taxpayers are being asked to pay the Government in extra taxes in 1990-91. On top of this \$140 million return on capital, the bank should also be paying Treasury a propor-

tion of its profit in lieu of Federal income tax—again there is estimated to be no payment in lieu of tax this year.

Under current arrangements, the State Government gets all the risk of the State Bank but no rewards. The former Under Treasurer, Mr Prowse, in a Treasury information paper dated April 1989 speaks of the State Bank as one 'of South Australia's more successful public entities'. Yet its largest total annual contribution to the budget at the time Mr Prowse wrote the comments was \$46 million for 1987-88, less than a 5 per cent return on the \$972 million Mr Prowse listed as the shareholders' capital and retained earnings in the bank—less even than the rate of inflation. Hardly a great success.

While better than the State Bank of Victoria, the State Bank of South Australia is performing less well than the State Bank of New South Wales and the Commonwealth Bank—both institutions which are weak performers compared with the major private banks. Evidence on this includes the IAC which suggests that one of the problems faced by publicly owned banks is what is technically termed the 'principal-agent problem', wherein owners (the taxpayers) may not have the same objectives as the bank's management. The IAC report on Government non-tax charges, released a year ago, says that managers may pursue objectives of more pay power and prestige and dominate the Government with informational superiority. Management may tend to maximise their own job satisfaction by adopting loans policies and investment patterns which maximise the number of their subordinates and the amount of money they decide on.

Such seeking of greater power and prestige may carry great risks for prudential lending and maximum return to shareholders. As the IAC says, monitoring mechanisms that are available to the citizen appear particularly weak. Even the threat of insolvency which underpins the policies of private banks is absent since 'bankruptcy is virtually impossible because losses are underwritten by Governments'.

There is no doubt that the State Bank has helped many South Australians over the years but, if it cannot return 15 per cent on shareholders' capital plus pay its fair share of tax, privatisation must be examined. There is no use our Treasurer scaremongering about this when his colleague the Federal Treasurer and a major report of the IAC suggest this option should be considered. And the frightening rapid collapse of the State Bank of Victoria indicates the potential risks of a do-nothing option.

In considering the pros and the cons, we will be mindful that more than \$900 million of bank capital, owned by taxpayers, could be invested by SAFA in zero-risk bonds to get a 15 per cent return. And we will question whether it is appropriate to use taxpayers' money in a constantly enlarging exposure to the risks involved in borrowing and lending billions of dollars on the national and international money markets. As the owner of this share capital, on behalf of the taxpayers, the present Government has given the bank's directors and management the approval to take these risks. This is a key issue which needs to be clarified.

Should a Government be content to leave the directors and managers of the bank to pursue a policy of borrowing increasingly large sums of money to be on-lent to interstate and overseas borrowers, whose financial credibility will be dependent on the opinion of others? And can a Government, if it is so content, claim that it has no responsibility to account to the electorate for the outcome of such a policy? This is the present situation.

I do not believe taxpayers know enough about the activities of their bank. I do not say that they should know about individual customer transactions, but I do say that, for

example, they have a right to know how much the bank which says it has its heart in South Australia has lent interstate and overseas. And, more particularly, what proportion of its written-off, bad and doubtful debts and non-performing loans, are accounted for by interstate and off-shore investment.

The Treasurer, in my view, has a duty to give the public this sort of information because lending money on the national and international money markets has always been fraught with risk. There can be no doubt that the bank's management and directors are aware that this is so. But this measure of concern does not dispose of the central problem. This is whether a South Australian Government, irrespective of Party, should assume that it is a proper function of Government to commit the State's finances to an enterprise whose directors, appointed by the Government, are to be left free to embark on an unlimited borrowing and lending spree—the consequences for which the Government considers it has no responsibility to account to this Parliament.

Finally, on this point, it can be noted that, despite the best endeavours of the management of the bank, the total group provisions for bad and doubtful debts now amount to \$265.6 million—an increase of almost \$160 million in the past 12 months. These are very significant figures. They underline the risks and the costs that have to be faced in the normal course of doing business in today's sophisticated world money markets. With the benefit of as much information as is appropriate to provide, this Parliament is required to continually question whether it is a defensible function of Government to engage in financial operations on the scale now being undertaken by the State Bank.

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

**Mr D.S. BAKER:** It seems to be that way. The bank's rapidly increasing and very large borrowing and lending operations are no longer directed solely towards the needs of South Australia's corporate and private citizens. The very essence of what the bank is now doing is risk-taking for profit in a very considerable, yet not fully quantified, way beyond our borders. Through a number of subsidiary and associated companies the bank group's activities now also include sharebroking, the sale of real estate, the administration of deceased estates and trusts, a major investment in general financial operations, merchant banking, and funds management and related services.

Where these functions are undertaken by the owners of private capital, the cost in the event of failure is borne by corporate adventurers and not taxpayers. However, more recently there has been the view that Governments should be free to engage in financial and commercial business operations without limit, even though the market is already well serviced by private interests. In the particular case of the State Bank, it is not a matter of whether the group is well managed; rather, it is a matter of how far the bank should expose public money to the risks of operating on the national and international money markets, and whether or not the public capital in the bank could be better used in other ways. It is appropriate that these matters be raised in the context of this budget and because of the rapidly changing economic and financial circumstances our nation and all the States face.

A Genuine New Federalism. There is one other matter of fundamental reform I wish to address. One of the reasons the Treasurer can try to get away with blaming Canberra for his own budgetary mismanagement is the lunatic incentive structure built into the current Commonwealth-State financial arrangements. I believe there is a need for comprehensive reform of Commonwealth-State financial rela-

tions, based on the principle that each level of government should take responsibility for raising the money it takes the credit for spending.

At present, about half the revenue that the State Governments spend is raised by the Commonwealth. This suits the State Governments, which can place the blame on Canberra for the high taxes it benefits from, or for not giving them enough. Since the time of Whitlam, it has also increasingly suited the Commonwealth to have more and more of the grant money to the States tied to specific purposes, which the Federal Government can crow about at election time as its achievements. About half of State grant moneys are now tied in this way. The trouble is that tied money usurps the legitimate constitutional role of the States in areas such as education, health, housing, community welfare, Aboriginal affairs, and roads and transport. It leads to wasteful overlap between the Federal and State bureaucracies. It makes a joke of the role of State Parliament, and it leads to a sense of powerlessness among the people who require assistance but who see ideologically motivated programs foisted on them from Canberra which are not related to local needs.

A more accountable State Government would result from a broad-based tax being made available to the States. This could take the form of a share of income tax collected by the Australian Taxation Office or a new New Zealand style goods and services tax. In either case, the base would be the same across the Commonwealth, but the rate could vary so that there is an incentive for State Governments to be more efficient and have the lowest rate. Such a broad-based tax could also replace existing State taxes, such as payroll tax, which penalise employment and make our exports less competitive.

Whatever mechanism is chosen, it is essential that the Commonwealth must reduce its tax burden by at least as much as the extra tax that the States raise and cut all grants to the States except those for fiscal equalisation which top up revenue to the smaller and poorer States. If the Premier and Prime Minister are really serious about genuine reform of federalism, and are prepared to act responsibly, they must examine this proposal seriously at the special Premiers Conference to be held later this year.

In summary, the stand still, do nothing except raise taxes approach of this budget is not an appropriate response to the economic problems and potential that we have. The Treasurer and the Government have wimped out. The momentum for reform is coming from this side of Parliament. This afternoon I have demonstrated why the Treasurer's fiscal strategy is way off course. I have shown precisely why he is raising taxes: not because he has been seriously short-changed by Canberra, but because he has failed to control his own Government's spending. He has transferred the responsibility for dealing with this failure on to South Australia's corporate and individual citizens with the largest single increase in taxation in our State's history.

There are alternatives to a big spending, high taxing and big borrowing Government. This Government, however, has missed the wave of reform now sweeping through government at all levels and in all regions of the world. This Treasurer would leave South Australia marooned in what is now a sea of surging reform, without light, and without flair.

The Liberal Party welcomes the challenge which this Treasurer and this Government, with this budget, have passed up. We do not shirk from the challenge to argue for reform. Some may oppose us now but, ultimately, we will be vindicated, because there is a growing realisation that we cannot have a public sector we cannot afford. We must lower taxes. We must encourage development through the

private sector. Unlike Labor, Liberals carry no ideological baggage forcing us to support public enterprises which do not make a proper return on taxpayers' equity.

This afternoon I have identified opportunities to reduce Government spending by more than \$200 million a year. This would avoid the high tax that the Treasurer has now foisted upon us. These savings can be made without any reduction in the standard of service to taxpayers. Rather, they will benefit from more efficient Government, from Government which does what it should in education, in health, in community safety and in the other vital services to a better standard than is possible now, while it leaves to others in the private sector to get on with what they are already doing, and what they do best.

In conclusion, the Liberal Party welcomes the challenge to propose the changes in Government administration and structures which are vital to give our State smoother sailing for the future.

**The Hon. TED CHAPMAN (Alexandra):** Since the South Australian Treasurer visited Canberra early in August this year and, with his colleagues from other States and Territories of the nation, sought his fair share of the so-called national budget cake, he has returned to South Australia and set out to condition the public of this State so that he can justify increasing taxes in this budget period. This I think was aptly described by the Leader of the Opposition in his address when he said, 'It is a budget for increased taxes, higher inflation, fewer jobs, reduced competitiveness to South Australian business and a continuation of falling living standards for all South Australians.'

The Premier ultimately prepared and presented his budget speech on 23 August. In fact, in the period prior to his delivery of the budget in this place, he used His Excellency the Governor to assist him in peddling the view that the Federal Government had denied South Australia its fair share of funds from the Commonwealth for this budget year. On behalf of the Government, he claimed that we had a shortfall of \$180 million, and we all know the argument that followed even in Question Time on the opening day of this session of Parliament.

Subsequently, of course, the Opposition, mainly through its shadow Treasury leadership, has challenged the Government on the alleged \$180 million shortfall and, in defence, the Premier has continued to blame the Federal Treasurer. That matter will go on and on, I suppose, for the next few weeks—indeed, it may be for the period of the current session. I am sure it will not be resolved. They will ultimately have to agree to disagree on that figure, but in the meantime we are stuck with a \$6 billion budget which, frankly, this State cannot afford.

This afternoon, in response to the delivery of the State budget, the Leader of the Liberal Party delivered in this House the longest, most comprehensive and best researched address that I have heard in 17 years as a member. Members on the other side can smirk about that remark. The new members probably would not know; possibly, they have never read a response to a budget speech and they have a hell of a lot to learn about what is appropriate, or inappropriate, on this very vital matter.

However, I repeat: it was an extremely well-researched and comprehensive delivery that we heard this afternoon. Neither I nor, I suspect, any other member on this side of the House, will seek to upstage that comprehensive delivery because, as members of the Party, we will have the opportunity in the next two or three weeks in the Committee stage to question the budget lines in detail. The object of the exercise is that following the major response on behalf

of the Party by our Leader—or, possibly, the Deputy Leader and one or two others—the rest of us will fill in the gaps in detail through the system that dear old David introduced about 10 years ago, God bless him. I think it is a farce, and I have said so previously, but we are stuck with this committee system in the meantime.

Seriously, I want to refer to a couple of things that the Premier said in his address—a couple of the fundamental bases upon which budgets are prepared and the bottom line reasons for having budgets. The Premier said:

The... requirements of a State budget are that it maintains and strengthens the State's financial base, while providing the services which the community requires in the most cost-effective manner possible.

He went on to say a little later in his address:

... the coming financial year will be a difficult one and indeed call for careful judgment, tough decisions and community understanding.

It is on the basis of that short quote from the Premier's second reading explanation that I wish to raise a few points of view. I agree with the Premier that that is the premise upon which a budget ought to be formed. I agree that in approaching such an important role one should look at the capacity of the State to survive under such a budget. One should determine, in fact, whether what is provided in that State budget material is what is needed and not necessarily what is wanted by the people of the State the Government purports to serve.

Unfortunately, in this State we have an enormous commitment to the public sector, which we all know we cannot afford. However, in this instance we have a Premier who does not appear to be prepared to grapple with that problem. As we have heard this afternoon, we have a Leader of the Opposition who would be prepared in government to grapple with that problem. Indeed, he has identified himself publicly as being prepared to cut the Public Service—to cut a bureaucracy that we can no longer feed and favour in this State and to reduce the numbers who are sucking off the system. He did not go into the detail of which motor vehicles he would take away from which public servants or how he would cut the community welfare system; he did not go into the detail of how he would cut assistance to the Aboriginal Affairs Department and such other elements of the bureaucracy that are dragging resources from the few people who are working, earning and paying taxes in this State. He did not identify those areas, but ultimately they will be identified in the lead-up to the next election.

**Mr Atkinson:** Why not?

**The Hon. TED CHAPMAN:** An honourable member on the other side interjects and asks 'Why not?' It is because he set out the principles for which the Liberal Party stands and the fundamental basis on which he as a Premier of this State would set out a budget when in government. The Leader provided the public of South Australia with an alternative. He did not stand up and knock, knock, knock, as we have heard Oppositions do from time to time in the past.

**The Hon. T.H. Hemmings:** John Olsen wasn't like that.

**The Hon. TED CHAPMAN:** I am not identifying any particular member, but it has been a tag, if not a practice, that that is what Oppositions do. But, now the Opposition is prepared to put up an alternative. Returning to the fundamental basis on which the Premier introduced his budget, I repeat that, if he does what he says he will do, he is to be commended. But he has not done that: in fact, he has come home from the Premiers Conference bleating that the Commonwealth has done him hard. He has told us that he has to increase taxes, but, indeed he has not grappled with the real problem.

I think that the problem extends beyond a burgeoning Public Service; I think it extends into areas such as local government. I know that our Leader just touched on the constitutional system that applies in Australia. He referred very briefly, in the latter part of his address, to the taxation system that is applicable to the Commonwealth and to the State respectively. The Leader also touched very lightly on the view, towards the end of his address, that Governments ought to be responsible for raising the money that they spend, and that, in a State situation, we ought not be so reliant on what we get from the Commonwealth. In other words, what he said is that we ought to stand up and be counted.

I think that the situation goes even further than that; I think that local government is a tier of the Administration of this State which ought to observe that principle as well. The time has come when we can no longer afford duplication of the bureaucracy. We cannot afford local government adopting the attitude that it needs greater autonomy and greater authority, and that it can do things better than the State so it competes with rather than complements the State. I do not think we can afford a situation where local councils exploit the Valuer-General's property valuation for the purpose of raising ever-increasing revenue for expenditure at the local level.

I do not think our ratepayers, who are in turn taxpayers, can afford a situation where councils maintain the rate in the dollar and enjoy the progressive increase in valuation that the Valuer-General of this State hands to them on a plate each year. I think the time of reckoning is just about with us at that level as well as at the level in the example put forward by our Leader this afternoon in relation to the Commonwealth-State relationship.

I want to pursue this subject a little further in relation to local government, because there is not a great deal of time available for the ordinary members of the Parliament in such debates, and I have but nine minutes left. The Estimates of Payments (page 155) indicates that the Department of Local Government spent \$500 000 more than the allocation for 'Provision of State Library Services to the Public' last year. Further, under the line 'Assistance Towards the Establishment and Operation of Local Public Libraries and Community Information Services' the department spent some \$422 000 over and above its allocation. Under the line 'Development and Support of the Local Government System' we find that the department spent a further \$500 000 over and above the allocation. Such over-expenditure is reflected throughout the lines for the department's various divisions, to the extent that the department spent significantly more than it was allocated during the financial year 1989-90.

On top of that, this budget proposes that the Government will drag out of the State system a further increase of \$3.5 million during the current financial year. Whether it is right or wrong that there should be a flow-on of moneys from the Commonwealth to the State to local government, and/or from the Commonwealth direct to local government, we will argue until the cows come home. But I want to return to the rating system which we as a State condone—and I think that we are wrong.

From the time the present Chief Executive Officer of the Local Government Association, one Jim Hullick, came to South Australia, the deterioration of the system, to which I refer this afternoon in particular, commenced. About 10 years ago that officer—diligent, keen and smart, by the way—set out to increase the authority of local government in this State. In fact, he commenced a campaign to empha-

size the autonomy that should apply to that tier of government.

He climaxed his campaign about a year ago, when he mounted this as an issue of the Federal referendum. That is when his campaign climaxed, and he fell in a big heap. Over that period, he has taken local government into a corner, where it is now seriously unpopular with its communities, finding it very difficult to operate and to take into account the proper relationship that should apply between councils and ratepayers. Local government has ratepayers in turn backed into a corner, in the same way as was demonstrated earlier this afternoon that the Premier has taxpayers backed into a corner—as, indeed, applies at Commonwealth level. Those ratepayers are not demanding that their councils provide more services; those services are simply being thrust upon the ratepayers in many instances.

*An honourable member interjecting:*

**The Hon. TED CHAPMAN:** The member for wherever it is can laugh his head off, if he likes. I probably have more councils in my district than do most members, and they will be a bit cross with me for saying some of the things I am saying. However, it is true. It is about time that all levels of government—ours included—recognise that we cannot continue to draw blood out of a stone. A growing number of people in South Australia cannot afford the tax burden that is being thrust upon them by bureaucracies at the respective levels.

My district is a fairly affluent one compared to some in the State. I suggest that it falls clearly into that category, but many constituents in the District of Alexandra, a long-established rural region of this State with a high rainfall (indeed, the greater part of it is an assured rainfall area) and wonderful country, not only industrially but also aesthetically and in every conceivable respect, particularly those with a fixed income, such as the aged and those in small business, are finding it very difficult to make ends meet.

We ought to treat the subject of their welfare much more seriously than it appears to have been treated in the budget that we have before us. I suppose it is appropriate that I tie that into the subject somewhere along the line. Be that as it may, Mr Deputy Speaker, I respect your position and the position of others who have served in local government. I spent about 10 years in local government myself, so I have a bit of an idea of what happens. It is important for a councillor or a whole council to have money to spend in the district, but local government has become a bureaucratic monster out in the field. And no wonder!

*Members interjecting:*

**The Hon. TED CHAPMAN:** Members on this side of the House say 'Hear, hear!' as well. They are starting to come out of the woodwork and recognise that we have a very big tax problem—a multiple tax problem—in this State. It is not so many years ago that councils realised their role as being one of collecting rates and providing services to ratepayers. Now they collect money from the Commonwealth; they collect money wherever they can from the State; they collect it from the ratepayers in large lumps; and indeed they spend it on all sorts of things in servicing the ratepayers and the State, duplicating departmental bureaucracies as well. Indeed, they become competitors in the field. The situation is absolutely unbelievable.

From what I have read of the budget so far, and certainly from what I have heard from our Leader this afternoon, I do not think that we as a State institution are setting any better example. It is about time that we lifted our game. Otherwise, the comments made by people such as Jim Hullick—whom I mentioned a while ago and to whom I have referred several times—in relation to there being too

many tiers of Government and the claim that we should get rid of the States could become a reality. I know of a couple of Federal members—a couple of my colleagues—who, if they had half a chance, would get rid of us as well, because they see themselves as the giants of this nation and as the saviours of us all. They believe that they ought to be able to deal with some regional authority down on the ground—presumably local government—and do away with the States altogether.

I am not saying that in our own defence we should boast about our role or say that we are the greatest. However, I do say that we share the responsibilities of looking at this subject collectively. We should set out to ensure that we are not guilty of duplicating services. That is what this is all about: the needs of the community. We should ensure that we are not there just to spend at this level, at local government or at the Commonwealth level, what people may want. We are seriously—and I mean it—looking at what the community needs and at providing only those requirements to meet those needs and not those which are necessarily required to prop up people who do not in many cases really deserve welfare or the sort of assistance that we are giving them in this budget—

**The DEPUTY SPEAKER:** Order! The member for Bragg.

**Mr INGERSON (Bragg):** I would also like to put on the record my support for the excellent speech made by the Leader. As pointed out by the member for Alexandra, the speech was very detailed and lengthy. It put the situation purely, simply and as it really is. In the short time that is available to me, I wish to refer to some issues that have concerned me, not only in relation to this budget but also on many previous occasions. First, I refer to the \$1 billion, or \$20 million a week, which is off-budget and which we have no opportunity, as a Parliament, to discuss. The total gross outlay for this Government is \$6.2 billion, yet the draw on the budget itself is only \$5.21 billion.

Earlier this week I rang the Treasury Department because I was concerned that one-sixth—\$1 billion—of the total outlay comes under the heading 'less funded from other sources'. I thought it was fairly reasonable that we should be able to ask the Premier some questions about this \$1 billion. In discussions with the Assistant Under Treasurer it was pointed out to me that, if I went through the budget papers and tallied all the figures involved, I would find the figure for which I was looking. I did that. Under the 'Health' budget we find that \$142 million is included in 'other funding' which is not explained in this budget. Under 'Industry and Commerce' there is just over \$1 million. There is \$84 million in the STA budget with just a little notation 'from other funds'. The E&WS Department has \$335 million under 'other funds'.

Under that heading, there is also \$39 million in the Lands Department and \$57 million in the Marine and Harbors Department, totalling \$660 million. It is not quite the figure of \$774 million, but I am quite sure that the other \$111 million is somewhere to be found in the budget. With all this documentation—and I point out that many words from last year's budget are repeated, so whoever rewrites it just changes the figures in many instances—I do not understand why we cannot have a page simply stating that this \$1 billion from other sources is represented by expenditure in the E&WS Department or Marine and Harbors Department and so on, so that the the Parliament would know—

**Mr S.G. Evans:** And the people.

**Mr INGERSON:** —and the people of South Australia would know where this \$1 billion has been spent. That is \$20 million per week which is not easily accounted for.

*Mr Ferguson interjecting:*

**Mr INGERSON:** I am, and have in the past been, a successful businessman because accounting procedures are required to be very simple and easily understood, not a juggernaut of nonsense like we have before us. We have to go to the Under Treasurer and ask him to explain what should be a very simple exercise.

Further, on page 14 of this financial document is the statement that the budget was balanced by the Government's borrowing \$270 million. That is like going to a household and saying, 'We will spend \$1 000 more than our income last year, but we will borrow that \$1 000. Because we have borrowed that \$1 000 we have balanced our budget.' Not one single household in this State would believe me if I said that, yet the Premier and the Government have the gall to say we have a \$10 million surplus having borrowed \$270 million to give us that surplus. As my young son said to me the other day when I told him the same story, 'Why didn't they borrow \$300 million and have a \$40 million surplus?' It is just as silly. It is absolute nonsense to put it in this form. Surely we could say that the budget deficit is \$260 million and that we require \$260 million of borrowings and a surplus of \$10 million.

*Members interjecting:*

**The DEPUTY SPEAKER:** Order! I am sure that members opposite appreciate the support of the members for Napier and Henley Beach, but the Chair finds it to be contrary to Standing Orders.

**Mr INGERSON:** Thank you for protecting me, Mr Deputy Speaker. I know that the member for Napier is most disappointed that Central Districts are still losing, but that is both his and my problem. I find it incredible that, after all his years in this place, we cannot get the Premier to put down simple procedures that everyone can understand.

The previous page of the Financial Statement indicated that we may have a little difficulty understanding the accounts this year because there are a number of revised accounting procedures. I will say that that is so. An amount of \$120 million for motor registration was taken out of the taxation area, and it is now found in the Highways Fund. But, where is the Highways Fund found? It is not where it is normally expected, under Road Transport; but it is in the middle of the expenditure page under 'Department of Road Transport, Reconciliation of Funds'. If I had not asked the Under Treasurer the other day where it was, I would not have found it, and I am sure that members opposite would not have found it either. Last year, motor registrations and licences were under 'Taxation'.

Turning to page 69 under 'Receipts', one sees the Premier's statement that the taxation increase was 8.1 per cent. However, the good old Under Treasurer knew that that was not correct because he has included a figure of 16.5 per cent adjusted, as motor registration had been taken out of it. In fact, there is a 16.5 per cent increase in State taxation and not 8 per cent, as the Premier has been running around telling everybody in this State. Some may call that very good accounting methods; I call it sleight of hand.

**An honourable member:** It's shonky!

**Mr INGERSON:** Yes, it is shonky; it is conning the people of South Australia by saying, 'We haven't really increased your tax very much more than inflation,' whereas, in fact, it is more than double inflation—a 16.5 per cent increase. This whole budget is totally anti-business in South Australia. As the Leader pointed out, the amount of money required to balance the budget, reading from the Premier's speech, has been made up from taxation on the business sector.

Land taxes increased by \$8.1 million. The Premier had the gall to say that that is only equal to the inflation rate. What about the base figure it started from? Every small business person in this State complained last year about the increase in land tax from the previous base. What has the Premier done? He has used the same base, increased it by inflation and then brought an extra 6 000 businesses under the mantle of this tax. He has said, 'Isn't that good! It has only gone up by inflation.' We now have an extra 6 000 businesses caught in this land tax trap. Then the Premier will turn around and say, 'Land tax cannot be passed on.' That may be so, but watch how it will be passed on in the form of rent increases. Anyone in this Parliament who does not believe that that will occur has never been in business, and that is typical of how the Government does not understand the real world. What about payroll tax? There has been an increase of \$76 million in payroll tax at a time when employment in this State is diminishing. I have information from the latest survey by the Chamber of Commerce which states:

Employment in South Australia, which had previously been growing strongly, reversed itself dramatically late in 1989, and that decline continued through the first six months of 1990. Manufacturing activity and employment were particularly hard hit by the high interest rate policy and it responded by shedding labour.

According to the Chamber of Commerce, in the past 12 months there has been a reduction of 4.2 per cent in employment. What does the Government do? How does it attack that problem? It increases payroll tax by some \$76 million—a tax on employment, when employment in the private sector is decreasing.

Who pays the \$60 million increase in FID? Who pays FID, principally? The businesses of South Australia. I was interested to hear the Minister of Finance (Mr Blevins) on radio this morning saying that business does not need to worry because there is a maximum payment of \$1 200 on any one transaction. What do members think business will do with a maximum payment of \$1 200 on every transaction? What will General Motors-Holden's, Mitsubishi and all the major manufacturers do about this? Will they pay in South Australia? Coles, Woolworths and all the major retailers in every other State will not pay the FID of \$1 200 on every single transaction: I believe they will shift that money for payment of accounts interstate.

Who loses from that? South Australian businesses lose. The South Australian people lose, because the tax will not be collected. That is the essence of the matter. It is a stupid tax just as payroll tax is. Last week the Minister of Industry, Trade and Technology (Mr Arnold) mentioned that South Australia had put in a submission to the national committee for tariffs and tariff reduction to a certain level. I think that that document, in principle, is a very good one. The Minister, on behalf of the Government, stated:

The results of the analysis show that the vehicle industry has the highest output multiplier of the 39 sectors analysed for South Australia. In terms of employment, for every job created/lost in the automotive sector, 2.88 jobs are created/lost elsewhere in the economy. This demonstrates the strength of linkages between the automotive sector and the rest of the South Australian economy.

He continues:

In terms of exports, South Australia now accounts for 25.5 per cent (or \$133 million) of the value of Australia's automotive exports compared to only 7.1 per cent at the commencement of the plan.

He further states:

In a South Australian context, the input/output analysis indicates that the transport sector (of which the automotive industry is the major contributor) contributed almost 4 per cent (\$961 million) to South Australian Gross State Product in 1988-89.

Backward and forward linkages contributed a further 7.7 per cent (\$1.956 million).

In other words, the automotive industry is very important to South Australia. The Minister said that strongly in his tariff document. However, what did the Government and the Premier do? Two days before this document went out, GMH was belted with a \$1.9 million increase in payroll tax. Mitsubishi also faces a \$1.5 million increase in payroll tax. You would have to ask: is this Government fair dinkum? It claims that the motor industry in South Australia is so important, yet it belts it with payroll tax and the industry has to reduce its number of employees. It is interesting that the Government is so two-faced that it can put out a document that supports strongly a slow reduction in tariff and yet, the next day, it belts the industry around the ears to the extent of \$1.9 million for GMH and \$1.5 million for Mitsubishi in payroll tax.

We then need to ask a very interesting question: does the South Australian Government support the motor industry in terms of the Government car pool? The Government has hit GMH for an extra \$1.9 million, but how many cars will be supplied to the car pool by GMH next year? The company knows how many cars will be supplied, but does the Premier know? Does he realise that GMH will not be providing any of the six cylinder cars for that pool and instead that money will go to Ford in Victoria and to Nissan for car purchase?

In the same week that GMH got belted around the ears for an additional \$1.9 million in payroll tax, it received a letter saying that the contract for six cylinder cars had been granted to Ford in Victoria and to Nissan. I do not believe the Government is fair dinkum when it talks about the motor industry, as it is playing games with GMH at Elizabeth. It encouraged the company to upgrade and spend \$100 million on a new paint shop, and to improve its award restructuring and its general practices, but what does the Government do when the company tenders to supply vehicles? The Government gives the contract to Ford and Nissan.

That is how much the Premier of South Australia thinks of GMH and Elizabeth. He knows of the problems out there, but what does he do about them? He kicks the company in the guts.

*Mr Ferguson:* Isn't it the bottom line that counts?

*Mr INGERSON:* The bottom line, if we ask the people concerned, was the price of the vehicle not quite as cheap as the price offered by Ford and Nissan. However, what the Government knows is that at 40 000 kilometres it gets an extra \$3 800 back for the Holden that it would not get for a Ford. The Government is miles in front using GMH vehicles compared with Ford vehicles.

What is more important is that last week the Premier went out on a limb and said how important it was to have a State Bank in this State, and how important it was to preserve South Australia. I support that. However, if the Government is to support the State Bank, how about supporting industry in this State? How about all of the vehicles that we buy for the car pool in this State coming from GMH and Mitsubishi? Let's get fair dinkum about looking after South Australia in this big world. Let's not put out this nonsense about tariffs, saying that we do not want them to come down under 20 per cent, and then kick both manufacturers. We kick them both with payroll tax; yet we do not buy their goods. We are quite happy to take the Victorian Ford and Nissan.

*Mr Atkinson interjecting:*

*Mr INGERSON:* So you are quite happy to say that we do not want to look after South Australian employees! What about the 6 000 people employed at Elizabeth?



**The Hon. T.H. HEMMINGS:** On a point of order, Mr Deputy Speaker, I suggest that the member for Bragg should be speaking through the Chair, not directing questions across the Chamber.

**The DEPUTY SPEAKER:** I uphold the point of order. The member for Bragg.

**Mr INGERSON:** I apologise, Mr Deputy Speaker. The reality is that about 6 000 people are employed at GMH and about 4 000 people—South Australians, I point out—are employed at Mitsubishi; yet when we go for contracts, we do not deal enough with our own industries. That is what we ought to be doing. When we talk about advantages for South Australia, let us really deal with our own State.

I turn to employment in South Australia, particularly Government employment. The Premier told us about the number of people employed in the State Government and suggested that we do not understand what the figures show. His figures show clearly that there were 782 more full-time equivalents employed this year than last year. That represents \$27 million that could have gone into better or more efficiently run services in our State. The way the Premier runs out the figures is fascinating. This year, he related the employment figures to 1986. However, last year, it was convenient to base the figures on 1982 statistics. It is fascinating that, in 12 months, the Premier can do such a back flip with respect to Government employment. If we had employment figures as of 1982—

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

**The Hon. E.R. GOLDSWORTHY (Kavel):** I am speaking in this budget debate—

*Members interjecting:*

**The DEPUTY SPEAKER:** Order! The member for Kavel has the call.

**The Hon. E.R. GOLDSWORTHY:** I am not at all encouraged by this year's State budget. Whether the Government likes it or not, its record is one of a high taxing Government and, like its Federal colleagues, it is a Government of broken promises. Both Federal and State Labor Governments have given unequivocal promises before elections and have promptly broken them after elections. The Premier of this State told us that no increases would be above the CPI. During the past 12 months, about 600 increases have been gazetted quietly, and many of those have been above the CPI.

I receive complaints frequently from constituents about what has happened to fees for shooters' licences, for instance. You can name them. Every licence in this State bar none has been increased, some quite dramatically. The police are now to take about \$24 million by stopping the public on the road and fining them. The people of this State are scared stiff to walk out of their front door because theft is out of control at night.

*The Hon. T.H. Hemmings interjecting:*

**The Hon. E.R. GOLDSWORTHY:** Well, if the honourable member from Salisbury or Elizabeth says that he has not had people complaining about safety after dark, he is sillier than I think he is, and that is saying something. The fact is that the public are worried about this thing called law and order and their main complaint is about their personal safety and the safety of their homes and possessions. The police have given up on theft from the home.

**The Hon. T.H. Hemmings:** Rubbish!

**The Hon. E.R. GOLDSWORTHY:** It is a fact. People close to me have had their homes broken into, and the police have given up. A retired Italian from Virginia, who earns a few bob off the land, had his tractor and other

equipment stolen. My immediate neighbour in the Hills, a friend of his, contacted the police on Friday, but they did not come until Monday. They have given up on this question of law and order.

What is the Government's priority? It is to stop people on the streets for petty offences and raise \$24 million to boost its budget. That is not what on-the-spot fines were designed to do. They were not designed to be revenue raisers for this Government.

*An honourable member interjecting:*

**The Hon. E.R. GOLDSWORTHY:** Of course, it is back-door taxation in the sense that the Government tries to hide it. The fact is that it is using the police to harass the public in this fashion to raise revenue when the police have not got the resources to come to grips with the major problems which beset this community.

The Premier thought that these taxes would cleverly not impact on the man in the street, but in fact they do—in the finish he picks up the tab. That is where taxation finishes up, whether it is payroll tax or whatever. It is passed on in terms of what is paid for the product. The average man and woman in the street picks up the tab, so do not fool yourselves. Any taxing effort to raise the sort of revenues which hungry Labor Governments require come from the average citizen. Taxes cannot come from anywhere else. If Labor Governments confiscated all the so-called wealth of people like Bond—I have no time for them, and, anyway, they are all broke—they still would not shake out anything like what they need to support their fancy schemes.

We have double-speak in the budget. The Government says that our FID is not the highest in the country, but it always was until the other States upped it a month ago. The Government says that it is not the highest in the country so it put it up. What it is saying is that it will leapfrog FID to ensure that it does remain the highest in the country. That is not the way the double-speak of the budget papers spell it out. They say that we are not the highest in the country. We have not been for a month, but we have been for years, so it is up to 10c in \$100.

We heard today from the financial guru, the Minister of whatever it is, trying to effect economic reform in this State, that it is a good tax because it is progressive. But in the end it is the average person in the street who pays it, and the average business person who pays by cheque will find that it adds up to several hundred dollars a year. These new taxes will be picked up by the average South Australian, and we should not fool ourselves if we think that they will not. They will be picked up in some cases in terms of increased unemployment. If the Government thinks that it is doing something to help the lot of the average South Australian by being a high-taxing Government, it is fooling nobody.

I want to comment on some of the Government's enterprises. I am prompted to do this, because the Government saw fit to close the Williamstown mill after what I believe was an absolutely disgraceful record of management at that mill and deception of the people who work there. The Government chose to close that mill because it said that it was losing money. The management of the mill bought not just one piece of equipment, but pretty well the whole of the equipment required to refurbish that mill over a period of three years, and not one bit of it was used. The money squandered on that was about \$1 million all up. We should tot up what the management of that mill squandered. The manager was working part-time from his holiday house to see that it went well. The Minister got up here and white-washed the facts which I put in a question in this House. The management squandered literally hundreds of thou-

sands of dollars. That was management, not the people who work there. This is Government enterprise. The Government closed the mill because it lost \$500 000.

What did the Government do about the State Clothing Corporation—that sacred cow which is in the Minister's district? I took the trouble this afternoon of looking up the Auditor-General's Report to see the record of the State Clothing Corporation—the sacred cow. In 1980 about 30 people, mainly women, were the maximum employed at that enterprise in Whyalla. I took out the figures because it was said that the mill was closed because it was not making money. I say that the management was absolutely appalling. It did not call for tenders; it just flogged it off. The Minister said that the Government would recoup the money in the sale price. That is absolute garbage. The equipment was given away.

In 1982 the State Clothing Corporation—which knew that it was under threat from a Liberal Government that, if it did not perform, it was likely to get the chop—made a profit of \$10 000. In 1983 it made a loss of \$187 000; in 1984, it made a loss of \$37 000; in 1985—and the Government paid this money in to prop it up—it made a loss of \$120 000; in 1986, \$77 000; in 1987, \$63 000; in 1988 it made a loss of \$269 000; in 1989 it made a loss of \$460 000; and this year it made a loss of \$300 000. These are the moneys that the Government has paid into that enterprise to prop it up.

**The Hon. Jennifer Cashmore:** It would have been cheaper to send them home and buy them a new house each.

**The Hon. E.R. GOLDSWORTHY:** Give them a golden handshake in 1982. That tots up to \$1.326 million which the taxpayers of South Australia have paid into the Minister's district to keep about 30 women employed.

**The Hon. Jennifer Cashmore:** They would rather have had the cash.

**The Hon. E.R. GOLDSWORTHY:** No question about it. I know how it is managed. I still go into Harris Scarfe's and buy my work clothes. They are the cheapest clothes I have ever bought. I have three pairs of work pants which cost \$7 each, and they were made by the State Clothing Corporation.

**The Hon. Jennifer Cashmore:** You would pay more than that in Hong Kong.

**The Hon. E.R. GOLDSWORTHY:** They could even beat Hong Kong. I saw some shirts in Harris Scarfe's for \$3.

**Mr S.G. Evans:** That is the retail price. What do they buy them for?

**The Hon. E.R. GOLDSWORTHY:** It is an absurd situation. The Government has suddenly found this idea of having profitable enterprise. It is hopping into the Liberal districts where the management of enterprises is shocking and disgraceful and closing them down in the name of efficiency, yet this sacred cow in the Minister's district is allowed to waste \$1.4 million. The taxpayers pump \$1.4 million into the State Clothing Corporation in that district and there is not a murmur.

I see that SAFA has decided to get it off its books. If I have time later, I would like to say something about SAFA because it is still a closed book to the vast majority of people in this State. Its operations are weird and wonderful; too weird and wonderful for the public to understand what it is all about and too weird and wonderful for most leading accountants in this small town to understand. One of our leading businessmen was in America and he saw advertised a \$90 million bill for SAFA from the Bank of America. In America they have to advertise, but they do not have to do that here—it is not required. He was rather concerned, but this is a closed book.

This Government is not fair dinkum. It allowed the Victorians to close down the Lobethal woollen mill in my district by giving it incentives. The Victorian Government bought it. This reminds me that the Victorian Development Corporation (VDC) along with Tricontinental have impoverished that State.

I remember meeting Mr Jolly, that wonderful Treasurer. While in Government, I went with David Tonkin to Canberra. Jolly had had the job of Treasurer of Victoria for about a week. He was fresh from the union movement with degrees and all the rest of it—a brand new Treasurer of Victoria. In we went, and we could not shut him up. He knew everything, Fraser and Howard knew nothing. This was in the time of the Federal Liberal Government. Jolly could talk like a tuppenny book. I went out and said to our group that he was the least impressive fellow I had heard for a long time. He thought he knew the lot.

So, the Victorian Government went into the classic socialist regime and borrowed \$700 million for public works in Jolly's first year—and away it went. They say that they created jobs. Their employment figures looked good, but they are reaping the whirlwind now. From being the flagship of Australia's economy, Victoria is now broke. Look at Victoria Inc. and Western Australia Inc. Hundreds of millions of dollars of taxpayers' funds have gone down the tube. We read in the SAFA report that its policies are conservative. How do we know? It is a closed book to people like us; we are only humble members of Parliament. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

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

#### ADMINISTRATION AND PROBATE ACT AMENDMENT BILL

Second reading.

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

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

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

Leave granted.

#### Explanation of Bill

This Bill deals with the amendments to the Administration and Probate Act 1919 ('the Act') concerning the commissions, charges and fees made by the Public Trustee.

The Public Trustee charges:

- (a) Capital commission calculated as a percentage of the amount involved in administering an estate. With two minor exceptions, the capital commission rates are fixed rates rather than maximum rates;
- (b) Income commission calculated at a fixed percentage; and
- (c) Fees in respect of a number of services, that is, the preparation of tax returns. These fees are generally maximum fees.

At present the Public Trustee is not able to charge capital commission at a rate less than that specified in the regulations unless court approval is obtained. The Public Trustee now seeks authority to charge capital commission up to a maximum rate as opposed to a fixed rate. This would enable the Public Trustee to reduce capital commission on the

grounds of hardship or equity in a particular estate, reduce capital commissions for all estates or for all those in a particular class of estate. In addition, reduced capital commission is sought on the share of the proceeds of the sale of a matrimonial home payable to a surviving spouse. At present the reduction applies only to transfers to a surviving spouse.

In respect of the fees prescribed in the regulations, the maximum rates have not been adjusted for inflation since the last review in 1982. As a consequence they require revision to reflect more accurately the cost of providing those services and market rates charged by other organisations for similar services.

A proposal is currently being considered that will enable the Public Trustee to be in a position to rely less on commissions and more on fees, with the result that a charging system may be developed in which charges more closely relate to the cost of providing those services for which a charge is made.

Clause 1 is formal. Clause 2 amends section 112 of the principal Act. Section 112 authorises the Public Trustee to charge a commission and fees in respect of any services provided. Subsection (6) empowers the Governor to fix a scale of commission and fees for the purposes of the section. This clause strikes out subsection (6) and substitutes a new subsection that confers a broader power to prescribe fees. Under the new subsection the Governor is empowered to fix a commission or fee for the purposes of the section, but is also empowered to fix a maximum or minimum commission or fee. Where a maximum or minimum is set, the Governor may authorise the Public Trustee to determine the amount applicable to any given case, subject to that maximum or minimum. The clause also makes a consequential amendment to subsection (5) and deletes an interim provision (subsection (7)) which has become redundant.

**The Hon. E.R. GOLDSWORTHY** secured the adjournment of the debate.

#### APPROPRIATION BILL

Adjourned debate (resumed on motion).  
(Continued from page 640.)

**The Hon. E.R. GOLDSWORTHY:** Before the dinner adjournment I suggested that this Government was going down the path of taxing the average citizen of this State very severely. I talked about the Government's favouritism for projects within Ministers' districts, and cited the case of the State Clothing Corporation, into which taxpayers have pumped \$1.3 million since 1982. It has lost money every year since then. In 1982, the last year of the Liberal Government, the State Clothing Corporation made a profit of \$10 000—a modest profit but, nonetheless, a profit. Yet, the Government is prepared to close the Williamstown Timber Mill, which is in my district, when it should have sacked the management. Instead, it sacked the workers. There has been a disgraceful record of management of that mill—and I have no hesitation in saying that.

I was interested in what the Auditor-General had to say about Satco, and the whole of Satco's future profitability depends on this scrimber project. The Auditor-General tells us that the operating results of the subsidiary bodies of Satco were as follows: International Panel and Lumber (Australia) Pty Ltd, a net loss of \$1.1 million; International Panel and Lumber (New Zealand) Ltd, a net loss of \$1.6 million; and Shepherdson and Mewett Timber Trading Trust,

a net loss of \$750 000 (and that has just been sold off, I believe at a loss, when the management should have been fired). The Auditor-General concludes:

Over the past few years, audit has expressed concern that unless the corporation [Satco] could significantly increase its revenue from investments, losses would continue to accumulate. In this regard, based on existing business activities, the financial results of the corporation depend on the success of the scrimber project.

An amount of \$55 million has gone down the scrimber sink, and not a stick of product has been sold. Every other Satco subsidiary is losing money; if Satco's success depends on a scrimber, Lord help us!

In its wisdom the Government has reinvented the wheel: it has set up a budget review committee. The journalists seem to have forgotten the fact that the Liberal Government had a budget review committee—which I chaired. Our charter was to have a good look at Government operations and, where we could, prune expenditure prudently and where possible reduce the size of the Government work force. This Government claims it is on about micro-economic reform. That is the in thing at the moment. The Federal Government is on about micro-economic reform; it has to fix up the waterfront and privatise industries. But, what hope do they have—none, because the ACTU will not let them.

Developing at the moment is a debate about a consumption tax. The one thing that I find very hard to stomach in politics is hypocrisy. I can stand a lot of things—and you have to have a sense of humour to survive in politics—but it is very hard to hack the hypocrites. One has only to look at the sorts of economic problems that bedevil this Labor State, and then there is Western Australia Inc. and Victoria Inc., and also at what is happening in the Federal sphere. People who suggest that as a nation we do not have enormous problems in the Federal sphere are kidding themselves.

The fact is that the country is on the verge of bankruptcy. The International Monetary Fund would be on the verge of coming here and telling us how to run our affairs—and it is getting worse. Every prediction of that self-styled genius Keating (the best Treasurer in the world) has come to nought. Every prediction in the past seven years in relation to inflation in this country has been grossly underestimated: it has always been in excess of what Keating said it would be.

There was a time when we worried about an annual deterioration in our overseas indebtedness of \$1 billion or so. The first three years of the Keating Government were traditional Labor expansionist, Keynesian, spend-up-big Governments. If we look at Keating's record before that, it is like Paul on the road to Damascus when there was a sudden conversion. Have a look at the base from which he started in 1983: the first three Keating budgets were disastrous. They wreaked on Australia what Whitlam managed to do in his three years. This was until his conversion, after three years of disastrous spending problems—along the Jolly lines. I talked about Rob Jolly earlier: if ever a bloke ought to be hung, drawn and quartered for ruining a State, it is Jolly, and not all these other people of whom they are trying to make scapegoats. He ought to be shot at dawn—absolutely hopeless.

Keating was on the same track for three years, and the finances of this Government deteriorated enormously. Look what Whitlam did in three years! We have not ever recovered from Whitlam, let alone from the first three years of Keating until he saw the light. What Keating is trying to do cannot be effected in the timeframe in which it must occur if we in Australia are to turn the corner. The fact is that the ACTU will not let it—that is a fact of life. Let us have a look at what this 'world's greatest Treasurer' had to say

about himself and about the consumption tax in 1988. He said 'We are now well on our way back to prosperity.' He said, 'This is the one which brings home the bacon.' That was his budget speech in 1988. He said further:

... the measures I have just outlined represent another milestone in the transformation of the Australian economy...

I will have to save the rest of this for the grievance debate. What Keating said when he was trying desperately to put up a consumption tax in 1985 makes very good reading. He said that we have to have the courage to do what we think is right, and he waxed eloquent about it. 'We must have a consumption tax; we must have a fair tax system; we must catch the cheats; we must provide incentive in the community. We must have a consumption tax—option C.' Page after page after page—

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

**Mr FERGUSON (Henley Beach):** I found the contribution of the member for Kavel to the budget debate very interesting—in fact, along the way I can agree with some of the propositions he has put before this House. I especially agree when the honourable member says that taxes are picked up by the average man in the street. He was criticising the taxation proposals in the Bannon budget. However, he failed to mention the taxation proposals that have been put to this House by the Leader of the Opposition as his panacea—

**The Hon. T.H. Hemmings:** He is here now!

**Mr FERGUSON:** And it is very pleasant to see the Leader of the Opposition in the House. He has put forward these proposals as a panacea to the State's problems in relation to a shortfall in money. I was extremely concerned to hear the Leader of the Opposition picking up on this theme once again this afternoon. I remind the House of what he said on 18 August in this place. He said that a State-based consumption tax is already levied in the USA and it would be possible to combine the best features of that system with the cleanest consumption tax in OECD countries, that is, the New Zealand goods and services tax (GST); consumption tax would also give efficient States a means by which their taxpayers could receive a reward for undertaking micro-economic reform. Therefore, the Leader of the Opposition is promising us that, if we are ever unfortunate enough to have a Liberal Administration in this State, we will have a broadly-based consumption tax.

The Leader went on to say that the best-run States would have the lowest consumption tax and it would have to be in the interests of all. My concern is that I do not believe, given the changes that have been made to the Australian taxation system, that a broadly-based consumption tax would work. In addition, I am deeply concerned that the Leader of the Opposition did not lay down any form of compensation for those people who would be badly hit by the introduction of a consumption tax. But they are not my only concerns; I believe that it is impossible to introduce compensatory mechanisms to cover all the potential problems that would arise because of the introduction of a consumption tax. I am not alone in that assumption. The Federal Leader of the Opposition (Dr Hewson) is reported in the *Sydney Morning Herald* of 17 August 1990 (page 2) as follows:

... some people would be worse off under the contentious consumption tax, which the Coalition endorsed this week but promised low income earners would be compensated.

There is no doubt about it: low-income earners certainly would be worse off under this proposal. However, the Leader

of the Opposition has not made clear to his constituency that the people who would be worse off because of the introduction of a broadly-based consumption tax are those in the farming community in South Australia.

A paper produced by Mr Peter Whiteford and Mr Peter Saunders of the Social Policy Research Centre of the University of New South Wales states (page 67):

Table 15 also indicates the number among the self-employed who are in the agricultural, fishing, forestry or hunting industries. It is apparent that farmers, as defined here, make up nearly a third of those with zero or negative income, and 27 per cent of those with positive income under compensation thresholds. (Those compensation thresholds are the thresholds indicated in the White Paper introduced to discuss the broadly-based consumption tax.)

Thus the self-employed in general and farmers in particular are a difficult group to compensate for the introduction of a broadly-based consumption tax. The reason for this is clear. Many of the self-employed have very low recorded incomes, but much higher expenditure levels. It is therefore difficult, if not impossible, to use the personal tax system to compensate for the higher prices this group would face.

It would be obvious to all that the farming community would be very hard hit by a broadly-based consumption tax because, in bad years, in years of drought and in years when prices for commodities take a dip on the world market, many farmers—and, in fact, it is true to say that in South Australia a great majority of farmers—have returned a zero income to the Taxation Department. So, compensation in the form of tax relief means nothing when no income is recorded.

In the meantime, people in the farming community would be faced with much higher costs if this tax was introduced and they could not be compensated under the proposals put forward in the Treasury White Paper when this proposition was first mooted. If the Leader of the Opposition has in mind a way of compensating these people, I believe he should put his cards on the table and tell the Parliament and those people in the farming communities just what are his proposals.

Under the proposal for a broadly-based consumption tax, many goods that are subject to wholesale tax would become subject to the broad-based consumption tax at the proposed rate, which was to be 12.5 per cent but, which I note, Dr Hewson is suggesting will be 15 per cent. These goods would include most sorts of foodstuffs (which are now not taxed but which would be taxed at an additional 15 per cent), clothing, footwear, books, newspapers, building materials, paint and household drapery. In addition, many of the goods which have previously been subject to the 7.5 per cent rate of wholesale tax would become subject to the 15 per cent BBCT and would increase in price, but by less than the goods not subject to the wholesale tax. For example, these goods include furniture, crockery, glassware, cutlery, refrigerators, freezers, washing machines and a further range of household appliances and equipment.

Offsetting these increases would have been some anticipated price reductions. Many of these goods are taxed at 32.5 per cent, the luxury rate, and would have dropped in price as they became subject to the 15 per cent BBCT. Goods in this category include not only jewellery, furs and stereo equipment but cigarette lighters, watches, some clocks, cameras and other photographic equipment, and a very wide range of cosmetics and toiletries, including powders, shaving accessories and shampoos. Moreover, depending on the mark-up at the retail level, most sorts of motor cars subject to the 20 per cent wholesale tax rate would be expected to drop in price on becoming subject to the 15 per cent BBCT.

I pose the question: what is the logic of reducing the tax on jewellery, furs, stereo equipment, cigarette lighters, watches, clocks and cameras, for example, and subjecting

food, clothing and footwear to tax? The logic of this move escapes me.

We also know that households with the lowest income range would face the highest price effects. It is not much use to people in poor circumstances (and I include in this category our agricultural and fishing industries), to drop the price of a Volvo on the one hand and increase the price of bread, butter, milk and necessities on the other hand. Not only that, but it is almost impossible to devise a system that can properly compensate people, particularly those who are self-employed in the farming community. Indeed, there will be winners and losers, as suggested by Dr Hewson, and the losers will be in a constituency that he purports to represent.

It is extremely hard to understand why the National Party, the former Country Party, agreed to the introduction of this tax. I believe that they agreed to it as a political expediency. One has only to read the *Financial Review* of 22 August 1990 under the heading 'Nats Support New Tax for Unity's Sake' to understand why I make this statement. It states:

According to National Party members the decision to embrace the goods and services tax shows that while its membership may remain the highest of any Party, its parliamentary representation is so depleted that it has no other choice. 'It is hard to know whether we were steamrolled,' said one. 'I suspect that in our weakened state we could hardly oppose the bandwagon.'

What a reason for imposing a tax on one's own constituency. It would appear that, in order to preserve their parliamentary numbers, the members of the Federal National Party were prepared to agree to a proposition that would undoubtedly damage their constituency. By the same token, I cannot understand why members representing country communities in their Party room had something to say and would have prevented their leader from proposing a broadly-based consumption tax that could only be damaging to people in the country.

I discovered in my recent campaigning in the seat of Culance that there is a very strong connection between the incomes of people in country towns and the incomes of people who are represented by welfare groups. I must refer to the remarks made by the President of the Australian Council of Social Services, Ms Merle Mitchell, who said on 17 August 1990, as reported at page 5 of the *Australian*:

The coalition has been driven from more fundamental reforms of the tax system by ill-informed and unprincipled pressure from the business sector . . . We are very disappointed that the question of compensation for low income people has been dismissed by the shadow Treasurer, Mr Reith, as a mere detail to be decided later. The really tough and courageous decisions in tax reforms relate to the loopholes for capital gains, corporate borrowings, and offshore transactions which have caused massive tax avoidance.

Not only has the shadow Federal Treasurer dismissed as a mere detail the question of compensation for lower income groups, including groups from the farming community, but also the Leader of the Opposition has done so in this House. The introduction of a broad-based consumption tax has been touted by the Leader of the Opposition as being the pinnacle of our economic reform. This is his answer for the economic salvation of South Australia. Under these circumstances, one would have thought that the whole conservative movement would have been behind such a proposal, but I believe that this is not the case.

In fact, a report on page 2 of the *Australian* (17 August 1990) stated:

Several Opposition MPs contacted yesterday said that up to two-thirds of the coalition backbench either opposed the tax or were unconvinced by it. However, no vote is taken at the meetings, in which the Leader of the Opposition is left to determine the feelings before making a decision on the outcome of debate.

What a way to run a Party meeting, I must say—not to even allow the backbenchers to have a vote. What a way to run a political Party! I find it absolutely extraordinary that no vote is taken by the conservative Parties in this country on a decision which is so far-reaching in respect of a broadly-based consumer tax.

The introduction of this proposed tax is undoubtedly designed to help the rich people in this country; it is undoubtedly designed to lower the top taxation rate and to alter the burden of taxation from those people who can afford to pay to those who cannot afford to pay. A report in the *Sydney Daily Mirror* (16 August 1990, page 5), stated:

Lives could be at risk if the Federal coalition's plan to introduce a tax goes ahead, the Combined Pensioners Association warned today. Fixed income earners—

and fixed income earners in the farming community—whose budgets were already stretched tight would have little choice except to cut back on food if the broadly-based goods and services tax was implemented, the association said.

I could go on and on about the poor decision made on this question by the Leader of the Opposition. Certainly, it is time that the Leader of the Opposition reviewed his decision and came back and admitted to Parliament that he was wrong. It is time to rethink the proposal. The Leader should remember this: that, for the good of democracy, it is essential that we have an Opposition which is on the ball, which knows what it is doing, and which is ready to question the Government on taxation reform. It is time that he looked after his own constituency and the farming community.

**The Hon. P.B. ARNOLD (Chaffey):** The sad and sorry part about this budget is the fact that the Premier and members opposite are not really living in the real world. We have certainly seen an example of that from the member for Henley Beach who, in his prepared speech this evening, castigated the Leader of the Opposition for the remarks that he made. Yet when the honourable member wrote his speech the Leader had not even delivered his so, how on earth could the member for Henley Beach have known what the Leader of the Opposition was going to say? It is a farce and beyond belief for the honourable member, especially a member who has been in this place for a number of years, to make a speech like that.

For members opposite to criticise the Leader of the Opposition, who has lived in the real world and who has been successful in business in his own right, is incredible. It is difficult to look across the Chamber and see any Government member opposite who has even run a business of any sort—not even a corner deli. It is absurd for the member for Henley Beach to try to claim in this House that the Leader of the Opposition does not know what he is talking about, when the Leader has the runs on the board and is recognised throughout the State as a successful businessman who has the ability and potential to run this State with some understanding of economics.

The Premier and members opposite seem to be convinced that, if there is a \$200 million shortfall in their budget, they must merely increase taxes to the tune of \$200 million and the problem will be solved. That is a clear indication that members opposite have never lived in the real world. They have never had to be productive to make ends meet. This is the difference. When you are a small businessman operating any small business in metropolitan Adelaide or across the State—a farmer is a small businessman—you know darned well what your income will be and you have to make sure that you live within your means. Over the past 10 to 15 years, farmers have had to make an ever increasing effort to cut their expenses to make ends meet and to survive, or be forced off by the banks.

That is not the attitude of the Premier or members opposite. Their attitude is to increase taxes on those people who are struggling to survive. There is an ever reducing number of people in the community who are productive, that is, people who produce the initial wealth of the State off which everyone else lives. It has to be generated somewhere, whether by the primary producer or the secondary industry producer. Somewhere there has to be initial productivity, and that is what this budget attacks. I will give the House a few examples. In round figures, the Premier had a \$200 million shortfall in his budget. What did he look at first—FID, which will be lifted from .04 per cent to .1 per cent. As the Minister of Finance said this afternoon, it is a great tax, it is a progressive tax. It gets stuck into those people in the community who are productive and have a turnover.

Just because those people have a turnover, whether it be \$100 000 annually or \$1 million or \$2 million annually, that does not mean to say that they are making any profit from that turnover. Plenty of small business people today make far less than the average person employed on the floor of a factory. Yet, the FID that they have to pay is to be increased from 4c to 10c in \$100. If one adds that up over the number of transactions that a comparatively small business has, it becomes another significant effect in forcing small business out of the productive arena. From that attack on business in the State, the Premier expects to collect an additional \$74 million in a full year. That one item is dragging out of those in commerce and business who endeavour to be productive an additional \$74 million.

The next item is payroll tax, which has gone from 5 per cent to 6.2 per cent. The Premier expects to gain another \$70 million in a full year from that. Once again, it is a tax on productivity and on that section of the community that employs the people of the State. Yet, the Government wonders why manufacturers are going offshore and producing overseas. A glorious example of this approach by Government in increasing tax on an industry can be found by going back to the 1970s to see what successive Federal Governments did to the brandy industry. That is very close to my heart inasmuch as 80 per cent of the Australian brandy industry used to be centred on the Riverland of South Australia in my electorate.

Successive increases in tax by Federal Governments in the 1970s effectively wiped out that industry. The massive capital investment of the growers and winemakers was seriously affected. The big stills in the Berri-Renmano winery in the Riverland stood idle for some four years after that massive hike in brandy excise. There was no outlet for the grapes and the stills were silent. In real terms today, the Federal Government collects approximately 50 per cent of the excise that it collected prior to the impost.

In that instance everyone has lost. The Government has lost revenue; the growers have lost as far as their capital investment and plantings are concerned, and they have lost the markets for their grapes; the wineries have lost the sale of the product that used to be produced; but, overall, the whole nation has suffered because that industry has literally been wiped out. Tens of thousands of people, directly or indirectly involved in that industry, have suffered enormously.

I know that it is easy to lose Labor members, because they have never been out in the real world where they have to be productive to collect their pay at the end of the week. They rely on the silly old employer to worry about that. That is borne out by the types of speeches that we hear from Labor members and the fact that the Premier sees no alternative but to increase taxes by \$200 million to solve his problem. The Leader of the Opposition spelt that out

in great detail in his speech, in which he carefully analysed the budget. I commend that speech to the House and I recommend solidly any person—

*An honourable member interjecting:*

**The Hon. P.B. ARNOLD:** Perhaps the member who is laughing does not have the ability to understand what the Leader of the Opposition was talking about. That analysis of the budget was carefully undertaken by the Leader of the Opposition. What is more, I suggest that the vast majority of the people of South Australia should endeavour to read that speech to get an understanding of all the hidden parts of the budget that the Premier has put before this House.

At no time has the Premier endeavoured to come to grips with getting his own house in order. As I said, whether it is a small businessman or a farmer, one has to manage one's own affairs within the resources available as regards income. The Premier is \$200 million short. We recognise that, but he has done nothing about reducing the size of his operation or reducing the size of the Public Service where it can be cut, and it can be cut. In the period 1979 to 1982 the Liberals effectively reduced the size of the Public Service in South Australia.

We did not sack anyone; no-one was kicked out of work. By natural attrition, and with some early retirements, we significantly reduced, for example, the E&WS. That department has continued to operate efficiently with 1 500 fewer people than it had before. We reduced the size of that department by approximately 1 500 and it went on and did the same job as it did before. But this Premier and Government seem totally unable to face the reality of what has to be done. We have had to do that in our small businesses and on our farms. What we once employed two people to do we now have to do by ourselves. We cannot afford to employ those people any more.

The time has come when the Premier ought to face up to the fact that, in many instances, there are far more in the Public Service than need to be there. Whenever we mention that subject, the first thing the Premier says is, 'What will you do? Get rid of teachers and nurses?' That is an absurd statement and the Premier knows that as well as we do. We do not have to get rid of the people who are providing a service, but there is a massive bureaucratic backup that could be pruned down to size. It never seems to stop growing. One has only to look at some of the points made by the Leader this afternoon. For example, since the 1988-89 budget there has been an increase of 779 positions. Why was there a need during stringent economic times for an increase of this magnitude?

In the last year of the Tonkin Government, there were 89 500 full-time equivalents in the Public Service in this State. Today, that number has increased by 8 772 full-time equivalents. Imagine the massive increase in cost of that expansion.

**Mr Ingerson:** That is \$300 million.

**The Hon. P.B. ARNOLD:** That equates to \$300 million, as the member for Bragg says. The Premier has a blow-out or shortfall of \$200 million in this budget. Rather than put his own house in order, he has gone back to the community that is hit time and time again, that section of the community that is trying to keep the State afloat, and has hit it again. No wonder many people are getting to the point of saying, 'Why bother; why not sell up, and retire?' That is the easy thing to do, but many people in the community see that as a defeatist attitude and would not be happy doing it. By the same token, there is a limit to how long people will go on working 12 or 14 hours a day, and at the end of the year have very little or nothing to show for it.

The situation presented to the House this afternoon by the Leader of the Opposition was one of the best assessments of a budget that I have heard for a long time. The reason for that is that he has the ability to assess the situation from a practical point of view—something that members opposite do not and are never likely to have. As I said before, most members opposite have never in their lives had any involvement in small business or any other form of business. Until members opposite suffer the same sort of impositions in their private life as the Premier imposes on other members of the community, that thinking will never change. This is a tragedy for this State and the whole nation because it is an attitude of Labor Governments. Most Labor Governments are regarded as high taxing Governments because they have never been on the other side of the fence and have never had to be productive and make ends meet—it is as simple as that.

Certain items, such as WorkCover, which is a creation of this Government, are not contained in this budget. Recently, massive increases have occurred in WorkCover premiums. The Government is miles behind in funding that program. Companies which have had an excellent safety record in the workplace now see their premiums increased by 50 per cent and 100 per cent. This is sheer stupidity. All the Government is doing is convincing those companies to give it away, invest whatever money they happen to have somewhere, sit back and do absolutely nothing. Financially, many of them would be far better off, but that is not in the interests of this State or this nation.

If we are to remain or try to be competitive with the rest of the world we have to improve our performance, but we cannot do so as long as we have high-taxing Governments, such as this one, that continue to do nothing else but increase taxes to pay for their ever-increasing bureaucracy. There is no doubt that it is an ever-increasing bureaucracy. Sure, there is a need for the Government and public servants to provide essential services, but we could do away with much of the bloated bureaucracy that, in many instances, is top heavy. If that occurred this State might have a chance to be competitive on the world market.

Recently I attended a meeting in the Riverland which concerned the rehabilitation of Government irrigation areas. Over many years the Government has accumulated a debt of some \$50 million or \$60 million on its irrigation undertakings, and it now claims that that debt was accumulated for and on behalf of the growers. The major private irrigation area in this State, the Renmark Irrigation Trust (which is the oldest irrigation undertaking in Australia), has been operating successfully for over 100 years. Its water rates to growers are about 25 per cent or 30 per cent less than those of growers in the Government's irrigation areas, and it meets all its commitments.

The Government is proposing that growers in Government irrigation areas pay an additional 30 per cent—on top of what they are already paying—to meet the cost of rehabilitating its irrigation areas. However, the Renmark Irrigation Trust has been able to rehabilitate irrigation areas within its rate structure and still pay its way. The Government's 30 per cent higher rate means that Government irrigators would pay 50 per cent higher water rates than those paid by irrigators in Renmark Irrigation Trust areas.

The sheer economics of that means that no irrigated property in Government irrigation areas in South Australia would be saleable; no-one in their right mind would even contemplate buying one. That is an example of the problems we are confronted with, with Government rates being 50 per cent higher than those applying to the Renmark Irrigation Trust.

**The DEPUTY SPEAKER:** Order! The honourable member for Murray-Mallee.

**Mr LEWIS (Murray-Mallee):** It is important that all of us who make a contribution in this budget debate draw attention to those aspects that we believe are important indicators of the kinds of directions in which the State Government proposes to take the society of people living in South Australia where those directions differ or might differ from directions taken by Governments of other States. It distresses me to notice that, in general, although we go more slowly, we are going in the same direction as the Victorian and Western Australian Governments have gone, in both of the most undesirable features of each of their respective State administrations. It is a pity.

We find that the Government is encouraging risk takers to enter the field in South Australia where they have neither the track record nor the ability to do the job. That is true of the way in which we allow money to be spent on developments such as that proposed in the Flinders Ranges where clearly the Government has a commitment but has given the project, without entering into tendering, to a firm that is clearly incompetent to handle it. When that kind of thing happens it not only brings discredit on the Government but also on all South Australians. That is an illustration of the kind of mistake which has occurred again and again under this Government's administration.

We saw it with the proposed Marineland development and we have seen it elsewhere in a number of different marina-cum-retail and tourism developments along the western coastline of the metropolitan area. It is unfortunate, because it means that the message about South Australia that is going out to the rest of the world is that South Australia has a Government that recognises the necessity to be involved in the development of new facilities—

**The Hon. T.H. HEMMING:** Mr Deputy Speaker, I rise on a point of order. Standing Order 142 provides:

While a member is speaking, no other member may make a noise or disturbance or converse aloud or speak so as to interrupt the member speaking except on a point of order.

I cannot hear the member for Murray-Mallee because of the noise over there.

**The DEPUTY SPEAKER:** The Chair is having the same problem, and I ask members to maintain a reasonable degree of decorum in the House. The member for Murray-Mallee.

**Mr LEWIS:** Therefore, we find that the State's economy languishes. The Government seems to have some fleeting understanding, without any clear grasp, of what is really required. It has no clear grasp of the role that Government should play nor of the kinds of people we as a State (and the Government on our behalf) ought to be dealing with in trying to achieve the kinds of direction we seek. The Premier, as is his wont, chooses his words to inspire people to think that he knows what he is talking about. At the end of the day, we find that not only does he not know what he is talking about but that he did not mean it, either.

That is not only a pity but is deceitful and a disaster for South Australia. I will have something more to say about that shortly. Part of my responsibility in this place is to express views that enable people in the broader community to understand the Liberal Party's concern on matters of policy relating to energy. Great public concern has been expressed about energy and its sources, and about the way in which we as a civilised community plan for its supply in the immediate future, the middle distance future of eight to 10 years and beyond.

We on this side differ from the Government in that we are not happy to sit back and accept that present power generation capacity is in any way adequate. No attempt is

being made by the Government to encourage the kind of public debate there should be about future energy options. We have had some 'dark greens' running around telling us that we need to reduce our living standards and our expectations of what we can enjoy in life.

Whether or not that is true is beside the point: the fact is that it is politically unrealistic—and I am talking about 'dark greens', Mr Deputy Speaker, not 'light greens', as the member for Alexandra would want the Chamber to believe. The unfortunate part of the Government's indifference in this very important area is that day by day we continue to move into the future rudderless. No leadership is being taken in this debate either by the Minister or by anyone else on the Government benches.

It is inane to expect the public to understand the kind of nonsense and double-speak that has been trotted out in recent times. Where is the Green Paper that was promised in His Excellency's speech at the time Parliament was opened after the election? We have heard and seen nothing of it for more than two months. The last statement we had was that it would be released in July. July has come and gone, as has August, and here we are in September with still no Green Paper on future energy supplies for South Australia.

I believe that, as a State, we must examine the options available to us in a realistic way, considering their viability in the short term and in the longer term. Clearly, we cannot expect to go on tipping pollution into the atmosphere this year, next year and next century at the rate we do it today. I am talking about atmospheric carbon, which none of us can see, but which all of us know—if we have an ounce of sense—must be happening. It must stop.

*The Hon. Jennifer Cashmore interjecting:*

Mr LEWIS: There is no question that the member for Coles has her facts absolutely right. Australia is currently one of the biggest per capita contributors of atmospheric carbon pollution of any society on earth. It is therefore my judgment that it is necessary for the Government to generate discussion about the kind of tax that should be imposed on different energy sources relative to their pollution capacity—capacity not in terms of being able to deliver goods to us but in terms of waste production damage. The greater the capacity to damage the environment or expose us to the risk of damage in the future, the greater must be the measure of taxation that is applied to that kind of energy. However, I am dismayed about what the Federal Government is doing with its taxation on fuel, particularly where it is used for transport and so on. After paying it into general revenue, it is financing other parts of the economy with transfer payments and paying no attention whatsoever to the necessity for research into alternatives. The Government is paying no attention to any kind of measure that would enable us to address the enormous questions with which we are confronted.

To take a closer look at this budget in general terms, apart from the remarks that I have just made about energy, let us consider the general case. I agree with the member for Chaffey: that the Leader, when he delivered his considered opinion this afternoon, presented what was probably one of the most telling, well-researched and responsible responses to any State budget brought down in this Parliament for a very long time. I would describe the budget quite simply as a 'kidney punch budget'. The Government behaves as though it is hooked on its revenue in the same way that an addict snorts cocaine: the more one gets the more one needs. Clearly it is not necessary to take as much money as the Government has set out to take with the taxes that it has introduced. An article by Randall Ashbourne appeared in the *Sunday Mail* of 2 September—just two days ago. For

the sake of the record, and that is important in terms of history, I will read the article to the House.

*An honourable member interjecting:*

Mr LEWIS: Whether or not he gets it right in terms of precise figures is immaterial in the general case. In this case the points that are made are responsible and valid. The article states:

To borrow a phrase from John Bannon's 1985 election campaign: it does not compute.

Mr Bannon was talking about John Olsen's privatisation plans. I'm looking at his budget papers. What I see appears to be a tax grab considerably larger than admitted.

On the face of it, total State tax receipts will rise from \$1 284 million last year to \$1 388 million this year. That's a fairly modest increase—a mere \$104 million, or just 8 per cent. But:

- Payroll tax is going up by \$76.2 million (19 per cent);
- Financial institutions duty is up \$59.8 million (122 per cent); and,
- Tobacco tax increases by \$28.3 million (50 per cent).

That's a total of \$164.3 million. Golly, I think, poor old South Aussie must be in a really bad way. Here we are, Mr Bannon raises an extra \$164.3 million in just three tax hikes but the total receipts are up by only \$104 million.

Things must really stink for other taxes to be down by \$60 million! Then I remember payroll, FID and tobacco weren't the only tax increases.

- Land tax is up by \$8.1 million (12 per cent).
- Gambling taxes will increase by \$16.6 million (15 per cent).
- Liquor and petrol are up by \$6.7 million (5.9 per cent).
- Even with the real estate slump, stamp duties are up \$24.7 million (9 per cent).

Suddenly, the total jumps to \$220 million.

To borrow another of Mr B's phrases, the Budget seems to have developed a financial black hole.

Receipts should be up by at least \$220 million, not \$104 million. And these aren't even full-year figures. So, where's this \$116 million black hole?

Ah! Of course! The State Bank. No profits to kick into the budget this year. The bank was supposed to contribute \$25 million last year but only managed \$13.7 million and this year: zilch!

But it seems to be impossible to make a lack of \$13.7 million add up to \$116 million.

Maybe the Woods and Forests Department? Assets worth megamillions. You'd think it could manage a profit from all those sales. Last year it did—a piffling \$400 000. This year: zilch! But that still doesn't add up to \$116 million. So, where's the money gone?

Then you find the Treasury boys have been playing with the books again. There's no money from the Motor Registration Division, which adds up to big bikkies; \$110.8 million last year.

This year, for some inexplicable reason, it's no longer considered to be a tax. Instead of appearing in the Budget Paper No. 2 (Estimate of Receipts), it has been paid directly into the Highways Fund. Naughty, naughty, Mr B! Are you trying to disguise the total tax take?

**The Hon. H. Allison:** That is the highwayman's fund.

Mr LEWIS: Yes, that is the highwayman's fund; you can say that again. It continues:

Let's compare like with like: Total tax receipts for 1989-90 excluding the State Bank and Woods and Forests but including Motor Registration, with the similar figure for 1990-91.

Result: Total tax increases of \$228 million—or 17.9 per cent. That's hardly 'at, or below, inflation', Mr B. If one calculates the full-year effect of those increases, rather than just a nine or 10-month effect, you would pick up an extra \$36 million on top of the \$228 million. That's an increase of a little more than 20 per cent.

Undoubtedly, Liberal Leader Dale Baker is going to have some fun when he brings down his alternative Budget this week.

Boy, did he!

*An honourable member interjecting:*

Mr LEWIS: I didn't hear that. It continues:

After all, Mr B, you did spend \$76 million more than you budgeted for last year—and the much talked about cuts in spending this year are more illusory than real.

In fact, I cannot find them anywhere except in the services to country communities. The article continues:

Spending in 1990-91 will be up by 3.8 per cent in nominal terms. If you accept an inflation rate of 6.5 per cent, that's a real cut of 2.7 per cent on what you spent last year.



But then, you spent more than you were supposed to. If you had stuck to the original Budget, this year's cuts are a mere .8 per cent.

Frankly, Mr B, we suspect Treasurer Paul Keating had something a little more substantial in mind when he told you and the others at the Premiers Conference to cut your spending this year. After all, .8 per cent is only \$36 million of the 1989-90 total payments' figure.

What about the Bannon Bank—

that is not the State Bank—

the South Australian Government Financing Authority, SAFA, which has been propping up Mr Bannon's Budget in tough times for the past few years.

You're not kidding.

**Mr Becker:** You're not wrong!

**Mr LEWIS:** Boy, don't we know it! The member for Hanson has demonstrated that on a number of occasions, as have other honourable members.

**Mr Ferguson:** Have you got any contribution of your own to make?

**Mr LEWIS:** I believe it is important to put this into the record, and that is why I am reading it in the fashion I am. I make that point for the benefit of the member for Henley Beach who obviously has not heard it before, or maybe he does not want to hear it again—one cannot be sure. It is obviously causing embarrassment also to the members for Napier and Albert Park. To continue, in relation to SAFA:

It has announced a healthy surplus for 1989-90—\$336 million, \$11 million higher than the result predicted in last year's State Budget and \$49 million above the 1988-89 result . . .

This year, when things are really tough, the Government is asking for a mere \$270 million—\$115 million less than last year.

The cynical, of whom I am one—

and that could be considered an understatement—

would suggest, Mr B, that you are putting away a little nest egg that you intend pulling out in a couple of years to keep tax increases down—or maybe even give tax cuts—in the lead-up to an election.

I find that a quite plausible explanation for the reason why the Premier and Treasurer has decided to create the public perception that there is not sufficient money available from the normal sources of revenue because the Commonwealth gave him a hard time, and in so doing justifying the enormous tax hikes which are not imposed directly on the citizen but which sneak up from behind and hit you when you least expect it.

That is why I call it the kidney punch. It is the kidney punch budget. Mr Deputy Speaker, as you and I know, it is the people who pay taxes; not Governments and not firms. It is not possible for anyone or anything else to finally carry the burden. It is the community at large which must do the work that gives the money its value. Money is merely an expression of the willingness people have to trade for that money some of their effort or their services and the goods that they can make in return.

If, in the long run, we cannot see that any tax ends up residing with the individual citizens, then we are quite inane and economic illiterates. I am not an economic illiterate and I know that no-one on this side of the House is, and I know that you, Sir, are not. Maybe some of the members of the Government benches are. I have every reason to believe that the Premier is not, but that he has been deceiving us.

I am annoyed with the Premier for having simply required Government instrumentalities, some of which we will not be able to examine in the course of the forthcoming Estimates Committees, to become tax gatherers for the Government. They are monopoly suppliers of goods and services, a couple of examples being ETSA and SGIC. The Government has imposed a tax upon them. It has created a monopoly market for them. They are then compelled to go out

and charge prices for their goods and services which enable the Government to justify taking a percentage from them. It is as though they are given a franchise with the Government taking a commission from them in return for doing so.

I do not see that as honourable or socially just and I do not see it as acceptable. Indeed, they were originally set up as monopolies to provide us with a revenue-neutral service which would be examined by the Government of the day and, presumably, the Government would be accountable to Parliament for the service, so that we could keep those costs down. That was the argument given to us by the socialists who argued for them at the time they were set up during the Dunstan era.

That is not the way in which they are now functioning. They are, indeed, becoming tax gatherers for the Government, paying a commission to it in return for the monopoly positions they enjoy. Their managers have career structures and salaries which are said to be comparable with the private sector but which in real terms are in no way comparable. They do not have to suffer any of the discipline which is otherwise imposed on them by competition. It is for that reason that I find it galling in the extreme that not only are they being used as tax gatherers but that they are also abusive of us.

**The Hon. JENNIFER CASHMORE (Coles):** This budget is a very puny expression of Government policy when one compares it with the promises made by the Premier before the election. A budget is the chief means by which a Government can express its policies. It is the chief means by which it can administer its programs in the name of the people. It is the chief means by which it can help a State realise its opportunities and overcome its disadvantages.

There is little or nothing in this budget to help us to realise our opportunities and, far from helping us to overcome our disadvantages, the lines of the budget and the underlying nature of the budget will simply exacerbate those disadvantages. It can be reasonably assumed that most people would think that the first responsibility of a State Government is to provide a climate that helps to create security of employment, which enables people to prosper, to live their lives to the full, to be as independent as possible, to care for their families and to be as free of Government as possible.

That, I think, would be the ideal of all of us regardless of our voting patterns. However, when one looks at this budget one realises that, instead of containing incentives for employment, it actually contains severe disincentives for employment. That, of course, is principally in respect of the payroll tax increase which has zoomed by \$76.2 million, an increase of 19.3 per cent on last year.

Other colleagues have indicated the specific impact that that tax will have on some of the major employers in this State. There is no doubt that it will have an adverse effect upon employment. There is no doubt that jobs will be lost and that, as a result, there will be more and more undisclosed mortgagee sales which, I understand from people in the real estate industry, are occurring to a greater degree in South Australia this year than for many, many years. There will be more children who cannot afford school books, which in turn will place a greater burden on the taxpayer. There will be more people seeking practical help through the Department for Family and Community Services, and there will be more people who are not contributing tax and thus not contributing to the general wellbeing.

I refer to the Premier's proud statement on page 5 of his budget speech, as follows:

The average level of employment in South Australia was 3 per cent higher than in 1988-89 and the average unemployment rate was the lowest for a financial year since monthly ABS surveys began in 1978.

That comment needs to be seen in a wider context—in the context of the past decade. Therefore, I propose to look at several aspects of this budget in the context of the past decade. It is appropriate that in 1990 we should look back to 1980 and see just from where we have come, predominantly under a Labor Government. Let me start with the actual population of South Australia: the proportion of South Australian to Australian population has declined between 1980 and 1989 from 8.9 per cent to 8.5 per cent. As I said, that has occurred principally under a Labor Government. The earliest available comparable figures allow examination of this trend back to 1971, when South Australia's population as a proportion of the national population was 9.2 per cent. For the majority of those years we have been governed by Labor State Governments and, during that time, our share of this nation's population has declined from 9.2 to 8.5 per cent.

I refer now to employment. The figures I will cite are the ABS time series labour market figures. The proportion of South Australians employed as a percentage of all Australians employed has fallen from about 9 per cent at the beginning of the decade to less than 8.5 per cent in 1990. For the period 1978-90, the number of South Australians employed rose by 18 per cent, while the number of Australians employed has increased by 30 per cent. That reflects a very significant disadvantage for this State. Regarding unemployed persons aged 15 years, plus those who are actively looking for or waiting to return to work after being stood down from full or part-time work, the figure for the period 1978-90 increased by 24 per cent, while South Australia's mean resident population for approximately the same period increased by only 9 per cent.

On every measurement South Australia has fared badly. Is it any wonder that our retail sales are down? Is it any wonder that our motor vehicle registrations are down? There are fewer people in employment and we have a smaller population. Again referring to the ABS time series labour market figures, we see that the number of South Australians seeking full-time work has increased by 28 per cent in the period 1970-89.

The number of Australians seeking full-time work during the same period rose by only 15 per cent. The number of people in South Australia looking for work as a proportion of the population is almost twice that of the number of people in the other States looking for work. What an indictment of the Government are these figures! They do not get any better. The number of South Australians receiving unemployment benefit has risen 17 per cent in the period June 1980 to June 1990. That is a very serious drain on the taxpayer. As I have said, those ABS figures need to be understood and acknowledged in the light of the fatuous claim by the Premier that the average level of employment in South Australia was 3 per cent higher than in 1988-89.

Overall, the Premier's record on employment has been truly appalling. It has caused considerable deprivation to a large number of South Australian families. It has dragged us down in our capacity to help ourselves, to fend for ourselves. It has deprived parents of the ability to rear their children as they want to and give them the advantages they want to give them. It has deprived us of our ability to save for our future. It has deprived us of our ability to invest in our future and that of our State. So much for the Labor record on employment, yet that is the setting in which the Government introduced this budget.

The major fundraising measures in the budget include, as I said, payroll tax, which will increase from 5 per cent to 6.25 per cent, bringing in additional revenue of \$76.2 million. FID will increase from 4 per cent per \$100 to 9.5 per cent per \$100, plus a disaster surcharge, which makes a 10c in \$100 total charge. That will look very substantial when people start to add up month by month what they see on their bank statement and what they note by way of a dent in their bank accounts. In addition, duty on tobacco will increase from 28 per cent to 50 per cent. That is part of public policy and I do not quarrel with it; in fact, I support it. Stamp duty on compulsory third party insurance will increase from 5 per cent to 8 per cent, plus there will be an increased fee. The SGIC contribution to the budget is an additional \$7.3 million, an increase of 57.9 per cent.

Other members have mentioned and I cannot overlook this colossal and, in my view, immoral increase in fees, fines and charges through the infringement notice scheme for expiated fees. Presumably, police have been given instructions to increase the revenue they collect from fines from \$11.7 million in 1989-90 to no less than \$24.6 million in the current financial year. That is more than double; it is an increase of \$13 million. When I attended the recent Advocacy for the Brain Injured Seminar on the .05 and .08 blood alcohol levels, I heard a senior police inspector say that random breath testing in South Australia was quite adequate to cope—I am pleased to hear it—with any lowering of the blood alcohol level. He also mentioned that every motorist in South Australia has one chance in four every year of being picked up for speeding. I am talking now not about random breath testing but about speeding. That was last year. This year, I would say, drivers have a 50/50 chance of being picked up for speeding.

**Mr Hamilton:** It will make you drive more carefully.

**The Hon. JENNIFER CASHMORE:** It will, indeed, and won't it enrich the Government! While people are concerned about rape, murder, robbery and break-ins, police will be deployed on the roads watching whether motorists are driving 5 km or 10 km per hour above the speed limit. I sincerely believe that, although road safety is critically important and speeding, rightly, is an offence because of the danger involved, it is wrong to expect the police to more than double their on-the-spot fine revenue collection. Whether it is done by means of cameras or patrols is not material to the immorality of the Government's using the police and the road traffic laws as revenue raising measures.

Let us look at the reasons for the decline in revenue and why the Government has to increase these taxes. The State Bank, which last year contributed \$17.2 million to the Treasury, will this year contribute absolutely nothing; interest on investments will decrease by \$20 million; the Public Trustee Fund will decrease by \$5.2 million; and SAFA's contribution to the budget is \$115 million less than last year.

Having been interested in the State Bank over the past 18 months or so, I want to draw attention to the Auditor-General's Report—not the one that was tabled this afternoon, but the report for last year. In the preface to that report, the former Auditor-General, Mr Tom Sheridan, in his preamble said:

Disclosure and accountability to the Parliament is the cornerstone of the Westminster system. It brings an added discipline to the management processes of Executive Government.

That statement explains why the Opposition has been probing the affairs of the State Bank and other Government business enterprises. In that preamble Mr Sheridan noted 'a growing tendency for some public sector industries to become removed from parliamentary scrutiny'. To put it bluntly, the Government is dodging the questions that we

are asking, 'despite the fact that public funds are involved or that a contingent liability rests with the Government, either directly or indirectly, through guarantees it has given'.

The liabilities of the State Bank, including overseas borrowings, run into billions of dollars, and not just the depositors' funds are guaranteed by the Government. The bank is audited not by the Auditor-General but by private auditors, and there is no direct line of reporting to Parliament. Despite that guarantee—the biggest guarantee that this Government gives in the name of the people to anything—there is not one word in this report that gives Parliament any information whatsoever about the State Bank and its policies. I suggest that the least reform required in respect of the State Bank is an amendment to the Act requiring it to report to Parliament through the Auditor-General.

This is by no means a criticism of the bank's private auditors. It can easily be arranged. The Auditor-General can appoint a private auditor, as he does from time to time, and there is no reason why that auditor should not be the present auditor of the State Bank. But, without that security, the people of South Australia have little or no means of ensuring proper accountability. It is a reform that should be put into effect at the earliest opportunity. In my opinion, many other reforms should be made to the State Bank Act which, we must remember, was passed in a regulated banking environment. The present directors are operating in an unregulated banking environment, and that is a critical difference.

It is interesting to note, in the light of the recently released annual report of the bank's wholly owned subsidiary, Beneficial Finance, and of reports in the *Advertiser* suggesting that both institutions are struggling to recoup money invested in projects in Queensland, Melbourne and Adelaide which could total about \$400 million, that this Parliament has no way of keeping proper track of those decisions.

There is no doubt that the State Bank has made remarkable progress in increasing its profits, especially in the years 1985 to 1989. During that time, it almost doubled its assets, but its operations are highly geared and it has a ratio of debt to capital and risk-weighted assets of 10:1. This does not appear to concern the directors, but I believe it should concern this Parliament. I stress that the Government seems to find this quite acceptable. The Premier dodges a question whenever he can, but the fact is that, given the Premier's apparent willingness to duck and weave and dodge the issues, there is no real accountability to Parliament. I repeat: any attempt to weaken accountability to Parliament is detrimental to the public interest, and we should address ourselves to that question as a matter of urgency.

I conclude my remarks by looking at the overall recurrent and capital receipts and payments of the Consolidated Account of the Government of South Australia over the past decade. I point out that, as a percentage of total receipts, State taxation has risen from 23 per cent in 1979-80 to 28 per cent last year. The Commonwealth contribution to this State, mainly in the form of tied grants, is still 50 per cent, which gives the Commonwealth enormous power over the way we establish our priorities and deliver our services. In that time, the health budget, which in 1979-80 took up 12 per cent of the State budget, has now leapt to 20 per cent of the State budget, in line with the ageing of the population and increasing technology in medicine. Also the education budget has been reduced from 30 per cent as a proportion of the State budget to 27 per cent in the last financial year—that is not the current financial year. These figures show trends which—

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

**The Hon. D.C. WOTTON (Heysen):** I recall that at this time last year when I took part in this debate I said that the Government was out of touch with the general community, with the business community, with those who would employ and those who would be employed. If I thought that was a problem last year, I would have to say that the problem is much more significant this year than has previously been the case.

There is no doubt at all that we have at present a Government which is out of touch with what is happening in the general community. It is a tired Government, and that was very obvious at the opening of this session of Parliament. It was obvious that very little new initiative was being shown by the Government by way of legislation or anything else. I do not want to see a whole heap of new legislation introduced. I would be very happy if occasionally a Bill was introduced to repeal unnecessary legislation. I am sure that many statutes are no longer needed and could be repealed, and it would be totally appropriate if that occurred.

I often wonder what happened in that regard. A couple of years ago a special task force was established by the Government to look into legislation that was no longer necessary and could be repealed. This matter was being looked at at the same time as the deregulation committee was considering the report that was brought down earlier on that subject. That seems to have faded away. I am certainly not suggesting that we should look at introducing more legislation. However, no new initiatives are being shown, and for that reason the Government is seen to be very tired and lacking any enthusiasm at all.

I think that that is reflected in the current Cabinet. Recently when I have taken deputations to meet various Ministers, I have been appalled at the 'couldn't care' attitude that has been expressed by a number of them to my constituents and others who have particular problems that need to be addressed. It is quite obvious that on a number of occasions the Ministers have adopted the attitude that they were not really interested in those concerns. We have a Government that is out of touch and is very tired. That is a great pity—but it is more than a pity: I think it is a disaster for this State.

We also have a sneaky Government, and that probably worries me more than anything else. Fortunately, I believe that people are starting to recognise that; people are starting to understand the underhand way in which this Government is going about its business. For example, one has only to see the sneaky way in which so many increases were introduced by way of the *Government Gazette* before the budget was brought down—some 500 increases that people would find out about only if they read that document. I venture to say that a very small minority of people in this State would read the *Government Gazette*, and people will not know about these increases until they receive accounts for relevant Government services. I think that that is a very real concern to many people. Expiation fees have already been mentioned in this debate, and I believe that the way in which they were introduced was sneaky.

Recently I have had the opportunity to attend and address a number of public meetings that have been held in my electorate where significant concern has been expressed about law and order, community protection, and a need for more emphasis and higher priority to be given to crime prevention. That is just not happening.

*Members interjecting:*

**The Hon. D.C. WOTTON:** Members opposite can grizzle and groan. Perhaps they are so much out of touch with their own electorates that they do not know what is occur-

ring in them. My electorate premises in the main streets of Stirling and Mount Barker, for example, have been broken into four times in one year. Obviously, according to members opposite, they are not being told about these sorts of things. They do not know that this is happening. Certainly, there is a need for a higher priority to be given to crime prevention in this State. One only needs to talk to members of the Police Force to recognise that.

Receipts for expiation fees are expected to increase from \$10 million to \$23 million. I think that that is a sneaky way to increase revenue, and I believe that the majority of people in the community feel the same way. When I attend public meetings where that concern is expressed and am able to relate to people what we have now learned through the budget papers—that there is an anticipated increase in receipts of some \$13 million or \$14 million from expiation fees—considerable concern is expressed about that matter.

One of my many other concerns is in regard to the recommendations of the Hudson report. I know that we will have the opportunity to debate at a later stage the legislation that will put in place many of the recommendations of that report, but I am concerned about the extra fees that will be charged for those who own properties of greater value than \$100 000. They will not receive a drop more water as a result of it and, as far as I am concerned, it is nothing more than a wealth tax or land tax.

If the Minister at the table, who is responsible for that portfolio, is able to convince me otherwise, she had better start trying, because when this legislation is introduced the people of this State will realise just what this Government is on about. I would not mind—and I am sure that the majority of people in the community would not mind—paying extra if it meant that we would receive something in return, as many people have worked and saved to improve their properties significantly. All those people will be hit as a result of these recommendations and as a result of this extra charge on a property worth over \$100 000.

*An honourable member interjecting.*

**The Hon. D.C. WOTTON:** The honourable member says, 'What about those who will pay less?' Let us just see. That has been flagged by members opposite as something that will come out of these recommendations, that there will be people who will pay less. I will eat my words if that is the case, but I doubt it very much. I will continue to refer to it as a wealth tax or land tax, and I am sure that the majority of people in the community also see it that way.

The lack of incentive to employ is a matter which has been raised on a number of occasions during this debate. I am sickened by the number of people who come into my office and say that they would like to employ more people but that there is no incentive for them to do so. It is not just a matter of no incentive: it is just too hard to employ people. Again, if members opposite are not getting that message, they are out of touch with what is going on in the business world.

There is no doubt that at present there are many employers who would try to employ more people if there were some incentive for them to do so instead of the disincentive that is there currently. If members opposite do not recognise that, I feel sorry for those who want to employ people in their electorates. The same applies to those who want to be employed and who want to work harder. I do not know how many members on the other side have children now going out to work. I am in that position. One of my children is starting work for the first time. I have found it interesting just sitting around the table talking to him and listening to some of his concerns. Only a week or so ago he said that his boss had asked him to work on Saturday morning and

he responded by saying that it was not really worth his while.

*Members interjecting:*

**The Hon. D.C. WOTTON:** Unfortunately, that is the attitude of a lot of young people as a result of the Government's policies. I have tried to talk to my son about this situation, but the fact is that he has determined for himself, after having talked to management, that if he goes to work from 7.30 a.m. to 11.30 a.m. on a Saturday he earns an extra \$11 for a full morning's work. There is certainly no incentive for anyone to work harder. I hear that all the time, and I would be very surprised if members opposite were not getting that message also. Certainly, at this stage there is absolutely no incentive whatsoever for anyone to work harder. While we have no incentive there is no way that this State or this community will experience any positive outcome.

Much has been said during this debate about the promises that were made prior to the last election in relation to keeping taxes and charges down and in relation to a number of other areas. I think that all members—certainly those on this side of the House—are aware of the many promises that were made as election gimmicks. Of course, one of those promises was the provision of free transport for students. I found it interesting that when this policy was announced we were told that it would cost the people of South Australia about \$7 million to provide that service. Not very much later we heard that that cost would increase from \$7 million to \$25 million.

I have some concerns about that policy. I have had a fair number of representations from people in my electorate expressing all sorts of concerns about the fact that they do not know exactly where their younger children are. While there is some gratitude for part of this policy, there are other areas in which a lot of misunderstanding and concern have been expressed. That policy was just one of the gimmicks introduced before the election as a vote-grabbing exercise. As time goes by, as a result of the implications of this budget, many other areas will be identified where election promises have been broken.

I now turn to the major tax raising measures which have been introduced in this budget and which have been referred to previously. Payroll tax has been increased from 5 per cent to 6.25 per cent. If ever there was a disincentive to employ, that tax is it. Financial Institutions Duty has been increased from 4 cents per \$100 to 9.5 cents per \$100. That fact has been referred to on a number of occasions. I can remember very clearly the debate that took place when the FID was introduced in this Parliament.

We heard all sorts of things about it—that it would be only a minor tax and would not have any impact. People can look back on that debate now and realise how misled we were at that time. FID has risen from 4c per \$100 to 9.5c; stamp duty on compulsory third party insurance has increased from 5 per cent to 8 per cent; and primary producer motor registration concessions will cease. I happened to mention that at a meeting in my electorate the other day at which a number of primary producers were in attendance. I would not like to repeat what some of the primary producers said at that meeting. Certainly, we have not seen flashed up in lights that that initiative is to be removed. I would have thought that if the Government really knew the problems that our primary producers have, it would be about the worst time it could introduce such a measure.

Land tax is up by \$8.1 million or 11.3 per cent; return from lotteries is up by \$11.6 million or 17.4 per cent; payroll tax is up \$76.2 million or 19.3 per cent; FID is up by \$59.7 million or 121 per cent; stamp duty is up by \$24.7 million

or 7.9 per cent; tobacco excise—and I do not have much problem with that and share the concern of the member for Coles—is up \$28.3 million or 51.3 per cent; and the SGIC contribution is up \$7.3 million or 57.9 per cent.

Those figures spell out very clearly the effect that this budget will have on the people of South Australia at a time when they can ill afford any increases at all in Government charges or taxes. In fact, the promises made before the last election that there would be no increases in such taxes and charges have been broken, and it is only now that the South Australian community can recognise the significance of those broken promises.

**Mr MATTHEW (Bright):** I wish to examine in particular defects in the Government's budgetary strategy, the Government's lack of control over expenditure, areas of Government waste, areas of impost of taxation measures and poor targeting of funds for Government-funded projects. We have heard considerable rhetoric from the Premier both in this place and via the media as he desperately tried to blame the poor old Hawke Government for his budget blow-out prior to delivering the budget document in this place. I can well understand why the Premier did not mind attempting to fling a little bit of mud at his counterparts in Canberra in a bid to build up his ailing political fortunes in this State for, after all, the Federal Government already looks like a defeated political Party. The next Federal election will simply be a formality. The result is almost a foregone conclusion. Dr John Hewson will be the next Prime Minister of Australia, so a little more mud heaped on an ailing Federal Government will not really make any difference. After all, it is almost dead and buried now.

The Premier's thinly veiled attempt to deceive South Australians has failed. He has been exposed both in this place by members on this side of the House and in the media. Now that the budget documents have been revealed, the full truth is able to be dealt with. While the Premier has continued to blame Canberra for the State's budgetary situation, a number of key revenue figures indicate that the difficulties are substantially home-grown. We have seen revenue from the State Bank, for example, plummet from \$17.2 million in 1989-90 to zero—absolutely no contribution at all—in 1990-91.

We have seen interest on investments drop by \$20 million. We have seen the contribution from the Public Trustee's funds drop by \$5.2 million and we have seen the contribution from SAFA drop by a whopping \$115 million. How has the Premier chosen to cover these other shortfalls? I guess the average man in the street would say, 'Surely by tightening his belt, by controlling spending.' After all, that is what the average man in the street does to make his family budget stretch. It is only reasonable that we should expect the Premier to do the same thing. But no, not so. The Premier did not take this option.

Sure, he made a lot of noise about it. After all there is a public perception to be created, an image to keep. A wonderful piece of media engineering was undertaken to create front page headlines and give the impression that the member for Whyalla is to head a razor gang for South Australia. In the *Advertiser* of Thursday 23 August 1990 the headline read 'Departments risk axe in \$50 million cuts'. Underneath this headline was a cartoon caricature of none other than the member for Whyalla sharpening a knife. What a fitting person to head a razor gang. After all, the member for Whyalla, in a blaze of media publicity, has called for cuts to the State's Public Service. I recall a figure of some 15 000 staff being mentioned. It will be interesting, indeed, to see

the sort of cuts that the member for Whyalla leads in his razor gang.

Whether or not the member for Whyalla is able to lead a group to constructively suggest much needed changes to Government structures remains to be seen. During Question Time in this place I have observed that the honourable member is long on rhetoric, short on fact, evades the issue and goes around in circles. So, regrettably, I do not hold much hope for any results from this committee.

That leaves the Premier with his budgetary problems. To cover this revenue shortfall the Premier has simply done what he does best: kick everyone in the guts and ripped more tax from their pockets when they are down. Taxes have been increased by \$140 million and capital outlays have been cut yet again. But, despite these moves, the Premier was still left with a financing requirement of \$260 million—a whopping 44 per cent increase on the 1989-90 financial year. How did he get around this? He simply borrowed \$270 million to give a so-called 'surplus' of \$10 million.

With this sort of accounting practice I do not know where this State is heading. The family man is scratching his head. I guess he has this option open to him: he can continue using his credit cards and live beyond his means instead of tightening his belt. That is one option open to him but, of course, if the family man gets caught in this spiral we know what happens to him. The inevitable happens. The banks will stop his cash flow and he will be given budgetary counselling. If we apply the same sort of analogy to this situation, perhaps the Government needs budgetary counselling. Certainly, I can assure members that it is much needed. In fact, there will be plenty of counselling from this side of the House, from the media and from financial experts as to what this Government should be doing in this place.

Let us look at some of the tax rip-offs that have been instigated by the Premier. Total tax receipts are estimated to increase from \$1.284 million to \$1.388 million. On the surface, that looks like an increase of only 8 per cent; a fairly modest increase, or is it? The major contributors to this increase are land tax, which is up \$8.1 million or 11.3 per cent; lotteries up \$11.6 million or 17.4 per cent; payroll tax up \$76.2 million or 19.3 per cent; FID up \$59.7 million or a whopping 121 per cent. Of course, according to the member for Whyalla earlier today, that is a good tax. According to the honourable member there is nothing wrong with FID. He wants us to forget about the effect it has on small businesses and farmers. After all, if they have money going through the bank, according to the honourable member, surely they can afford it. We have also seen stamp duty up \$24.7 million or 7.9 per cent; tobacco excise up \$28.3 million or 51.3 per cent; and SGIC up \$7.3 million or 57.9 per cent. So much for the Premier's hollow promise prior to the last State election that State taxes and charges would not increase by more than the rate of inflation.

Let us look at those tax receipts even a little closer. I note that drivers licence and vehicle registration fees do not appear in the table of recurrent taxation receipts because, we are told, these moneys will be paid into the Highways Fund rather than into Consolidated Account. In 1989-90 these tax receipts amounted to \$110.9 million. The budget documents show that this figure will increase by 9.6 per cent; in other words, \$121.5 million is expected to be derived from this tax.

If we look at this \$121.5 million in tax derived from drivers licence and vehicle registration fees, and add it to the taxation receipts, we find that the Government is raking in a real total of \$1 509.5 million in taxes. In all, this

amounts to a total tax increase of \$225.5 million, or 17.6 per cent. Certainly, 17.6 per cent is above the current rate of inflation. The Premier's pre-election promise rings even more hollow, unless he knows something that we do not. Perhaps the Federal Government is coming up with some wonderful new economic strategy to give Australia an inflation rate that equals 17.6 per cent or more.

Is that what members opposite want to see, so that their hollow rhetoric before the State election can be realised? Does the Government think that the general public is stupid? The Government lacks credibility—it has no credibility left at all. Where are all these extra taxes going? Certainly, they are not going into the new Noarlunga Hospital. Today, the shadow Minister told this place of staff being employed at this new hospital, with no patients expected until April 1991. To the embarrassment of the Minister of Health, this hospital is in the Minister's own electorate. Are members opposite going to defend this as well?

*Members interjecting:*

**Mr MATTHEW:** What a dreadful waste of money. Perhaps members opposite did not listen to the question. Perhaps tonight they should have watched snippets from the 7.30 Report or the news, and they would have seen the shadow Minister of Health perform ably and highlight the dreadful waste occurring in this area. Perhaps these funds could be used to build the third arterial road. Surely that is a project on which funds could be spent. The House should remember that, courtesy of the Premier, the Government is siphoning off \$121.5 million into the Highways Fund.

The third arterial road seems an eminently sensible project for this money to be spent on. After all, the project has been promised and delayed, delayed and promised, promised again and further delayed and still there is no action. We are told that it is now two, three or, who knows, maybe four years away. In the meantime traffic chaos reigns supreme in the south. In the next 10 years we will see about 19 000 more residents in the area of Seaford. How will they travel? Of course, via Lonsdale Road to Brighton Road or via South Road, but no new arterial road is in sight; and no new public transport is in sight.

We should forget about the infrastructure and go merrily ahead as this Government does, reacting to everything in a knee-jerk fashion. I have seen no example of planning at all from the other side of the House. Certainly, money has not been allocated for any roadworks this financial year. I refer to another interesting aspect of the budget, that is, the paltry \$6.4 million allocated to southern roadworks. That sum reflects the sad state of neglect of the south by the Government. This is shown especially when compared with the healthier figure of \$23 million spent on northern roadworks. The \$6.4 million looks even more paltry if we compare it against the expected \$81.4 million in State Government petrol tax that is expected to be collected in the 1990-91 financial year.

For the benefit of Government members opposite I repeat that figure: the State Government expects to collect a total of \$81.4 million in petrol tax, but will spend only a paltry \$6.4 million on southern roads. I am glad that the member for Mawson is in the House tonight. I would be surprised if she does not share my concern about this matter as well. She is supposed to be a southern districts representative and it is her electorate as well that suffers through this sad neglect of southern roads, through this paltry example of Government spending on roads and poor Government planning. What an absolute disgrace.

It is an even greater disgrace when we look again at the Government rake-off from driver's licence and motor vehicle registration fees, and I will repeat that figure: \$121.5

million. Yet the Government is to spend a paltry \$6.4 million on southern roads. Southern residents are taxpayers, too, and no doubt they will remind Government members of that at the next election when members opposite will be forced to sit on these benches in their rightful place in Opposition. It will be their rightful reward for this disgraceful example of neglect that they have set before the people of this State.

What is the Government doing with the money? Is it storing it away? Is it building up a nest egg for the next election, ready for a flurry of spending, plenty of give-aways, tax cuts, bribes, new roads and schools for all, perhaps? Maybe it is to be used for the MFP infrastructure. It looks like that that project will need a bit of propping up. Maybe that is why the Government is storing away the money, squirrelling it away, hiding it where no-one can find it. This Government is famous for its squandering of taxpayers' hard-earned dollars.

Let us look at some of those areas of waste in detail. One that keeps coming up time and time again is the State Clothing Corporation. The good old State Clothing Corporation, a favourite of the member for Whyalla, who by some strange coincidence happens to be the Finance Minister and is heading up the Government's so-called razor gang. If ever there was a candidate for the chop, it has to be the State Clothing Corporation.

Yet again, it has run at a loss. This time it made an operating loss of \$591 000. That is \$591 000 of taxpayers' money, taxpayers' money that is being used to prop up a favourite of the member for Whyalla in his own electorate. Clearly, this operation must be shut down. That is the only answer for the State Clothing Corporation. Members on this side of the House have been telling that to members opposite for years and years and years, but still they continue to waste money through loss after loss after loss.

Of course, I cannot mention loss of taxpayers' money without talking about the South Australian Timber Corporation. Members opposite will probably tell me that it made a profit this time. Yes, it did, it made \$700 000. That may be so, but that does not change the fact that, as at 30 June 1990, the accumulated losses for the South Australian Timber Corporation stood at \$14.8 million. That is a staggering \$14.8 million of taxpayers' money wasted, squandered, by this Government. That money could have been used to open the southern hospital that is such an embarrassment to the Government today.

With my background, I cannot disappoint members opposite by not mentioning Government computing projects. The budget documents allocate an additional \$7 million for the acquisition of hardware and systems development for the Justice Information System. I note also that a further \$1.7 million has been allocated for the continued implementation of the courts computing information systems which were originally part of the Justice Information System. To complete the trilogy, we also have the Motor Registration Division computer because that system, too, was to be part of the Justice Information System project. I will get back to that in a minute.

This financial year alone, almost \$20 million of capital spending has been identified to purchase computer equipment. I do not mind seeing money allocated to purchase computer equipment if it is a well coordinated and constructive purchase of equipment and software but, when it comes to computing, this Government would not know what the words 'well coordinated' and 'constructive' mean. Believe me, I know. I have seen it from the inside. The disgraceful things that I witnessed were part of my reasons for running

for Parliament, in a bid to try to influence this Government to look at its spending on computers in a little more detail.

The Government's approach to computerisation has been absolutely disgraceful and, year after year, the Auditor-General has tried to get that message across to members opposite. In fact, he has given rise to suggestions over the past couple of years that there be an independent review in order to determine whether there is a need for a change of direction in the information technology strategy for the public sector. In making those suggestions, the Auditor-General referred to two main factors:

Advances in technology and the associated benefits to be gained therefrom; and the need to redefine the role of State Computing as a central bureau given that some larger agencies are using in-house data processing facilities while others are utilising the State Computing facilities.

In other words, he is saying that chaos reigns supreme. We have a State Government Computing Centre which is supposed to coordinate Government computing projects, and we have Government departments which are willy-nilly purchasing computer equipment all over the place and the run is really on come the end of the financial year. I have witnessed Government departments looking at the end of the financial year nearing and saying, 'We have \$60 000 or \$100 000. What are we going to do with it?' Last year the fashion was to buy lap top computers. That soaks up the money really fast.

They do not think what they will use them for before they spend the money; they buy the stuff and when they get it they scratch their heads and say, 'What are we going to do with it?' They do not know what to do with it, so they then spend more money hiring consultants to work out what to do with that computer equipment. Then the consultants tell them that they have got it wrong, that they have bought the wrong computer equipment. So they try to hide it; they buy add-ons and increase the size and capacity of the computer equipment. They ignore what the consultants say. They dig a deeper hole for themselves and hope to get away with it. They did not get away with it with the Motor Registration Division computer.

Two years ago I witnessed a consultant's report saying that the Motor Registration Division computer would fall flat on its face from day one. What happened? The bureaucrats hid it. Indeed, the Minister may not even be aware that that report existed. It could well be that the bureaucrats did not tell him. They have probably taken him to be a fool, but I do not know. I am only guessing at what they might have thought at the time. Indeed, it was said that that computer would fall flat on its face, and fall flat, by heck, it did.

Then what did they do? They borrowed a computer from somewhere else. But they did not tell people from where they got it; it just came from 'another Government department'. It did not take too much intellect to work out which other Government department it would have come from. After all, it was a Fujitsu mainframe computer. Only a small number of departments use those mainframe computers, and only one has two, and that is the Justice Information System, so clearly it had to come from there. After making a few small inquiries, surprise, surprise, yes, it did come from there. What did they do to bring about that swap-over? They had to go through the process of unloading the programs from the computer at the Justice Information System, doing the same thing at the Motor Registration Division, getting technicians to move the equipment from one site to the other, and load the programs again. What did they then do at the Motor Registration Division? They got it wrong again. They did not test their systems yet again. They failed to meet the basic prerequisites of good systems

development. They ran the gauntlet, they got it wrong, and we had bulk motor registrations issued to people.

**The Hon. R.J. GREGORY (Minister of Labour):** I move:

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

Motion carried.

**The Hon. T.H. HEMMINGS (Napier):** When I first came into this House many years ago I received some sound advice from one of the great men of politics, a man who eventually became the Premier of this State, the Hon. Des Corcoran. He always used to say to me, 'If you have something to say, say it without frills and without padding.' In his view, all good speeches should take no longer than 45 minutes. Today, the Leader of the Opposition gave this House his panacea for good government, and it took about two hours and 10 minutes. But, strip it of the padding, take away the frills and the badly delivered jokes, and what did we get? We got 11 minutes of stolen ideas from the Premier of New South Wales, Nick Greiner, and some badly sort of conjured up views of the Federal Leader of the Opposition, Dr John Hewson. Yet, most members opposite this afternoon and this evening have been fulsome in their praise of the Leader of the Opposition. We heard phrases such as 'a most telling contribution', 'the most researched document' they have ever heard, 'exemplary work' and, from my friend the member for Alexandra, 'a most comprehensive and researched document'. I do not know what the deal is over there because this is the first time in the 13 years—

*The Hon. Ted Chapman interjecting:*

**The Hon. T.H. HEMMINGS:** No, I will deal with the member for Alexandra later. In all my years, I have heard some pretty good contributions from various Leaders of the Opposition, in particular from Senator John Olsen when he was Leader, but I have never heard the kind of praise that we heard after the present Leader gave us his boring two hours and ten minutes. I know that the member for Alexandra is his own man and would not be party to any deal such as, 'You scratch my back, comrade; I will scratch yours'. I have my doubts about the members for Bragg, Chaffey and Murray-Mallee and all the others who have been sucking up to their Leader.

I accept that the words of the Leader of the Opposition were not his own: they were from the pen of Mr Ren DeGaris, but, as Leader, as soon as he stands up in this place and utters those words, he takes responsibility for them. May I say, perhaps unkindly, they were as dated as is the Hon. Ren DeGaris himself.

Let us look at the comments on a consumption tax, which my colleague the member for Henley Beach covered quite adequately. If we hear all this fulsome praise from members opposite, I take it that the Liberal Party at State level has completely endorsed and adopted a consumption tax as part of its policy for the next State election. I know that the member for Flinders has stood up and quite publicly confessed to the House that he has doubts about whether there would be any value in a consumption tax. Not once did we hear from the Leader of the Opposition that any form of compensation would be delivered to the people in the farming communities or those at the lower end of the socio-economic scale in South Australia. There was not one word from the Leader of the Opposition in that regard, and he cannot say that he did not have the time because, Sir, as you well know, two hours and ten minutes is an astronomical time especially when the speech is delivered from the lips of the Leader of the Opposition.

What did we hear from the member for Bragg? The member for Bragg made the startling admission that he

could not understand the budget papers. Despite ringing Treasury and talking to the Under Treasurer, he could not understand the budget papers. Yet, from his own lips we heard that he is a successful businessman. I have no doubt that he is a successful businessman, but I can understand the budget papers and I know that other members on this side understand them. Yet, the member for Bragg, who tells us also that he is a very good accountant, could not understand them. It is not my problem and it is not the Government's problem if the member for Bragg cannot understand the budget papers. I hope that he again rings the Under Treasurer to get another briefing, so that during the Estimates Committees, perhaps with that newfound information, he can ask the Premier or the Minister of Finance pertinent questions.

I remind members—and perhaps new members on both sides of the House need to know—what the Estimates Committees are all about, because I very much doubt that this year we will hear anything better than we have heard in the past. For 10 hours each day a Minister appears before the Estimates Committees waiting for pertinent questions on their portfolios, on the budget and on the performance papers in relation to how they are going to run this State for the next year. What do we get? We get nothing.

Let me give two examples that remain in my memory and will until the day they put me six feet under. I refer to the member for Hanson, who is no dill: he is quite an intelligent man. He asked me two questions when I was a Minister: first, he asked me how many bolts were in the roof of the Adelaide Remand Centre. Great stuff! I must confess, I did not know. The second question was in relation to the West Terrace Cemetery, which was receiving publicity from members of the Opposition. He wanted to know how many wheelbarrows were in use at the West Terrace Cemetery. That is the kind of approach that members opposite have to the important areas of budgetary control and performance of this Government.

From what we have heard so far one would have thought that there would be something in the budget that was worth some form of mild praise, albeit given grudgingly. Two members opposite have admitted—and I am sure that some retribution will come in their Party room—that they support the increase in the rate of duty on cigarettes to 50 per cent, and I accept that.

I believe that there are some very good things about this budget, and for the rest of my time I will talk about them. I represent an electorate in which, in a good election year, roughly three out of four people vote Labor. That is not a bad result and, if anyone on either side of the House (and I say this to some of my colleagues in more marginal seats) thinks that representing an electorate like that is all beer and skittles, they have rocks in their heads. Some of the people I represent, and some of the people you represent, Mr Speaker, have horrendous problems. It is in this area that the Government has recognised those problems, and I refer to the social justice strategy.

In 1987, when the social justice strategy was implemented it quickly became clear to this Government that any meaningful redistribution of resources would require adaptation of the budgetary processes of Government. This has occurred over the past three years with increasing effects. When I hear members opposite complain about the financial institutions duty it reinforces my view that those at the lower end of the socioeconomic scale have no place in the sun as far as the Liberal Party is concerned. I assure members opposite that, when there was that dramatic increase in financial institutions duty, there were no mass demonstrations in my electorate, nor will there be because, as the

Minister of Finance quite correctly said today, it is the most progressive tax that any Government can introduce. I remind members that the financial institutions duty is in place in all States and federally, and all Parliaments know that it is a progressive tax.

I was pleased to note, when I looked through the budget papers, that despite a very tight budgetary climate a feature of this year's budget was again a significant emphasis on social justice with a \$21 million package of further measures comprising \$11.3 million of new recurrent initiatives and \$9.8 million of capital projects. The Government should be congratulated on that initiative in relation to social justice. I thoroughly recommend the document 'The Budget and the Social Justice Strategy 1990-91' because it tells a very good story about what the Government is doing.

I am a realist; I realise that there are some aspects of the budget that the Liberal Party does not like, and I accept that. There are some parts of the Federal budget that I, as an individual, have problems with. But that is the way it goes. That is part of the political process. However, I would like to see some recognition by the Opposition that, in the area of social justice, we are getting it partly right or completely right. But, for goodness sake, do not say that we are doing nothing because, if members opposite say that, I can come to only one conclusion: that there is no area in Liberal Party philosophy for those who, through no fault of their own, are at the lower end of the socioeconomic scale.

One has to look only at the demographic trends. This is not the fault of political Parties, either Labor or Liberal, but the result of demographic trends in this State. The social justice document refers to:

- the ageing of the population, which is more pronounced in South Australian than the other States;

We cannot be blamed for people getting old. The document continues:

- diminishing household size, including more people living alone, more single parent families and more couples without children;
- a rate of population growth lower than the national average due to a relatively low birth rate and share of overseas migration;
- an Aboriginal population which is one of the most disadvantaged groups in society, experiencing poorer health, lower life expectancy, higher rates of unemployment, lower incomes, higher rates of imprisonment and poorer educational outcomes than the general population;
- a disproportionate number of families experiencing multiple disadvantage in several suburbs in the metropolitan area, significantly Elizabeth, the Parks, Hindmarsh, Thebarton and parts of Enfield and Port Adelaide; and
- an estimated 15 per cent of South Australians with disabilities, similar to the national levels, with almost 91 per cent of disabled people in private residential accommodation.

If one were a student of South Australian history, one would find that that was a result of the way in which the State had been developed. The document states:

In metropolitan Adelaide, distinctions have existed across suburbs since the time of European settlement, with suburbs to the north and west of the metropolitan area comprising largely low income families, while the more affluent have concentrated in the eastern and south-eastern suburbs, the Adelaide foothills and sections of the metropolitan coastline. This pattern is overlaid by marked distinctions between inner, middle and outer suburbs.

Perhaps that reference shows why members opposite have little concern for the people in the northern or western suburbs. I do not mind that: they look after their own. But let them not knock this Government when, through positive action since 1987, it has taken steps to overcome the problems of the locational disadvantage that exists in this State. It is in the area of locational disadvantage that I want to applaud the Government. I make no bones about it: this Government is not in the pork-barrelling business, but it is in the area of locational disadvantage that the people of



Elizabeth and Munno Para will benefit as a result of this and future budgets as we go into the mid-1990s.

In the metropolitan area, the local government areas of Elizabeth, Munno Para, Enfield, Hindmarsh, Port Adelaide and Thebarton fall into the cluster of lower socioeconomic status. However, in recent years a number of Government-assisted redevelopment programs have been introduced which have impacted on north-western and western suburbs in the areas of Enfield, Hindmarsh, Port Adelaide and Thebarton, and I do not take that away from the local members who have been pushing that particular barrow and asking the Government to spend some money.

However, now it is the time for the residents of Munno Para and Elizabeth. It is in this area that the State's social justice priorities for 1990-91 include an emphasis on issues of locational disadvantage, focusing in the first instance on the Elizabeth and Munno Para communities and the immediate surrounding areas, on the basis of a broad range of indicators of social and economic disadvantage.

I know that two members opposite (the members for Alexandra and Heysen), in their role as members of the Public Works Committee, have made trips into the northern suburbs. I congratulate the members of the committee for exercising compassion in the way in which they have urged the Government to proceed quickly with capital works programs in those areas. There is more to be done, but it is not just a question of spending millions of dollars in those areas, because that is not the answer. That is, in effect, a bandaid.

What we must do, in partnership with local government and with the community, is obtain a sense of community spirit. We must turn the whole thing around so that we can give people back their dignity and self-respect. That will be a long, hard job, and I do not resilie from that. I realise that we cannot change things overnight, but I know that, with the commitment of this Government of which I am proud to be a member, we are making the effort. At least the Government is doing something about social justice.

I should like to think that in just this one 20-minute speech that I have made I have touched even one member opposite who is yet to participate in this budget debate and shown that there is a place in the sun for those people at the lower end of the scale.

There is a place in the sun for the black population of this State; there is a place in the sun for single mothers; and there is a place in the sun for people from the ethnic minorities. But let them have the courage to stand up and say it. That is one of the things that worries me. There are a lot of individuals on the other side of the House for whom I have a lot of respect. However, I would like to think that those whom I respect as individuals would reflect some of the social philosophies that this Government espouses in the area of social justice so that we can all think that we are trying to do something for the people of the northern suburbs. As I said, I look forward to hearing some of the contributions from the other side in relation to this matter, but I think that what I have said this evening has fallen on deaf ears.

**Mr BLACKER (Flinders):** I believe that, whether by design or by accident, this budget is anti-business and anti-country. I will quantify that a little in speaking to some of the issues that have come forward in this budget and in so doing tell the House how I believe it is anti-country. Every issue that has been raised in this House has been anti-business. The FID, the payroll tax and stamp duty increases are all disincentives to any potential employer wishing to employ but

who, because of all these extra charges, lacks the ability and the confidence to do so.

In addition, each of those businesses servicing the primary production sector or in a main industry has the same problem. Therefore, every time a business charge is imposed, it is compounded as it goes down the line. That takes its toll. I have mentioned on many occasions in this House the great potential of rural areas to employ if given half a chance and if given any sort of incentive at all. I do not know how one can put this in the right words, other than to say that the Government has embarked on an issue that is anti-business, and whether that is by design or by accident only time will tell. Some would say that it is by design.

I would like to draw members' attention to pages 36 and 37 of a budget document 'Economic Conditions and the Budget 1990-91'. It is rather ironical that, in talking about the manufacturing sector, it states:

South Australia is expected to gain \$500 million worth of work and 1 400 jobs during the 10-year construction phase of the ANZAC frigates project and a further \$1 500 million during the 30 year life of the ships.

I will try to put that in some sort of context. On the opposite page of the same document, reference is made to rural industries, and we see that, in 1989-90, crops alone were valued at \$1 539.5 million. In addition to that, we have livestock slaughtering and other disposals such as cattle, sheep, pigs, and so on. The gross value of agricultural commodities produced in South Australia in 1989-90 was \$2 616.9 million.

If we add to that the fisheries component, in reality we have a production factor that is double in one year what is expected in the 30-year lifespan of the ANZAC frigates project. I am trying to say to the House that those country areas should not be ignored, because they have the best potential to be able to provide employment, export income and cash flow if they are given half a chance and some incentives to be able to put that into effect. In the statement on rural industries, the Premier (or the author of this document if it is not he) provides some details and statistics. The statement makes reference to the floor price of wool being lowered from 860c per kilogram clean (and I am sure that is a typographical error and should read 870c) to 700c. What is not mentioned is the voluntary contribution by the industry in committing 18 per cent of the wool clip to the promotion of the product.

I am unaware of any other industry that would come to its own defence in such a significant way as the wool industry has done on this occasion. The Government should not discount that because, if we asked any other industry, be it the motor industry, the shipping industry, the transport industry or even just the employees, to take an 18 per cent cut in their gross income in the interests of looking after their own industry and their own jobs, I am sure there would be a marked attitudinal change to the thinking of so many people. The 18 per cent wool levy is not mentioned in this document, but it will play havoc with the State's cash flow. I say 'havoc' because I know that many of the farmers who have already shorn their sheep this year and have sold their wool in the first or second sale have found that their gross cheque from that wool is between 35 and 45 per cent less than it was last year.

Also, we have just been advised that the estimated returns for wheat for this coming harvest are expected to be \$40 per tonne less than last season. If we add to that what is projected to be a reduction in the price of barley (it is hoped nowhere near as significant as I have just mentioned), we could be looking at farmers' gross income being reduced by almost 50 per cent. These figures I have just quoted to the House would pale into insignificance if that were so, but

even if it were 50 per cent, the return to this State in one year would be equivalent to that of the ANZAC project over 30 years, so let us try to keep the issues in their correct perspective. I know it is not a practical situation, but I am confident that, in reality, if we get the primary industries back on their feet as they were 25 to 30 years ago, we would solve without question any employment problem that South Australia has at the moment. In fact, there would not be enough employees in South Australia to meet the demand that would occur.

Reference has been made by many members to various aspects of the budget and to whether or not one can read the budget documents. I freely admit that, with a 10cm stack of budget papers placed before us, it takes a lot of reading to understand or comprehend those documents. However, I will not be one to challenge across the Chamber who can or cannot understand the papers. The Auditor-General's Report, which was tabled today, mentions last year's figures and an accumulated deficit on the Consolidated Account as at 30 June 1990 of \$22 208 431.

What is not spelt out, although it is there for people to read, is that there was a deficit after borrowings of \$97 497 354. The question must then be asked: how does one interpret the annual performance of the Government when we had to borrow \$153 998 000 in order to come up with the small deficit of \$22 208 000? As a member just said, why did we not borrow \$200 million so that we could come up with a \$30 million surplus?

So what we then need to ask is: what is the significance of the borrowings that have been listed in statement A of the summary of the consolidated account because, as we would all know in our personal dealings, if we have to borrow money in order to pay the day-to-day expenditure for a year's business, we are going downhill very quickly. Just how fast are we going down that hill, and have we reached the point where it is an unmanageable situation?

The razor gang has been mentioned, and I am one who fully supports any move to cut waste or any unnecessary expenditure that has been going on. I believe that that should be curbed and that operations should be finetuned. I do not think that there would be a member in this House who does not agree. We then must weigh that up against the services we will lose and consider how many employees will be removed and from which areas those employees will be removed from the Public Service. Are they, in fact, the productive areas or are they an area of service that we would all like to have but really are not in a position to afford. I think there are many questions yet to be asked about the budget, and no doubt we will, on a daily basis, find out more of what goes on.

In the Premier's speech reference was made to motor registration fees, and I note that the member for Heysen mentioned this matter. When one reads the Premier's speech, the indications are that all concessions applying to primary industries and local government will no longer apply. On checking, I have found that that is not the case. It is not all concessions; it applies to all vehicles of up to two tonnes gross, so that the one tonne and the four-wheel drive utes that have traditionally been a farmer's workhorse will now no longer attract the primary producer concession and, of course, this applies also to local government. Having checked with my local council, I find that that one instance will cost the Lincoln City Council an extra \$5 300. If we multiply that by the number of councils in the State we realise that we are talking about a significant amount of money.

Why should the *bona fide* agricultural producers be penalised in such a way? This is one of the last straws for primary producers who have been battling to get out of an

economic malaise affecting them. I have referred on a number of occasions to the primary producers on Eyre Peninsula who have battled for a number of years during a series of droughts. (I am talking generally now because some did not have a good year but basically farmers on Eyre Peninsula had a very good year.) Most people when doing their budgets for the coming year in February could see some light at the end of the tunnel if they could have a reasonable year; if all other circumstances remained the same, they might stand some chance of continuing and gradually working their way out of the situation. However, who was to know that the wool industry would collapse in the way that it did in three short months? The budgets which were done in February/March were totally useless because by June the bankers were asking for other budgets and those budgets were then calculated on the basis of public debate that was taking place in relation to the wool industry.

Those budgets had to be revised and farmers had to make completely new managerial approaches to their businesses. Farmers were then faced with further cuts when wool prices came down. Not only did we have the lowering of the floor price but we also had the increase in the wool levy—the wool tax. One aspect not mentioned often relates to the lowering of the market value, discounted against the lowering of the floor price, and of course the wool tax.

As I said, for many that will be a 45 per cent drop in their wool income and, on top of that, there is the situation in relation to wheat and barley; and sheep are now absolutely worthless. Sheep have been taken to market 'off shears' but only a quarter of them can get to market: the rest are unsaleable. At this time local government is facing a big problem with the disposal of stock. I can cite for the House an example in the past two weeks involving a farmer trying to do everything right in disposing of unsaleable stock. He had 240 cast for age ewes that he could not sell—no-one wanted them. He could not give them away. What does one do with such stock? One cannot just cut their throats and leave them, because they have to be buried. However, health regulations require them to be buried with 2 metres of soil over the top.

Immediately we have the E&WS Department raising concern because the sheep cannot be buried in a water catchment or water table area. Much of Lower Eyre Peninsula is no longer available for the disposal of sheep in this way. Either the stock have their throat cut or they are slaughtered in some other way and then they have to be limed and covered. The trench to be dug has to be shored up and must be at least 3 metres deep. If you want 1 metre of sheep, there must be 2 metres of soil above. The Department of Labour and Industry comes in because the trench has to be shored up.

Little equipment is available to dig a trench big enough to drive in without getting a bulldozer in to push out a track. No-one has land available for that, and councils are starting to become worried about what they can do. I asked the Minister privately a week or 10 days ago whether an assessment of the situation could be made.

Some preliminary estimates suggest that 10 000 sheep will have to be destroyed, but I think it will be nearer 50 000 or 60 000 sheep unless there is a dramatic turnaround in stock markets and I cannot foresee that. Therefore, I believe that large numbers of sheep will have to be disposed of because they cannot be given away. People will not take them. Of course, lambing numbers have come on and the older sheep at the other end of the breeding cycle have to be disposed of in some way. That is just another problem, but it is a real problem facing the community today.

Another disincentive placed before country people by the Government is the Patient Assistance Travel Scheme. About a fortnight ago I spoke in this House about country health services and the Elliston Hospital. When the Government cuts back on country health services and makes it more difficult for hospitals to operate one would assume that there would be a corresponding balance whereby the Government would assist with travel arrangements so that people could get to medical services, particularly to specialist care.

I was very dismayed last week when I received a letter from the Health Commission advising that the Patient Assistance Travel Scheme will be curtailed. As from 1 October, travel costs incurred in the town where specialist treatment is received will no longer be reimbursed. In other words, no persons, pensioners or otherwise, will be reimbursed for their taxi fares, STA fares or around town car mileage. In addition, private accommodation in the homes of relatives and friends will no longer be reimbursed. It means that, if a person has to come to town for specialist treatment and has to stay with friends, that person will not be given any assistance, whether it be \$5 or \$10 a night.

Furthermore, clients who incur commercial accommodation expenses will be required to meet the first night's cost of qualifying for assistance. The advice from the Health Commission goes on to state that the effective savings of \$120 000 in 1991 and \$250 000 in subsequent years will be redirected to other high-priority health initiatives. What are the other high-priority health initiatives that are to supersede the requirement for country people to have access to specialist health services? I believe that, in issues such as this, the Government has its priorities wrong and it needs to review its position so that, as it claims, it can provide good quality health care to all persons, regardless of where they live.

**Mr MEIER (Goyder):** Recently, my attention was drawn to a comment in a primary industry newsletter of 27 August about the Federal budget, which stated:

Agriculture farming hardly got a mention in the budget speech even though it is going through one of the biggest downturns in recent history.

I would not have credited it, because that article could have been referring to the State budget. In the Federal budget, there was a single paragraph devoted to agriculture, and even that turned out to be incorrect, according to the author of the article. The article stated:

Full tax deductibility to combat land degradation will also be extended to all rural businesses earning income from the land, and will also cover the erection of fences for the prevention of such degradation. Asked later what this meant, Primary Industries Minister, John Kerin, said clarification would be necessary.

The article went on to explain that the Primary Industry Minister did not really know how it could be achieved and, since then, more evidence has come to light that the Government was not at all aware of what it was trying to achieve. It simply wanted to mention the word 'landcare' because it is one of the 'in' words. The State budget is no different and I refer to the budget speech. Page 5 states:

Rural production and incomes in the State were boosted by a doubling in the size of the wheat crop from 1988-89's weak level and by a large increase in barley production.

One does not have to be a Rhodes scholar to appreciate that. That could have come from any statistical journal. The second mention is on page 6 of the Treasurer's speech, where he states:

The rural outlook is much less buoyant with wheat and barley production certain to decline from the near record levels of last year; and the prices for wheat and wool are also likely to be weaker.

The member for Flinders has just made his contribution and, if he had written the budget speech or if the Opposition had written the budget speech, there would have been more mention of the rural outlook, and I will comment on that later. Page 9 states:

The budget provides . . . \$2.6 million for continued funding of the National Soil Conservation Program.

That reference to the Soil Conservation Program is the first identifiable monetary figure in the budget speech. What is not said is that there has been a drop from last year's budgeted \$3 million for that program. In fact, it turned out to be \$2.2 million. It is no wonder that the Premier did not want to highlight it too much because there has been no real increase.

At the end of page 9 we have the statement:

The rural base of our economy remains vital to our prosperity and significant funding has also been provided for agricultural research and development.

That is the sum total of specific reference to the rural sector—almost nothing at all. I guess that tallies with the Government's attitude towards agriculture in this State. It was interesting to read the words 'significant funding,' because I then did some more homework to find out what this 'significant funding' is. I acknowledge that there is an increase in real terms of less than 1 per cent, assuming that we use the Premier's inflation figure of 7 per cent. Whilst people might say that is something positive—and I am not going to knock it; I welcome the fact that there is an increase in real terms rather than a decrease—it should be remembered that there was an increase last year of about 16 per cent to the agriculture budget. Yet we saw that not everything was rosy from the department's point of view. Certainly the rural sector did more than its fair share in contributing to the State's income.

Whilst we saw the funding increase, a few days later an article identified the fact that significant cutbacks are to be made to the number of personnel in the Department of Agriculture. In fact, 70 positions are earmarked to go out of a total number of staff of 350. I looked at the budget papers and thought that I had not done my reading properly because obviously a significant announcement like that, which did not come from the Minister—it came from an investigative journalist—must have been in the budget papers, but I could not find it. So it concerns me that if these cuts are to be made we should know where they are to be made.

Members will recall that for some years now I have fought a losing battle to ensure that sufficient numbers of staff are maintained in the Department of Agriculture's regional offices. I take one, the Kadina office, which over the past few years has dropped from a staff of nine. For a time it went down to a staff of two or three, and now it has a staff of four. There have already been massive cuts in the past.

The Minister believes that he will not be making any cutbacks in the bush. I can well understand that, because the cuts have been made and remade, and the farmers have not received any benefits from this Government. Yet these same farmers, who contribute more than \$2 billion to this State's economy, are to receive about 1.6 per cent of the State budget towards their everyday activities, particularly through the department.

The budget does not seem to mention all the relevant things. In fact, the more I look at it the more I realise that the budget is like a personal reference. It is not what is in the reference, but rather what is not in the reference that is important. It is what is not in the reference that we have to look for. We can look at the obvious. Tax increases are there. It is a characteristic of Labor Governments that taxes always go up. If they have not got enough money, they

squeeze the people harder until it hurts and that will make them realise there is still a Government that is not thinking of them. We see that payroll tax is up 19 per cent (an increase of \$76.2 million) and that the financial institutions duty is up 122 per cent (an increase of \$59.8 million).

The tobacco tax is up 50 per cent, so that contributes another \$28.3 million to the State's coffers. Land tax is up 12 per cent, contributing another \$8.1 million; liquor and petrol tax is up 6 per cent, contributing another \$6.7 million; and stamp duty is up 9 per cent, contributing \$24.7 million. So, taxes and charges have gone up, but I had to search very hard in the budget speech to find some of the sinister implications behind those increases.

I refer to one of the rises, namely, motor registration fees. On page 14 of the budget, it is stated:

There will be no change to motor registration fees, including concessions provided to pensioners. However, some other concessions particularly applying to primary producers and local government will no longer apply. Where appropriate the fees charged for services will be set to ensure that the cost of providing those services is recovered from users.

Again, I looked at other books to find what those increases were, but I could not find them. So, I rang the Motor Registration Office and spoke to a very helpful person who said that legislation is in the process of being drafted to bring in these increases. What will these increases do? First, they will do away with motor registration concessions for primary producers. So, that will be 50 per cent lost, or about \$50 in real terms for each vehicle weighing less than two tonnes.

I thought that it was very strange to do that at a time when fuel prices were set to explode, and have in fact exploded. But there was more. The budget speech also states:

... increased registration charges for heavy commercial vehicles will be implemented to improve cost recovery from these operators.

So, I asked the question: what sort of rises can we expect here? The answer came back: rises of about \$600 to \$700 per commercial vehicle, that is, heavy commercial vehicles. These vehicles take goods into and out of country areas.

The obvious implication is that the extra registration costs will have to be passed on to consumers, and to producers if they relate to sheep and cattle that are exported out of country areas. So, as I read further into the budget, it appears that the rural person is being hit more and more. Remember, they are being hit at the same time as fuel prices are going higher and higher. Every 1c rise in the Australian dollar means a loss of \$150 million to the rural economy.

We fully appreciate the rise of a number of cents that has occurred in the past week or two with respect to petrol prices. I know when I filled up at my home town of Maitland the other day the price was 72.5c per litre and I preferred not to look at the bowser whilst this was being done. At the same time, oil prices have increased from \$18 a barrel to \$29, giving the Federal Government \$1 100 million to add to the \$8 700 million that it will receive from fuel tax levies. How much does the Federal Government give back? Not one cent. So, what has the State Government done? It has said, 'We will really put the boot into the rural people and make sure that it hurts them even more, because they had a pretty good year last year, so why shouldn't they pay more than their fair share?' Earlier in this debate we heard that rural incomes are on the way down and that decreases of up to 50 per cent will not be unusual in the coming 12 months. This Government is completely heartless.

Considering the further effects on the rural economy, I notice that payroll tax will increase—depending on how one calculates it—by, to be fair, say, 19 per cent, although I believe that the increase will be nearer 25 per cent. Certain rural businesses will again be hit. It should be remembered that back in 1979 the then Liberal Government introduced a scheme of payroll and land tax rebates for the manufacturing industry in decentralised regions of South Australia. That scheme commenced in 1980 and enabled many rural businesses to establish themselves. One business which contacted me indicated that it had spent some \$250 000 to establish a new factory in a rural area. Those involved were worried when the Liberals lost office that that scheme might go. In 1985 the Premier (Mr Bannon) stated:

Withdrawal of assistance to regional enterprise would be potentially damaging to the economic viability of some firms and regions.

I applaud him for his statement, but, several years later that payroll tax exemption disappeared and those rural people are now paying 5 per cent. We are aware that certain businesses with certain limits will now be paying 6.25 per cent. Therefore, the business I referred to will be paying in the order of \$75 000 to \$100 000 in payroll tax this coming year, whereas under a Liberal Government it had been paying nothing. That shows very clearly how the rural sector is being hurt harder than anyone else.

Then, there are the completely unmentioned taxes and charges in this budget, those that we have seen come about by regulation, those arising from broken promises of the Bannon Government. At the end of last year the Premier said:

We have already announced that increases in State Government charges for the major domestic services such as water, electricity, gas and transport will be kept below CPI during the next term of Government.

An 'Issues for the 1990s' paper stated 'John Bannon. Your future. Your choice'. What a future; what a choice! It said:

Major Government charges will not rise above the rate of inflation.

Further, a specific pamphlet entitled 'Seniors' states:

... ensure that major Government charges do not rise above the rate of inflation.

The Premier emphasised and re-emphasised that taxes and charges would not rise above the rate of inflation, yet we have seen that that has been thrown out the window. I refer to a report to the Joint Parliamentary Standing Committee on Subordinate Legislation in relation to the Crown Lands Act and a charge for the preparation and checking of definitions for proclamations or notices. It states:

In recent years it has been Government policy to review and revise these fees annually in accordance with cost of living fluctuations ...

In other words, in accordance with CPI increases. The last adjustment of these occurred in 1989. The report continues:

The current Government business philosophy is for full cost recovery of its activities wherever possible.

So, at the stroke of a pen the Government changed its policy. The promises it made at the time of the last election mean nothing. That was in the past. The election has come and gone. The Labor Party won the required number of seats and will change things as it sees fit. We have seen the WorkCover levy increase from 4.5 per cent to 7.5 per cent for farmers.

Again, they are the ones penalised, yet if they are paying less than \$200 they do not have the chance of a bonus or penalty scheme. As the letter to farmers said:

This scheme is not designed to penalise bad luck or good luck.

In my opinion, that is absolute trash, and I am sure that the Minister must find it embarrassing that that sort of

statement has gone out to rural dwellers, saying that it is a matter of good luck or bad luck as to their safety record, when he has been preaching the opposite in this House for so long. There are many other things I should like to say in this debate, so I hope I can take the time during the grievance debate which is coming up tomorrow. The rural sector has been hard hit by this budget, and the real implications are still to be seen. It will not help this economy: it will hinder it much more than we currently realise.

**Mr SUCH (Fisher):** This budget is what I would call a religious budget, because it will help bring this State to its knees. It reminds me somewhat of a wedding: there is something old, something new, something borrowed and something blue. The something old is the tired, old rhetoric and strategies that have been trotted out by this Government year after year. There is something new in that taxes have reached a higher level than before—taxes such as FID (fiddle is probably a more appropriate term), payroll tax and expiation fees, etc. The something borrowed relates to the heavy borrowing from ETSA, SGIC, the E&WS sewerage levies, and so on. The something blue relates to the sense of the Government mistakenly going down the path of continual heavy taxation, little innovation, no substantial economic reform, lack of incentive, and so it goes on.

As I indicated earlier, this budget is more of the same old record. Under this Government we have not seen an increase in living standards—we have seen the opposite. This budget lacks new ideas. It does not do anything to encourage incentive; there is no encouragement for people to employ more workers and no encouragement for people to save. There is no incentive and no reward for effort. In fact, this budget continues many of the old socialist economic trends and traits of the past which have recently been rejected in eastern Europe.

Socialist Governments in Australia and in South Australia have lived off what has been contributed in the past by Liberal Governments, but time is running out and we can no longer live off the past. This Government has sold perceptions to people, rather successfully but to their ultimate long-term cost, with slogans such as 'Up and running' and talking about environmental concerns, social justice, equal opportunity, the Grand Prix and the MFP. It has been able to get away with blue murder for a long time by promoting a perception and by using the media carefully and skilfully. With its own vast resources of Government-funded media personnel, the Government has been able to sell to the people a perception which is vastly different from the reality.

The fact is that in South Australia we have a very high unemployment rate and a very high inflation rate, both of which are close to 7 per cent. I am one of those who believe that unemployment of that order is unacceptably high. I believe that it flies in the face of genuine social justice to be inflicting that sort of level of unemployment on fellow citizens of this State.

It amazes me that we have become complacent (and that this Government has become complacent) about accepting high levels of unemployment and inflation. If you talk about social justice, you should be talking about employment and the creation of jobs. That does more for social justice than all the so-called social justice programs that are often referred to. It should not surprise members opposite or those on this side that the Liberal Party is now the Party of innovation. The Labor Party, as reflected in this budget, is the conservative and often reactionary Party.

There is certainly no flair; there are certainly no significant new ideas. The ALP, through its budget strategy, is

more interested in social engineering, in trying to control people's lives and riding on their back, restricting their freedom to innovate and create and generally hindering individual creativity and progress. It has skilfully manipulated propaganda within the community and to the ultimate detriment of the community. We have seen a system that has been reinforced time after time by budgets where preferential treatment has been given to unionists. We see signs stating 'No ticket, no start', and that is quite outrageous in terms of human freedom and freedom of choice.

What we have is the Bannon Bongo Band playing the old socialist tune and tied down by old worn out socialist dogma. We have a Government that has got away from the needs and requirements of ordinary working men and women. Many members of this Government are completely out of touch with the needs of those people. Too often we see what constitutes what I would call 'Springfield socialism', that is, people who profess to be socialists but who are happy to wallow in the luxury of the perks, lurks, and similar benefits. This Government, through not only this budget but previous budgets, has created a nanny State—a welfare State.

Like other members on this side of the House, I support genuine help for those in need. However, what has been created and promoted in previous budgets and what is promoted in this budget is a handout mentality—a 'gimme' approach—where people have been encouraged to become dependent upon the Government rather than developing, expressing and reinforcing their own initiative and creativity. We see the consequences of that in many aspects of our life in the community, not only in economic terms but also in wider aspects of community behaviour. Socialism is devoid of a sound moral base and it is not surprising that, when similar kinds of Governments have been in power for so long, a moral vacuum has been created in our society. That is reflected in a high crime rate and a lack of respect for people and property, which is expressed by activities such as graffiti and vandalism.

Some members opposite have referred to the alleged benefits of an increase in FID. Of course, the reality is that the ordinary men and women of our community end up paying for those imposts. To think that the impost rests at the first point of imposition is false. The people who ultimately pay are the ordinary people in the community. It costs jobs and the small people pay for FID and other imposts whenever they buy products or purchase services.

I believe, as I have indicated previously, that we have a very fine Public Service. It could be more efficient and it could be made more effective. I see little evidence in the budget of initiatives to bring about that efficiency and effectiveness. Too often public servants are bogged down in committees. If members look at some of the budget papers and the Auditor-General's Report, they will see that the number of committees operative in Government departments is astronomical. They are often counter-productive. I believe, and it is reflected in the budget papers that the Government has confused equal opportunity with the notion of equality and talks about equal outcomes that are not possible given the diversity that exists within our community. One of the characteristics of this Government is that it takes good ideas, such as equal opportunity, and does them to death by the most extreme application of a very sound principle. Likewise, the safety of workers is very important, but as a consequence of this and earlier budgets we take that very laudable objective and overdo it to a point where it becomes quite ridiculous in many practical applications.

I will refer now to Financial Paper No. 5, The Budget and its Impact on Women. I am a strong supporter of women getting a fair go, and I do not believe they have always had that; there has always been a significant element of disadvantage and discrimination in the past. To have spent a vast amount of time and money in producing a booklet like this is, in my opinion, not the best way to go. It would have been more productive to use those resources of time and money to assist women in practical ways. Here again, the intention is laudable, but year in and year out we get what amounts to an extreme application of a sound principle. I question the need to produce such a volume as this at great expense and using considerable resources. It would have been much better to put those resources into practical applications to assist women and others in the community.

I am not in any way trying to trivialise any aspects of this information paper, but I note (page 80) that \$500 is being provided to assist educational institutions to develop policies and procedures to prevent the use of computers and so on for sexual harassment. Further, it is pointed out that the Department of Marine and Harbors does not specifically target allocations to women and girls but it is indicated that in 1975 only 10.28 per cent of boating licences were held by women, whilst in 1989 the figure had risen to 21.6 per cent. What is the significance of reporting that sort of information? Perhaps someone could enlighten me, but I see it as a good idea gone wrong.

In the time I have left, I will comment briefly on some of the specifics in the budget as they relate to the southern area in general and the electorate of Fisher in particular. Reference is made to the completion of the Noarlunga Hospital, and I know that that subject has had an airing in this place in recent times. I welcome the completion of that hospital and, whilst it will not solve the bed shortage in the south, it will certainly help. As a 120 bed hospital, it will provide a full range of outpatient, inpatient, diagnostic treatment and support services. As I indicated when I first came into this Parliament, I will always endeavour to be constructive and, to that end, I welcome the completion of that project which is scheduled for October this year.

Other items of particular significance to my electorate and the southern area generally include additions to the Sheidow Park Primary School, which are welcomed. However, I note that not much is provided in the way of resources for education generally in my electorate, while there is provision for new school facilities in some of the adjoining electorates. I welcome the provision of child-care facilities at Kingston College of TAFE; that is expected to proceed this financial year. It is one of the areas of great concern in the south, and I realise that that facility will serve not only the people of the electorate of Fisher but also the wider southern community. I always welcome an increase in child-care facilities to assist parents, particularly married women who seek to re-enter the paid work force with a higher level of skill.

I notice that there is provision for a new ETSA depot in Happy Valley at a cost of almost \$1.5 million. Construction of such a depot would be welcomed by the people of the south, although there is much concern about the site that has been identified at this stage. I hope that that matter can be resolved before construction begins.

The reconstruction and widening of Flagstaff Road is identified. I have some concerns about that because my recollection is that the amount to be expended there is considerably down on what I understood to be the case some time ago. The completion date is indicated in the budget papers as post 1992 and, like other people in the

south, I welcome that project and hope that the Government can move quickly not only to commence it but also to conclude it.

As I indicated earlier in this place, the local residents have suffered a lot in terms of having to put up with the inconvenience of an inadequate road system and intrusion on their lifestyle at Flagstaff Hill. So, the construction of this road, if done sympathetically, environmentally and in a positive way, will be welcomed.

I notice that, as a result of Commonwealth funding, Flinders University will undertake the construction of two major buildings: one for information sciences and technology, and one for engineering. Both those developments are very much welcomed in the south to serve the needs not only of students in that area but also the wider community.

I welcome the augmentation of the Aberfoyle/Flagstaff water supply. That is being done in conjunction with the water filtration plant, which I notice is to be commissioned by December 1991, to supply filtered water to Aberfoyle Park, Flagstaff Hill and the Blackwood, Belair and Eden Hills areas. The residents of my electorate will be delighted when that comes on stream. I ask that the Government do all in its power to accelerate the commissioning of that plant, which I understand was to have been operative at the end of this year.

I urge the Government to proceed with haste, in fairness and in the furtherance of—to use one of its terms—'social justice' to provide filtered water to the people in my electorate who live close to the filtration plant yet who do not enjoy filtered water. That is one of the ironies that is not lost on local residents.

**Mr Holloway:** The water does not flow upwards.

**Mr SUCH:** The honourable member interjects, 'The water does not flow upwards'. It is a question not so much of gravity but of priority.

*An honourable member interjecting:*

**Mr SUCH:** The gravy train, I think, is probably more appropriate. I think it is a question of priorities and whether or not the Government chooses to spend its money on this. In conclusion, whilst I am talking about the subject of water—I know it has been mentioned earlier this evening by the member for Heysen as part of the Hudson pricing review—a significant property tax is to be imposed on residential properties the value of which exceeds \$100 000 in value, the tax being to the tune of 78c per \$1 000 in excess of that amount. That will impact significantly on areas within my electorate, for example, Bellevue Heights, where 90 per cent of the properties will incur that tax. Also affected will be 80 per cent of the properties in Flagstaff Hill; 68 per cent in Eden Hills; and 45 per cent in Aberfoyle Park.

Of course, over time with inflation more and more properties will move into that tax net, and I would be surprised if the rate remains at 78c. The temptation will be too great for this high taxing Government, so I think here is another backdoor tax to be inflicted on the people of South Australia and, as I indicated, quite heavily on people in my electorate.

The budget is significant for what it does not say rather than for what it does say. As I indicated at the beginning, it represents more of the same: tax the people and keep on taxing them, rather than seeking to become more efficient and effective. The Government takes the easy way out, which is to tax, tax and keep on taxing.

There will come a time when the people of South Australia will reject that strategy because in the long term it costs them jobs and their quality of life. Whilst the Government has been successful in terms of perception politics for a long time, its days of getting away with promoting

perception have just about come to an end. I look forward to the day when the people of South Australia are offered and provided with a budget that caters for their real needs rather than one that is locked into this tired, old socialist dogma.

**The Hon. H. ALLISON (Mount Gambier):** Earlier today in his long and interesting address the Leader of the Opposition complained that the budget lacked flair: whether one wishes to spell that 'flair' or 'flare', as the Leader variously did, it still means that the documents before us generally lack lightness and vivaciousness. Perhaps that is because essentially budgets are statistical documents, and someone far more erudite and loquacious than I am said years ago that there are 'lies, damn lies and statistics'. I think it was the Scottish literarist, Lang, who also said that some people used statistics very much as a drunk uses a lamp post, that is, more for support than for illumination.

But, whatever way one views the budget, one can safely say, as the Leader did, that there is very little light at the end of the tunnel for the people who will this year have to pay up an extra \$228 million in taxes, for a budget somewhere in the vicinity of \$5 billion for the third or fourth year in succession and, according to one columnist in the weekend newspapers, with the budget generally being 18 per cent up in taxation.

I notice also that in many ways the Government, the South Australian Financing Authority, the South Australian Housing Trust, the Education Department, and other Government departments between them, tend to be running down our reserves in various ways, often by sale, and continue to borrow strongly—whereas in previous years the Premier prided himself on reducing the State's indebtedness, I notice that we have once again trended upwards in our borrowings. I also notice in addition to the budget that we have before us that the Federal budget offers very little consolation to South Australia because, while it predicts that unemployment will continue to increase (it will be up about 7.5 per cent this year), at the same time the Federal Treasurer says that unemployment benefits will be phased out.

That man really is all heart: with unemployment up 7.5 per cent, we see him phase out unemployment benefits. He gives them a new name but makes them harder to win. That is a different form of social justice, I think. When we add to that the fact that he also makes sick pay more difficult to gain, irrespective of how sick one is, I hate to think what terminally-ill people will do with a man of that sort of character.

This evening I also intend to refer to examples of Ministers who seem unable to administer their departments effectively, with Government spending increasing in all directions. We have Federal spending at about 3 or 4 per cent in real terms, yet South Australia's increase is up in real terms by about 8 per cent; and that is in addition to the 18 per cent of additional borrowings. That is occurring while everyone else in South Australia and the Commonwealth is expected to batten down the hatches. But, as far as the Government is concerned, it is a matter of pay up and smile. That is an increasingly difficult situation, as I am sure members will agree.

Government charges are increasing at every turn with more than 500 having been logged, without any mention of them in the budget papers, in the *Government Gazette* over the past few months. That is the sort of mini budget that always precedes the full budget, when people have already paid up to the back teeth. As far as I can assess, the increases are often far in excess of the CPI level, which makes them

all the more unfair when, at election time, the Premier generally says that there will be no new taxes, that we can rest assured. He says, 'Trust me. Watch my lips.'

**The Hon. B.C. Eastick:** They are well above the CPI.

**The Hon. H. ALLISON:** Yes, well above CPI. One man with an irrigation licence noticed that it had increased from just below \$100 to over \$205, and that is well over the CPI. It is an increase of over 100 per cent. Government and statutory authority office investments around Adelaide in particular have been providing, along with other investors, an excess of office space, and one result is that Sacon's surplus on office leasing was down from \$4.5 million to only \$2.5 million. That is a loss of \$2 million in the past 12 months. Increasingly, I see the Government filling its own newly constructed office space in order to pay the rent against its investments and the investments of statutory authorities, and I refer to the ASER/SASFIT/Japanese investment just down the road. Members will find more Government occupants than private enterprise occupants taking up that lease.

**The Hon. B.C. Eastick:** It is double dipping with a twist.

**The Hon. H. ALLISON:** Yes, it is double dipping and it makes one wonder why Governments take the trouble to go into these huge investments when they are having problems filling the space, that is, with outside money. The Government is having to put its own investment into it twice. There are delays in the East End market development, which is incurring costly holding fees of about \$8 million per annum, give or take a few hundred thousand, owned by the State Bank arm Beneficial Finance, Ayers Finnis and Myles Pearce. It claims that, in due course, it will redevelop the area but, meanwhile, it is being complained about, as reported in today's newspaper, as being akin to a slum. It is certainly not attracting people towards the area for shopping. It is an investment which may or may not pay dividends, but it has certainly contributed to the downgrading of the State Bank's contribution to the State's coffers, which is zero this year.

The State Bank would have had a zero profit had it not been for a \$28 million windfall from a taxation reimbursement from one of its subsidiary companies. The State Bank has seen a downturn in the past 12 months. Today the Premier seemed to be invoking the fine economic concept of one in, all in. I suggest that most of the State is all in at present with the taxation it is undergoing. The Premier has made a plea for SGIC to contribute for the first time ever, which is another way of milking money from State statutory and associated authorities.

As the member for Bright said a little earlier, we have a classic case of *Yes, Minister*, as revealed in today's newspaper, that while we can afford the \$17 million Noarlunga Hospital we cannot afford patients. As a result, the hospital will be giving minimal service for any time between one year and five years. I suggest to electors that they send the Minister of Health a get sick quick card so that he is admitted to the Noarlunga Hospital and can accelerate its opening and staffing.

The Department of Premier and Cabinet and the Department of Labour and Industry also seem to have little to show, except for continuing litigation in an attempt by the Zhen Yun Corporation to retrieve its investment in the failed Marineland development. I am putting these forward as examples of how Ministers and the Premier do not seem to have managed the State's affairs quite as well as they claim in the documents before us. Meanwhile, payroll tax has been increased very substantially for certain categories of business, particularly the larger companies, the very ones who might employ more staff. Small business people tend

to be going back into their shops and working entirely on their own without employing many staff. The payroll tax increase is discouraging large business from taking on more employees to the disadvantage in the short and long term of South Australia.

Another example of social justice in reverse lies in the advertisement that I saw in the newspapers a few days ago. The Health Commission advertised that the patient assisted travel scheme, which it inherited, together with a cash transaction, from the Federal Government, is now to be further curtailed. Country patients are being more disadvantaged. As a result of the decline in rural hospital amenities, staffing and specialist medical facilities, they have to go to Adelaide if they are really sick and in need of specialists and hospitalisation, and now the PAT scheme has decided that there is no first night accommodation assistance—one has to stay more than one night before one can put in a bill—there is no claim for expenses incurred if one is staying with friends or relatives, and no claim can be made for taxis or bus fares incurred while on the way from lodgings to and from hospital. All those things were paid last year and were paid for many years by the Federal Government. It simply means that country people are further disadvantaged. It is little wonder that there is a steady trend for people to move from rural districts, where much of the State's wealth is created, into the capital cities, particularly Adelaide, thereby creating further problems in housing and general government services.

I will advert again briefly to the Justice Information System, although the member for Bright has already done that. The Public Accounts Committee report for 1989 drew the Government's attention to the fact that this scheme was approaching blowout stages with the bill coming from \$20 million for the initial concept, which embraced a whole range of Government departments, including the Supreme Court, now out, the Motor Registration Division, now out, and sundry others which have pulled away from that scheme. The scaled down version was approved in June 1989, after the PAC reported, at \$34 million. Now the estimates, according to the Auditor-General's report at page 37, show that there is still a blowout of \$49.6 million estimated for 1992. As I said, that system does not include the Supreme Court and the other departments to which I referred.

The Registrar of Motor Vehicles, in his wisdom, who decided some years ago that he would adopt a go-it-alone policy and institute his own computer scheme for the registration of motor vehicles and other purposes, found in one of the sweet ironies of life that the system that they had put in place did not properly work and they had to borrow the JIS computer at considerable added cost, only to find that was not adequate and they are now back again with their own equipment upgraded. There has been a real fiasco with motor vehicle registration over the past few months.

The cost of that on-line system is now estimated, from the original \$4.5 million, to be \$10.3 million. That is the actual cost to date. It is a substantial escalation which, when added to the \$49.6 million for the JIS, gives a figure of about \$60 million, anyhow. The escalation continues and the Government has not done a great deal to curtail the escalation to which the Public Accounts Committee drew its attention. Meanwhile, taxpayers continue to pay a 5 per cent levy on all electricity which they consume. As if the cost of electricity is not already high enough, the Government has to milk yet another department of \$47 million last year and even more in the coming 12 months.

I turn now to Woods and Forests which I hold dear to my heart, because timber, the Woods and Forests Depart-

ment and private enterprise in the South-East are providing the life blood of industry and commerce in my district. They are dear to my heart because I regard the success of that business as being absolutely essential to the wellbeing of my electorate and my electors. The *Blue Hills* saga of Woods and Forests, Satco, legislated for in 1979, Scrimber International and the South Australian Government Financing Authority saga continue.

The scrimber delays are very costly. If members on either side of the House want to know why I continue to express concern, perhaps I can give them a few statistics. On 1 May 1988, we were told in the *Border Watch* that national distribution of scrimber would take place by March 1989. On 20 May 1988, we were told that the scrimber plant was 60 per cent finished and would be opened by February 1989. So far so good. On 1 May 1989—that is, two months after the national distribution was proposed—we were told that the price of scrimber was not yet fixed mainly because it was not yet in production—there were lengthy delays.

On 6 July 1989, we were told in the *Border Watch* that scrimber would be selling by October 1989 and, according to Mr Bruce Jordan, 4 500 to 5 000 inquiries and 80 licence inquiries for the construction of scrimber plants across the world had been received. On 18 November 1989, the Premier came down to the South-East with his retinue—obviously, this was a pre-election ploy in the weeks before the election—and officially opened the scrimber plant, which was a study in still life.

On 3 May 1990, we were told that the scrimber plant would be fully operational by the end of June 1990 and that the cost would be \$600 per cubic metre, that it would meet 2 per cent of Australia's constructional timber needs, 45 000 cubic metres a year would be produced, and income would be 50 per cent from sales and 50 per cent from licence royalties. Half of the total bill to date makes Satco responsible for \$25 million with SGIC responsible for the other \$25 million. My own estimate was that the current cost would be about \$56 million. Clues to both of those figures are contained in the Auditor-General's Report where the figure is stated as \$50 million, but at the same time the Auditor-General admits that so far Satco has contributed \$28 million, which, of course, is half of \$56 million. If the shares are 50/50, I think \$56 million is nearer the mark.

In *Hansard* of 1989, during the Budget Estimates Committee debates, the Minister said that scrimber would have produced 12 000 cubic metres by 30 June 1990—already passed—at an annual production rate of 45 000 cubic metres from February 1990. But from 12 months ago, the cost has increased from \$40 million to \$50 million. Worked out on sales of, say, a 10 per cent return on \$56m, that is approximately \$5.6 million, and a 20 per cent return would give \$11.2 million, but interest would be about \$6 million or \$7 million a year. Interest, of course, is capitalised—it is not paid off—and the debts are being taken over year after year by the South Australian Financing Authority and by SGIC, the other 50 per cent shareholder.

Again through Satco, Woods and Forests has an IPL (Holdings) loss accumulation of \$11.4 million as at 30 June this year. IPL (Australia) lost \$1.1 million last year. IPL (New Zealand) accounted for \$7.3 million of the loss. It has a nil valuation, yet it is up for sale. We will not realise very much on that sale, will we? Members on this side of the House have advocated that sale for years. IPL (NZ) had a shortfall of \$3.5 million last year. IPL (NZ) preference share redemption must be paid out in October of this year, and this means that \$12.9 million will be found somewhere. I do not know where—probably from SAFA or a public beneficiary.



Shepherdson and Mewett had a loss on sale of salaries, long service leave and sundries of \$750 000 this year. At least, that has been sold and is off the books now. SAFA has an equity of \$49.3 million in debt conversions to make the Satco books look better. In other words, Satco has \$50 million worth of debt and no equity. This has been written off to SAFA which kindly came in and carried the can. It is not a very bright tale to tell. There is far more than that.

Perhaps I will resume this little *Blue Hills* saga during the Estimates Committee grievance session tomorrow or Thursday. Stick around comrades.

#### ADJOURNMENT

At 11.16 p.m. the House adjourned until Wednesday 5 September at 2 p.m.

HOUSE OF ASSEMBLY

GOVERNMENT VEHICLES

Tuesday 4 September 1990

QUESTIONS ON NOTICE

TRUSTEE COMPANY OWNERSHIP

3. Mr BECKER (Hanson), on notice, asked the Treasurer: Why is the Government encouraging SGIC and the State Bank to own trustee companies, given the existence of the Public Trustee?

The Hon. J.C. BANNON: The SGIC and State Bank perceive the ownership of trustee companies and provision of trustee company services to form part of their commercial strategy. The Public Trustee has a special function and role established by legislation.

VEHICLE SECURITY REGISTER

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

1. What liaison is there between police and the Registrar of Motor Vehicles to ensure thefts of motor vehicles are notified immediately they are reported, to ensure the State motor vehicles security register is kept up to date?

2. How many inquiries has the State Motor Vehicles Security Registrar received since inception, and how often has the register been of benefit and to whom?

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

1. Police provide the Registrar of Motor Vehicles with daily updates of stolen vehicles. This information is immediately recorded on the motor registration database. Steps are being taken also to record stolen vehicles on the vehicles securities register database. This would result in the inquirer having to check one source only—the vehicles securities register—to establish both the financial status of a vehicle and whether that vehicle has been reported stolen.

2. Since 15 June 1989, the Registrar of Security Interests has received in excess of 300 000 inquiries. The register has been and continues to be of benefit to credit providers, motor dealers and consumers alike. Suffice to say that one out of every eight vehicles checked is found to be encumbered.

GARBAGE DUMPS

7. Mr BECKER (Hanson), on notice, asked the Minister for Environment and Planning: What action has the Government taken to assess old garbage dumps operated by local councils for their content of methane gas and have any of these dumps been built on?

The Hon. S.M. LENEHAN: The Waste Management Commission has conducted some preliminary work on domestic solid waste landfill sites in the metropolitan area to determine methane generation. The commission is developing a comprehensive environmental monitoring program for all metropolitan domestic landfills, the first part of which is to review groundwater monitoring and upgrade if necessary. Preliminary survey results have been received from the consultants engaged for the work and discussions with licensees have commenced. The program will ultimately include landfill gas (methane) monitoring. The commission is not aware of any completed domestic landfill depots which have been subsequently built on, in Adelaide.

13. Mr BECKER (Hanson), on notice, asked the Minister of Transport: What Government business was the driver of the motor vehicle registered UQN 316 carrying out at 8.00 a.m. on Monday 28 May 1990 in Jeffcott Street, North Adelaide and who were the two male passengers?

The Hon. FRANK BLEVINS: Government motor vehicle registered number UQN 316 was a State Transport Authority (STA) vehicle. The STA disposed of this vehicle, cancelled the registration and returned the Government number plates UQN 316 to the Registrar of Motor Vehicles on 17 May 1990. The number plates were subsequently destroyed. It is highly unlikely a motor vehicle was being driven on 28 May 1990, bearing Government number plates UQN 316. The most probable explanation is that the registration number reported is incorrect. From the limited information available it is not possible to establish the correct identity number of the vehicle involved.

WILDLIFE PROTECTION

16. Mr BECKER (Hanson), on notice, asked the Minister for Environment and Planning:

1. How many cases have been taken to the Adelaide Magistrates Court over the past three years by the Wildlife Protection Section?

2. What was the result of each case?

3. What was the cost to the Crown for each case, including prosecution witnesses?

4. How many defendants appealed against the decisions of the court and what was the resultant cost to the Crown?

5. How many cases failed or were withdrawn because of lack of evidence or allegations of fabricating evidence?

The Hon. S.M. LENEHAN: The replies are as follows:

1. 28 cases.

		Fines and Costs \$
2. Case 1	Convicted on 3 charges	580.00
Case 2	7 charges, convicted on 5 charges, 2 withdrawn by negotiation	1 940.00
Case 3	4 charges, 1 withdrawn, 3 charges proven, no penalty, no conviction	410.00
Case 4	2 charges, convicted on both counts	383.00
Case 5	Expiation paid, charge withdrawn	
Case 6	4 charges, 1 withdrawn, 3 charges proven, no penalty, no conviction	410.00
Case 7	2 charges, 1 conviction, 1 with- drawn by negotiation	2 253.00
Case 8	2 charges, 1 conviction, 1 with- drawn by negotiation	2 253.00
Case 9	3 charges, 3 convictions	1 137.00
Case 10	3 charges, 1 conviction, 2 with- drawn by negotiation	289.00
Case 11	1 charge, 1 conviction	499.00
Case 12	2 charges, 2 convictions	419.00
Case 13	1 charge, 1 conviction	110.00
Case 14	1 charge, 1 conviction	305.00
Case 15	3 charges, 3 convictions	576.00
Case 16	2 charges, 2 convictions	484.00
Case 17	1 charge, 1 conviction	142.00
Case 18	2 charges, 2 convictions	242.00
Case 19	1 charge, 1 conviction	192.00
Case 20	1 charge, 1 conviction	117.00
Case 21	3 charges, 3 convictions	287.00
Case 22	2 charges, 2 convictions	398.00
Case 23	4 charges, 4 convictions	619.00
Case 24	Convicted on 4 charges, disquali- fied from holding a permit to keep and sell native birds for 12 months, ordered to carry out 240 hours of community service	2 047.00

Case 25	11 charges, 2 dismissed, appeal lodged 4 months out of time, awaiting judgment . . . . .	5 000.00
Case 26	2 charges, appeal lodged, awaiting judgment . . . . .	1 750.00
Case 27	Initially convicted on 18 charges, all quashed on appeal, at re-trial all charges dismissed due to a ruling as to the admissibility of evidence, Crown ordered to pay costs of appeal \$150.00 and cost of re-trial, cost yet to be fixed, Crown witness fee costs \$150.00	
Case 28	2 charges, 1 dismissed on appeal to the Supreme Court, appeal upheld, convicted on 1 charge without penalty, costs awarded against the Crown \$1 347.00 witness fees \$185.00. An appeal to the Full Court concerning the quantum of costs is pending	

3. Costs to the Crown for cases other than those for which appeals were lodged and subsequently upheld against the Crown were nil, other than the cost of salaries and wages. Costs determined for cases for which appeals have been upheld have been identified in the answer to Question 2.

4. (a) 4 defendants appealed against the decision of the court.

(b) The resulting cost to the Crown is yet to be determined. 2 appeals are awaiting judgment.

1 has been upheld and 1 conviction quashed. An appeal to the Full Court concerning the quantum of costs is pending.

1 appeal has been upheld, appeal costs of \$150.00 awarded against the Crown, Crown witness fees \$150.00. At a subsequent re-trial all charges were dismissed due to ruling as to the admissibility of evidence, crown ordered to pay costs of the re-trial, amount not yet fixed.

5. 1 case.

17. **Mr BECKER (Hanson)**, on notice, asked the Minister for Environment and Planning:

1. How many complaints have been made concerning harassment by Wildlife Protection Officers in the past three years?

2. How many Wildlife Protection staff are employed and what were their previous occupations?

**The Hon. S.M. LENEHAN:** The replies are as follows:

1. One person has used the term harassment when complaining of activities conducted by officers of the Wildlife Protection Branch over the last three years. A further four persons have written to the National Parks and Wildlife Service complaining about action taken or comments made by Wildlife Protection Officers.

2. The Wildlife Protection Branch has a total of 17 persons employed within it. Their previous occupations are as follows:

1. State Police Officer and Ranger
2. State Police Officer
3. Park Keeper, Landscape Gardener, Ranger
4. Soldier, Senior Animal Keeper, Motor Mechanic, Gunsmith, Nurseryman, Head Gardener
5. State Police Officer and Pastoral Inspector
6. Tradesman, Fauna Dealer, Senior Animal Keeper
7. State Police Officer, Private Enquiry Agent
8. Soldier, Service Station Proprietor, Ranger
9. State Police Officer
10. Boiler Maker
11. Clerical Officer Public Service
12. No previous occupation
13. Comptometrist, housewife, Clerical Officer
14. Clerical Officer
15. Clerical Officer/Typist
16. Clerical Officer/Typist
17. No previous occupation.

#### PASTORAL DEVELOPMENT PROJECT

19. **Mr BECKER (Hanson)**, on notice, asked the Minister of Agriculture:

1. Why does SAGRIC International have to write off \$277 000 of an amount owing by the Government of Iraq for the Pastoral Development Project?

2. What was the total value of the project?

3. What were the terms and conditions of the contract and how can the Government of Iraq not honour its obligations?

**The Hon. LYNN ARNOLD:** The replies are as follows:

1. (a) An amount of \$234 000 written off in respect of the Iraq project represents the net shortfall incurred as a result of the Iraqi Government not paying the final scheduled payment for the project, less the amount which SAGRIC International was able to claim on its insurance with EFIC.

(b) The sum of \$43 000 is the extent of the revaluation of the Iraq debt at 30 June 1989 according to exchange rate variations between financial years.

2. \$US9.6 million.

3. SAGRIC International complied with all the requirements of the contract and submitted a claim for the final payment in accordance with that contract i.e. five years after commencement of the project. The validity of the claim was attested to by the client (the Iraqi Ministry of Agriculture and Agrarian Reform) and forwarded to the Central Bank of Iraq for payment. Despite repeated inquiries by both SAGRIC International and Austrade, and assurances by the Iraqi officials, payment has not eventuated. Debt recovery is now the legal responsibility of EFIC.

#### SAFA

20. **Mr BECKER (Hanson)**, on notice, asked the Treasurer: Has the Auditor-General's suggestion that a debt receivable and debt payable profile on a group basis for South Australian Finance Trust Limited and South Australian Finance Trust been put to the South Australian Government Financing Authority for inclusion in its annual report and, if so, what was the response and, if not, will SAFA consider the suggestion?

**The Hon. J.C. BANNON:** Yes, SAFA will provide information on debt profiles on a group basis in this year's annual report.

#### SOUTH AUSTRALIAN SUPERANNUATION FUND

21. **Mr BECKER (Hanson)**, on notice, asked the Treasurer: Following the latest actuarial investigation of the South Australian Superannuation Fund, how much of the fund belongs to no-one and what does the Government propose to do with this amount?

**The Hon. J.C. BANNON:** Page 13 of the Public Actuary's report on the South Australian Superannuation Fund as at 30 June 1986 revealed a surplus of \$5.5 million, on the basis that the old scheme was unaltered and that the fund met 28 per cent of basic pensions and 6.5 per cent of supplementation. If the scheme had continued unaltered then undoubtedly the actuary would have recommended an increase in the percentage of supplementation met by the fund.

The role of the fund, as discussed in section 8 of the actuary's report, may have originally been to provide a clear separation between employer and employee responsibilities. In practice, both contributions and benefit rates are fixed, and the effect of differing levels of results in the fund is merely to alter the amount of pension liabilities which has to be met by the Government. Since 1 July 1988, 17.5 per cent of benefits from the old scheme have been met from

the fund. If on this basis the fund were to be assessed as being in surplus, this percentage will be increased.

**GOVERNMENT REVENUE**

22. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Mines and Energy: What is the estimate of the 1990-91 revenue from fees payable under the Mines and Works Inspection Act announced in the *Government Gazette* of 28 June (p. 1725) and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.H.C. KLUNDER:** Fees payable under the Mines and Works Inspection Act:

	\$000's
• Estimates 1990-91 .....	7
• Actuals 1989-90 .....	5
• Actuals 1982-83 .....	N/A*

\* Estimated to be between \$2 000 and \$3 000.

23. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Mines and Energy: What is the estimate of the 1990-91 revenue from fees payable under the Mining Act announced in the *Government Gazette* of 28 June (pp. 1726-1727) and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.H.C. KLUNDER:** Fees payable under the Mining Act:

	\$000's
• Estimates 1990-91 .....	1 826
• Actuals 1989-90 .....	1 702
• Actuals 1982-83 .....	763

24. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Labour: What is the estimate of the 1990-91 revenue from fees payable under the Boilers and Pressure Vessels Act announced in the *Government Gazette* of 28 June (pp. 1730-1731) and what were the actual amounts in 1989-90 and 1982-83?

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

	Actual	Actual	Proposed
	1982-83	1989-90	1990-91
	(\$000)	(\$000)	(\$000)
Revenue .....	179	361	468
Payments .....	375	704	726

The Government subsidy (variance between revenue and payments) is as follows:

196	343	258
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25. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Dangerous Substances Act announced in the *Government Gazette* of 28 June (pp. 1732-1733) and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The reply is as follows:

	Actual	Actual	Proposed
	1982-83	1989-90	1990-91
	(\$000)	(\$000)	(\$000)
Revenue .....	142	350	445
Payments .....	242	536	748

The Government subsidy (variance between revenue and payments) is as follows:

100	186	293
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26. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Explosives Act announced in the *Government Gazette* of 28 June (pp. 1734-1736) and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The reply is as follows:

	Actual	Actual	Proposed
	1983-84	1989-90	1990-91
	(\$000)	(\$000)	(\$000)
Revenue .....	113*	176	229
Payments .....	144*	455	281

Government subsidy (\$000)—Variance between revenue and payments.

31*	279	52
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\* These fees were payable to the Department of Services and Supply, Chemistry Division in 1982-83 and only transferred to the Department of Labour from 1/7/83. The Chemistry Division was unable to provide the 1982-83 information.

27. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Lifts and Cranes Act announced in the *Government Gazette* of 28 June (pp. 1737-1738) and what were the actual amounts in 1989-90 and 1982-83?

**28. The Hon. J.C. BANNON:** The reply is as follows:

	Actual	Actual	Proposed
	1982-83	1989-90	1990-91
	(\$000)	(\$000)	(\$000)
Revenue .....	144	359	449
Payments .....	208	414	449

The Government subsidy (variance between revenue and payments) is as follows:

64	55	—
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29. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Labour: What is the estimate of the 1990-91 revenue from fees payable under the Occupational Health, Safety and Welfare Act announced in the *Government Gazette* of 28 June (p. 1739) and what were the actual amounts in each of the years 1987-88 to 1989-90?

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

	Actual	Actual	Actual	Proposed
	1987-88	1988-89	1989-90	1990-91
	(\$000)	(\$000)	(\$000)	(\$000)
Revenue .....	2 398	3 230	2 961	3 560
Payments .....	3 157	3 294	3 852	4 304

The Government subsidy (variance between revenue and payments) is as follows:

759	64	891	744
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30. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Water Resources: What is the estimate of the revenue from fees payable under Schedule 3 of the Water Resources Act announced in the *Government Gazette* of 28 June (p. 1757)?

**The Hon. S.M. LENEHAN:** The estimate is \$410 900.

31. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Associations Incorporation Act announced in the *Government Gazette* of 28 June (pp. 1758-1759) and what were the actual amounts in each of the years 1985-86 to 1989-90?

**The Hon. J.C. BANNON:** The reply is as follows:

Estimate of 1990-91 revenue .....	\$100 000.00
Actual Revenue 1989-90 .....	\$92 657.60
1988-89 .....	\$99 463.92
1987-88 .....	\$98 691.00
*1986-87 .....	\$86 000.15
*1985-86 .....	\$67 537.03

\*Prior to 1987-88, revenue received from Associations Incorporation Act fees and Co-operatives Act fees were combined and not reported upon separately.

The figures provided for 1985-86 and 1986-87 are based on the actual total revenue received for each year, apportioned on the basis of document lodgment activities.

32. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Co-operatives Act announced in the *Government Gazette* of 28 June (pp. 1760-1762) and what were the actual amounts in each of the years 1985-86 to 1989-90?

**The Hon. J.C. BANNON:** The reply is as follows:

Estimate of 1990-91 revenue .....	\$9 000.00
Actual revenue 1989-90 .....	\$8 102.50
1988-89 .....	\$10 362.80
1987-88 .....	\$9 919.25
*1986-87 .....	\$8 195.00
*1985-86 .....	\$6 436.00

\* Prior to 1987-88, revenue received from Associations Incorporation Act fees and Co-operatives Act fees were combined and not reported upon separately. The figures provided for 1985-86 and 1986-87 are based on the actual total revenue received for each year, apportioned on the basis of document lodgment activities.

33. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Business Names Act announced in the *Government Gazette* of 28 June (pp. 1763-1764) and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The reply is as follows:

Estimate of 1990-91 revenue .....	\$2 318 000.00
Actual revenue 1989-90 .....	\$1 978 426.19
1988-89 .....	\$1 940 779.46
1987-88 .....	\$1 796 723.96
1986-87 .....	\$1 595 078.10
1985-86 .....	\$1 327 409.76
1982-83 .....	\$859 289.33

34. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Strata Titles Act announced in the *Government Gazette* of 31 May (pp. 1515-1516) and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The revenue from fees payable under the Strata Titles Act as proclaimed in the *Government Gazette* of 31 May (pages 1515-1516), and which is the subject of this question, is indeterminate without significant input of resources. Revenue derived from this source has, at all times, been incorporated in fees payable under the Real Property Act, figures for which have been provided in response to Question on Notice No. 40.

35. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Crown Lands Act announced in the *Government Gazette* of 31 May (pp. 1513-1514) and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The estimate of the 1990-91 revenue from fees payable under the Crown Lands Act announced in the *Government Gazette* of 31 May (pages 1513-1514) is \$260 200. Amounts for the financial years 1989-90 and 1982-83 were \$258 300 (estimated) and \$195 811 (actual) respectively.

36. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Registration of Deeds Act announced in the *Government Gazette* of 31 May (pp. 1511-1512) and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The reply is as follows:

1990-91 estimate .....	\$440 000
1989-90 actual .....	\$411 000
1982-83 actual .....	\$283 000

37. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Bills of Sale Act announced in the *Government Gazette* of 31 May (p. 1510) and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The reply is as follows:

1990-91 estimate .....	\$152 200
1989-90 actual .....	\$141 570
1982-83 actual .....	\$15 478

38. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Roads (Opening and Closing) Act announced in the *Government Gazette* of 31 May (p. 1509) and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The estimate of the 1990-91 revenue from fees payable under the Roads (Opening and Closing) Act announced in the *Government Gazette* of 31 May (page 1509) is \$35 200. Actual amounts for the financial years 1989-90 and 1982-83 were \$32 784 and \$17 680 respectively.

39. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Worker's Liens Act announced in the *Government Gazette* of 31 May (p. 1508) and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The reply is as follows:

1990-91 estimate .....	\$35 400
1989-90 actual .....	\$32 934
1982-83 actual .....	\$225 000

40. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Real Property Act announced in the *Government Gazette* of 31 May (pp. 1504-1506) and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The estimate of the 1990-91 revenue from fees payable under the Real Property Act announced in the *Government Gazette* of 31 May (pages 1504-1506) is \$17.182 million. Actual amounts for the financial years 1989-90 and 1982-83 were \$15.909 million and \$5.545 million respectively.

41. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Physiotherapists Act announced in the *Government Gazette* of 31 May (p. 1497) and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The reply is as follows:

Revenue Items:	1982-83	1989-90	Estimate 1990-91
	\$	\$	\$
Fees Annual Subscriptions ...	12 734	26 188	27 500
Fees Application for Registration and non-practising ...	2 084	3 559	4 000
Totals .....	14 818	29 747	31 500

42. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees and charges payable under Regulation 7 of the Dog Control Act announced in the *Government Gazette* of 24 May (p. 1448) and what were the actual amounts received in 1982-83 and 1989-90 from all fees and charges payable under the Dog Control Act?

**The Hon. J.C. BANNON:** No fees and charges under Regulation 5 of the Dog Control Regulations 1990 are payable to the general revenue of the State. The fees and charges are levied by councils and revenue is generally retained by them for the administration of the registration and control provisions of the Dog Control Act. Regulation 7 does, however, require each metropolitan council to forward to the Minister of Local Government before the end of July each year an amount equal to 20 per cent of dog registration fees collected by the council in the preceding financial year. It is estimated that in 1990-91 \$350 000 will be paid by those councils, compared with \$132 266 in 1982-83 and \$346 000 in 1989-90.

Funds paid to the Minister are held in a trust fund, the Dog Control Statutory Fund, and are fully expended in the payment of grants to the Animal Welfare League and the Royal Society for the Prevention of Cruelty to Animals towards their activities in caring for and controlling dogs, and in financing the administration of the Dog Advisory Committee and the fund.

44. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91

revenue from fees payable under the Strata Titles Act announced in the *Government Gazette* of 31 May (pp. 1515-1516) and what were the actual amounts in 1982-83 and 1989-90?

**The Hon. J.C. BANNON:** Refer to answer to question 34.

45. **Mr. D.S. BAKER (Leader of the Opposition),** on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Surveyors Act announced in the *Government Gazette* of 31 May (p. 1517) and what were the actual amounts in 1982-83 and 1989-90?

**The Hon. J.C. BANNON:** The estimate of the 1990-91 revenue from fees payable under the Surveyors Act announced in the *Government Gazette* of 31 May is \$17 500. Actual amounts for the financial years 1982-83 and 1989-90 were \$12 789 and \$15 850 respectively.

46. **Mr D.S. BAKER (Leader of the Opposition),** on notice, asked the Minister of Health: What is the estimate of the 1990-91 revenue from fees and charges payable under the Rest and Nursing Homes Act announced in the *Government Gazette* of 7 June (p. 1554) and what were the actual amounts in 1982-83 and 1989-90?

**The Hon. D.J. HOPGOOD:** Local boards of health are responsible for licensing nursing homes and rest homes and the fees are payable to those local authorities. The fees published in the *Government Gazette* of 7 June 1990 were increased as a result of a request from a local authority and represent the movement in the consumer price index since the fees were previously adjusted in 1986. The revenue raised by these fees is retained by the local government authorities and specific information on the 1990-91 revenue is not centrally available.

47. **Mr D.S. BAKER (Leader of the Opposition),** on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the Waste Management Act announced in the *Government Gazette* of 14 June (p. 1615) and what were the actual amounts in 1988-89 and 1989-90?

**The Hon. J.C. BANNON:** The estimate of the 1990-91 revenue from fees payable under the Waste Management Act announced in the *Government Gazette* of 14 June (p. 1615) is \$1 494 000. Actual amounts for the financial years 1988-89 and 1989-90 were \$1 143 000 and \$1 087 500 respectively.

48. **Mr D.S. BAKER (Leader of the Opposition),** on notice, asked the Minister of Water Resources:

1. What are the estimates of the 1990-91 revenue from charges payable under the following Regulations of the Water Resources Act announced in the *Government Gazette* of 21 June (pp. 1647-1648) and what were the actual amounts in 1989-90:

- (a) 14.7;
- (b) 27.6;
- (c) 33.2;
- (d) 33.3; and
- (e) 33.4?

2. What is the estimate of the 1990-91 revenue from fees payable under Schedule 4 of the Water Resources Act and what were the actual amounts in 1982-83 and 1989-90?

3. What is the estimate of the total amount of revenue from all fees and charges payable under the Water Resources Act in 1990-91 and what were the actual amounts in 1982-83 and 1989-90?

**The Hon. S.M. LENEHAN:** The replies are as follows:

1. Regulations	1989-90	1990-91
	\$	\$
(a) 14.7 } *	32 100	26 300
(b) 27.6 } *		
(c) 33.2 } *	3 500	5 400
(d) 33.3 } *		
(e) 33.4 } *		
* Individual amounts not available		
2. 1990-91 Estimate	1982-83 Actual	1989-90 Actual
\$375 200	\$66 000	\$217 100
3. 1990-91 Estimate	1982-83 Actual	1989-90 Actual
\$463 900	\$95 000	\$306 800

49. **Mr D.S. BAKER (Leader of the Opposition),** on notice, asked the Minister of Water Resources:

1. What are the estimates of the 1990-91 revenue from charges payable under the following Regulations of the Sewerage Act announced in the *Government Gazette* of 21 June (p. 1649) and what were the actual amounts in 1989-90:

- (a) 4A.7; and
- (b) 4A.8?

2. What is the estimate of revenue from all fees payable under the Sewerage Act in 1990-91 and what were the actual amounts in 1982-83 and 1989-90?

**The Hon. S.M. LENEHAN:** The replies are as follows:

1. Regulations	1990-91	1989-90
	\$	\$
(a) 4A.7	26 900	26 600
(b) 4A.8	1 239 600	1 232 100
2. 1990-91 Estimate	1982-83 Actual	1989-90 Actual
\$2 676 600	*	\$2 090 600

\* This information cannot be provided as—the Regulations which were in force in 1982-83 have since been significantly amended; and details of revenue received were not previously maintained in the present manner.

50. **Mr D.S. BAKER (Leader of the Opposition),** on notice, asked the Minister of Water Resources:

1. What are the estimates of the 1990-91 revenue from charges payable under the following Regulations of the Waterworks Act announced in the *Government Gazette* of 21 June (pp. 1650-1652) and what were the actual amounts in 1989-90—

- (a) 3.1E.1, Schedule A;
- (b) 3.1F, Schedule B;
- (c) 3.1G;
- (d) 3.3.1;
- (e) 3.3.2;
- (f) 3.3.3;
- (g) 3.3.4;
- (h) 3.3.6;
- (i) 3.3.7;
- (j) 3.3.8; and
- (k) 3.3.9?

2. What is the estimate of the 1990-91 revenue from all fees payable under the Waterworks Act and what were the actual amounts in 1982-83 and 1989-90?

**The Hon. S.M. LENEHAN:** The replies are as follows:

1. Regulations	1990-91 Estimate	1989-90 Actual
	\$	\$
(a) 3.1E.1, Schedule A . . . . .	2 267 800	1 947 300
(b) 3.1F, Schedule B . . . . .	874 600	916 300
(c) 3.1G . . . . .	4 600	—
(d) 3.3.1 . . . . .	6 400	9 100
(e) 3.3.2 . . . . .	57 900	48 600
(f) 3.3.3 . . . . .	117 800	87 200
(g) 3.3.4 . . . . .	63 800	64 000
(h) 3.3.6 . . . . .	6 900	6 000
(i) 3.3.7 . . . . .	73 300	72 000
(j) 3.3.8 . . . . .	19 500	9 400
(k) 3.3.9 . . . . .	575 000	401 700

2. 1990-91 Estimate 1982-83 Actual 1989-90 Actual  
\$5 338 700 \* \$4 439 400

\* This information was not maintained in a manner which would allow realistic comparisons to be made with 1989-90 and 1990-91. Alterations to various regulations (including new and deleted fees) further complicates the issue.

51. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Transport: What is the estimate of the 1990-91 revenue from all fees and charges payable under the Motor Vehicles Act and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. FRANK BLEVINS:** The reply is as follows:

	Estimate 1990-91 \$'000	Actual 1989-90 \$'000	*Actual 1982-83 \$'000
Registrations .....	108 800	99 875	50 390
Licences .....	12 000	11 005	7 616
Tow Trucks .....	113	100	—
Personalised Number Plates .....	996	944	227
Slogan Plates .....	890	832	375
+ Sundries .....	920	861	Not Available
<b>Total .....</b>	<b>123 719</b>	<b>113 617</b>	<b>58 608</b>

\* From Audit Report 30.6.83 page 219.

+ Sundries includes sale of information and instructors' licences.

52. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Transport: What are the estimates of the 1990-91 revenue from charges payable under the following Regulations of the Motor Vehicles Act announced in the *Government Gazette* of 21 June (pp. 1653-1658) and what were the actual amounts in 1989-90—

- (a) 59;
- (b) 61;
- (c) 62;
- (d) 64A;
- (e) 66;
- (f) 67;
- (g) 68;
- (h) 71;
- (i) 73a;
- (j) 74a;
- (k) 75; and
- (l) 80a?

**The Hon. FRANK BLEVINS:** A breakdown of actual receipts in 1990-90 for each individual charge is not available. An estimate of receipts for individual charges for 1989-90 is as follows:

	Estimated Revenue 1990-91 \$'000	Estimated Receipts 1989-90 \$'000
(a) 59 .....	12	10
(b) 61 .....	277	231
(c) 62 .....	97 972	91 882
(d) 64A .....	2 017	1 862
(e) 66 .....	3 198	2 953
(f) 67 .....	531	500
(g) 68 .....	559	524
(h) 71 .....	9 469	8 912
(i) 73a .....	336	280
(j) 74a .....	229	216
(k) 75 .....	13	12
(l) 80a .....	890	832

53. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Transport: What is the estimate of the 1990-91 revenue under the Accident Towing Roster Scheme Regulations announced in the *Government Gazette* of 21 June (pp. 1659-1660) and what were the actual amounts in each of the years 1987-88 to 1989-90?

**The Hon. FRANK BLEVINS:** The reply is as follows:  
TOW TRUCK RECEIPTS

Estimate 1990-91 \$'000	*Actual 1987-88 \$'000	*Actual 1988-89 \$'000	Actual 1989-90 \$'000
113	83	93	100

\* From Audit Report 30.6.89 page 204.

54. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What are the estimates of the 1990-91 revenue from fees payable under the following regulations of the fees Regulation (Places of Public Entertainment) Act announced in the *Government Gazette* of 21 June (p. 1661) and what were the actual amounts in 1989-90:

- (a) 13 (1b);
- (b) 20 (6); and
- (c) 21 (2)?

**The Hon. J.C. BANNON:** Fees Regulation (Places of Public Entertainment) Act:

Estimated Revenue in 1990-91 Regulation 13 (1b), 20 (6) and 21 (2)—\$11 000.

Actual Revenue in 1989-90—\$10 000.

Information is not available by individual regulations.

55. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under the twenty-third schedule of the consumer transactions regulations announced in the *Government Gazette* of 21 June (p. 1662) and what was the actual amount in 1989-90?

**The Hon. J.C. BANNON:** Fees payable under the twenty-third schedule of the consumer transactions regulations:

Estimated revenue in 1990-91 less than \$1 000.

Actual revenue in 1989-90 less than \$1 000.

56. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from the fee payable under regulation 3 of the Goods Securities Act announced in the *Government Gazette* of 21 June (p. 1663) and what was the actual amount in 1989-90?

**The Hon. J.C. BANNON:** Estimated 1990-91 revenue from the fees payable under regulation 3 of the Goods Securities Act is less than \$1 000. The actual amount in 1989-90 was less than \$1 000.

57. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What are the estimates of the 1990-91 revenue from the following fees payable under the Land Agents, Brokers and Valuers Act announced in the *Government Gazette* of 21 June (p. 1664) and what were the actual amounts in 1989-90:

- (a) Regulation 11;
- (b) Regulation 22; and
- (c) seventh schedule?

**The Hon J.C. BANNON:** Revenue from fees payable under the Land Agents, Brokers and Valuers Act (regulations 11 and 22, and seventh schedule):

Estimated revenue in 1990-91—\$814 000.

Actual revenue in 1989-90—\$724 000.

Information is not available by individual regulations.

58. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer:

1. What are the estimates of the 1990-91 revenue from the following fees payable under the Liquor Licensing Act, announced in the *Government Gazette* of 21 June (pp. 1665-1666) and what were the actual amounts in 1989-90—

- (a) regulation 4;
- (b) regulation 16;
- (c) second schedule; and
- (d) seventh schedule?

2. How much revenue was received from all fees payable under the Liquor Licensing Act in 1989-90 and in 1982-83?

**The Hon. J.C. BANNON:** The replies are as follows:

1. Revenue from fees payable under the Liquor Licensing Act (regulations 4 and 16, second and seventh schedules):

Estimated revenue in 1990-91—\$417 000

Actual revenue in 1989-90—\$390 000

Information is not available by individual regulations.

2. Revenue received from all fees payable under the Liquor Licensing Act:

Actual 1989-90—\$40 889 000

Actual 1982-83—\$18 922 000.

59. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer:

1. What are the estimates of the 1990-91 revenue from fees payable under the following regulations of the Places of Public Entertainment Act announced in the *Government Gazette* of 21 June (pp. 1667-1668) and what were the actual amounts in 1989-90:

(a) 17;

(b) 76;

(c) 81; and

(d) 81a?

2. What is the estimate of the 1990-91 revenue from all fees payable under the Places of Public Entertainment Act, and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The replies are as follows:

1. Revenue from fees payable under regulations 17, 76, 81 and 81a of the Places of Public Entertainment Act:

Estimated revenue in 1990-91—\$53 000

Actual revenue in 1989-90—\$64 000

Information is not available by individual regulations.

2. Revenue received from all fees payable under the Places of Public Entertainment Act:

Estimate 1990-91—\$64 000

Actual 1989-90—\$74 000

Actual 1982-83—\$27 000.

60. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under schedule 5 of the Travel Agents Act, announced in the *Government Gazette* of 21 June (p. 1669) and what were the actual amounts in each of the years 1987-88 to 1989-90?

**The Hon. J.C. BANNON:** Revenue from fees payable under schedule 5 of the Travel Agents Act:

Estimated revenue 1990-91—\$96 000

Actual revenue 1989-90—\$84 000

Actual revenue 1988-89—\$70 000

Actual revenue 1987-88—\$53 000.

61. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer:

1. What is the estimate of the 1990-91 revenue from fees payable under the twenty-first schedule of the Second-hand Motor Vehicles Act, announced in the *Government Gazette* of 21 June (p. 1670) and what was the actual amount in 1989-90?

2. How much revenue was received from all fees payable under the Second-hand Motor Vehicles Act in 1982-83?

**The Hon. J.C. BANNON:** The replies are as follows:

1. Revenue from fees payable under the twenty-first schedule of the Second-hand Motor Vehicles Act:

Estimated revenue 1990-91—\$155 000

Actual revenue 1989-90—\$136 000

2. Revenue received from all fees payable under the Second-hand Motor Vehicles Act in 1982-83 was \$20 000.

62. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer:

1. What is the estimate of the 1990-91 revenue from fees payable under the second schedule of the Births, Deaths

and Marriages Registration Act, announced in the *Government Gazette* of 21 June (p. 1671) and what was the actual amount in 1989-90?

2. How much revenue was received from all fees payable under the Births, Deaths and Marriages Registration Act, in 1982-83?

**The Hon. J.C. BANNON:** The replies are as follows:

1. Revenue from fees payable under the second schedule of the Births, Deaths and Marriages Registration Act:

Estimated revenue 1990-91—\$1 636 000

Actual revenue 1989-90—\$1 534 000.

2. Revenue from all fees payable under Births, Deaths and Marriages Registration Act, in 1982-83 was \$519 000.

63. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer:

1. What are the estimates of the 1990-91 revenue from the following fees payable under the Builders Licensing Act, announced in the *Government Gazette* of 21 June (p. 1672) and what were the actual amounts in 1989-90:

(a) regulation 9 (4); and

(b) schedule 3?

2. What is the estimate of the 1990-91 revenue from all fees payable under the Builders Licensing Act, and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The replies are as follows:

1. Revenue from fees payable under regulation 9 (4) and schedule 3 of the Builders Licensing Act:

Estimated revenue 1990-91—\$2 306 000

Actual revenue 1989-90—\$2 059 000

Information is not available by individual regulations.

2. Revenue from all fees payable under the Builders Licensing Act:

Estimated revenue 1990-91—\$2 306 000

Actual revenue 1989-90—\$2 059 000

Actual revenue 1982-83—\$436 000.

64. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer:

1. What are the estimates of the 1990-91 revenue from the following fees payable under the Commercial and Private Agents Act announced in the *Government Gazette* of 21 June (p. 1673) and what were the actual amounts in 1989-90:

(a) regulation 12; and

(b) schedule 1?

2. What is the estimate of the 1990-91 revenue from all fees payable under the Commercial and Private Agents Act, and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The replies are as follows:

1. Revenue from fees payable under regulation 12 and schedule 1 of the Commercial and Private Agents Act:

Estimated revenue 1990-91—\$417 000

Actual revenue 1989-90—\$356 000

Information is not available by individual regulations.

2. Revenue from all fees payable under the Commercial and Private Agents Act:

Estimated revenue 1990-91—\$417 000

Actual revenue 1989-90—\$356 000

Actual revenue 1982-83—\$84 000.

65. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer:

1. What are the estimates of the 1990-91 revenue from the following fees payable under the following schedules of the Consumer Credit Act, announced in the *Government Gazette* of 21 June (pp. 1675-1676) and what were the actual amounts in 1989-90:

(a) ninth;

(b) tenth; and

(c) fifteenth?



2. What is the estimate of the 1990-91 revenue from all fees payable under the Consumer Credit Act, and what were the actual amounts in 1989-90 and 1982-83?

**The Hon. J.C. BANNON:** The replies are as follows:

1. Revenue from fees payable under the ninth, tenth and fifteenth schedules of the Consumer Credit Act:

Estimated revenue 1990-91—\$300 000

Actual revenue 1989-90—\$293 000

Information is not available by individual schedules.

2. Revenue from all fees payable under the Consumer Credit Act:

Estimated revenue 1990-91—\$300 000

Actual revenue 1989-90—\$293 000

Actual revenue 1982-83—\$182 000.

66. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What is the estimate of the 1990-91 revenue from fees payable under schedule 4 of the Commercial Tribunal Act announced in the *Government Gazette* of 21 June 21 (p. 1674) and what was the actual amount in 1989-90?

**The Hon. J.C. BANNON:** Estimated revenue in 1990-1991—\$4 000 (primarily due to the introduction of a new fee to recover costs incurred in issue of summons). Actual revenue in 1989-90 negligible as above fee did not apply.

#### SUPPRESSION ORDERS

67. **Mr BECKER (Hanson)**, on notice, asked the Minister of Education representing the Attorney-General: When will a decision be made regarding lifting of certain suppression orders pertaining to documents and evidence supplied during an inquiry into the reasons for Finance Corporation of Australia and The Bank of Adelaide's demise and what are the reasons for such a long delay?

**The Hon. G.J. CRAFTER:** In November 1985 an application was made for the lifting of certain suppression orders made during the initial inquiry into this matter. This application was heard and refused. I am aware of no further application since that time to lift the suppression orders.

#### COMMUNICATIONS STRATEGY

71. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Housing and Construction representing the Minister of State Services:

1. What is the estimated cost of implementing the communications strategy for the Government approved by Cabinet in November 1987?

2. What are the estimated savings to be achieved by implementation of the strategy to the year 1994-95?

3. Has Statelink's charter been approved and, if so, when?

4. When was a response made to the Auditor-General's report dated 19 July 1989 to the Chairman, Government Management Board and the Chief Executive Officer, State Services Department relating to the management structure, policy and planning, performance assessment and financial accountability arrangements for the communications strategy and will the Minister provide a copy of this response to the Opposition and, if not, why not?

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

1. The estimated cost of commencing the implementation of the Communications Strategy for Government, as approved by Cabinet in November 1987, is \$6.5 million capital expenditure plus \$1.621 million recurrent expenditure for the Government Communications Unit (Statelink).

2. Savings in excess of \$20 million are currently estimated to the year 1994-95.

3. In June 1990, the Government Management Board endorsed a financial charter for Statelink for 1990-91 subject to further review as the operation develops.

4. Coordinated responses were made to the Auditor-General on 31 July 1989 and 4 September 1989 by the Chair of the Government Management Board.

#### TAFE BUSINESS ENTERPRISES

73. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Employment and Further Education: How many TAFE business enterprises have now been approved and in relation to each venture—

(a) at which college is it being operated;

(b) what is the nature of the business; and

(c) what funds have been advanced to meet establishment and capital costs?

**The Hon. M.D. RANN:** The reply is as follows:

(a) and (b). The colleges and departmental business enterprises and their principal ventures are:

SATECH (Departmental)	<ul style="list-style-type: none"> <li>● overseas projects</li> <li>● training</li> <li>● consultancies</li> <li>● project management</li> </ul>
Adtech (Adelaide College of TAFE)	<ul style="list-style-type: none"> <li>● overseas full fee paying students program</li> <li>● Australian travel agents training project</li> <li>● consultancies</li> <li>● centre stage productions venture</li> <li>● provision of courses to DISTED, Malaysia and CARITAS, Hong Kong</li> </ul>
Elizabeth Techsolve (Elizabeth College)	<ul style="list-style-type: none"> <li>● Autocad bureau training</li> <li>● training services</li> <li>● overseas students full fee paying students</li> <li>● consultancies</li> </ul>
Kintec (Kingston College)	<ul style="list-style-type: none"> <li>● Qikdraw garment design software</li> </ul>
Marltech (Marleston College)	<ul style="list-style-type: none"> <li>● Fleece measurement service</li> <li>● production of transportable houses</li> <li>● South Australian Housing Trust project</li> <li>● consultancy services</li> <li>● specialist footwear</li> </ul>
Murraytech (Barker College)	<ul style="list-style-type: none"> <li>● Job Club venture</li> <li>● consultancies—general</li> <li>● agricultural training for overseas students</li> <li>● piggery employee training—Metro Farms</li> <li>● farm machinery training and consultancies</li> <li>● farm chemical user training project</li> </ul>

Regency APPLITECH (Regency College) ● overseas full fee paying students  
● consultancies

Crotech (Croydon Park College) ● Formula Holden Project

Sectrain (South East College) ● Pantafe (Panorama College) } Waiting on findings of the Review

NB Sectrain } No approved centres  
Pantafe }

(c) The Government made available \$500 000 by way of grants to establish TAFE business enterprises. So far \$178 000 of this has been drawn on by the following enterprises:

Murraytech \$8 000  
Kintec \$50 000  
Crotech \$50 000  
Satech \$70 000.

#### ASSET REGISTERS

76. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Treasurer:

1. Did all Government agencies have asset registers in place by 30 June 1990 as required by a Treasurer's instruction in December 1988 and, if not, which agencies failed to do so?

2. Will the Treasurer make available to Parliament all completed asset registers and, if not, why not?

The Hon. J.C. BANNON: The replies are as follows:

1. Treasurer's Instruction 1001 requires that all agencies have asset registers. Those registers were required to be in place by 30 June 1990. Three agencies sought extensions of time in which to comply with the instruction and these are:

- Department for the Arts;
- Department of Employment and Technical and Further Education; and
- Police Department.

2. Treasury has sought information from the remaining agencies on the values of assets employed. Further, it is encouraging agencies to include that information in their annual reports to Parliament.

The information sought is still being received and assessed by Treasury, and will be compiled into a State public sector balance sheet which will be available to Parliament. However, the valuation approaches which have been adopted are a mixture of historical cost and replacement cost and need refining before the various registers can be aggregated with confidence.

#### INFORMATION TECHNOLOGY

78. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Treasurer: On what date did the Treasurer reply to the Auditor-General's concerns raised on 19 July 1989, about the cost of implementing the information technology strategy for the public sector (1989 report, p. xi) and will a copy of that reply be made available to the Opposition and, if not, why not?

The Hon. J.C. BANNON: The matters formally referred to the Premier and Treasurer by the Auditor-General on 19 July 1989 were the subject of discussions between the Office of the Government Management Board and staff of the

Auditor-General's Department prior to the Premier's formal response on 29 July 1990. A copy of the response has now been forwarded to the Leader of the Opposition.

#### REGISTRATION AND LICENCE SYSTEM

79. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Minister of Transport:

1. Has a private sector proposal for assistance to complete the on-line registration and licence system for the Department of Transport (Auditor-General's Report 1989, p. xii) been accepted and, if so, what is the cost of the proposal?

2. What was the expenditure recorded against this project as at 30 June 1990 and what is the estimate of the final cost?

3. When is the project expected to be fully implemented?

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

1. A private sector proposal was accepted in September 1989. The basic price of the agreement was for \$897 965, not including provision for contingencies and variations.

2. As at 30 June 1990, \$808 168.50 had been paid. The estimated final cost is \$950 000 after allowing for variations which will total less than the contingency provision.

3. The system was implemented on 17 July 1990. Programming modifications will continue under contract warranty which ends on 31 October 1990.

#### CORPORATE CREDIT CARDS

81. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Treasurer:

1. What has been the outcome, of the introduction on a trial basis in August 1989 of corporate credit cards by the Department of Housing and Construction, the Education Department and the Department of Road Transport?

2. Is the use of the corporate credit cards for purchasing procedures being implemented in any other departments and agencies and, if so, which ones and when?

3. What conditions and limitations are placed on the use of these cards?

The Hon. J.C. BANNON: The replies are as follows:

1. The trial of corporate credit cards in the three agencies demonstrated that the cards provided benefits for the purchase of small value items through reduced paperwork and by streamlining purchasing and payment procedures.

2. The cards are also being used on a trial basis in the Engineering and Water Supply Department. A tender specification is currently being prepared for the selection of a State Government corporate credit card and is expected to be released in the next few weeks. Once a card has been selected it will be made available for use in all agencies including statutory authorities.

3. The conditions and limitations on the use of the cards together with other procedural aspects will be governed by a Treasurer's instruction which is currently being prepared. The cards will be restricted initially to purchases of up to \$1 000 in value.

#### COMPREHENSIVE RISK MANAGEMENT PROPOSAL

82. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Treasurer:

1. What has been the outcome of the implementation on a trial basis from August 1989 of a comprehensive risk management proposal for the payment of invoices by the Department of Technical and Further Education and the Highways Department?

2. Is this proposal being extended to any other departments or agencies and, if so, which ones and when?

**The Hon. J.C. BANNON:** The replies are as follows:

1. Reports have been received on the outcome of the trials from the two departments concerned and these reports are currently being assessed by Treasury officers in conjunction with officers from the Auditor-General's Department. The trials indicated that time savings might be achievable when paying accounts under a risk management strategy, particularly by reducing routine checking of elements such as the arithmetical calculations and the existence of requisitioning authorities.

However, the trials also showed that caution needs to be exercised when considering a reduction in the checking of other elements (for example, that the supplier/creditor code on computer input documents is correct) as such changes might result in an unacceptable increase in the number of incorrect payments. The time taken to correct these errors might more than offset any savings achieved through the risk management approach.

2. Treasury is currently preparing a revised Treasurer's instruction for the payment of accounts which it is anticipated will provide for a reduction in those checks that the trials have demonstrated can be relaxed and also provide for a reduction in other checks subject to certain conditions being met.

#### INFORMATION TECHNOLOGY

86. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Premier: Does the Government intend to have an independent management review of the information technology strategy for the public sector and to make a clear and concise policy statement as recommended in the Auditor-General's Report (p. xxii) and, if so, when will it begin and who will undertake it and, if not, why not?

**The Hon. J.C. BANNON:** The question of an independent management review of the information technology strategy for the public sector has been addressed in the Government Management Board's position paper included as part of the response to the Auditor-General's suggestion.

As the position paper indicates, the Government Management Board did not at that time see the need for an independent management review. As part of its ongoing review of public sector management the board, at its August 1990 meeting, discussed the matter of an information technology strategy in the context of the current dynamic situation in Australia's telecommunications industry. This will remain under consideration by the board.

The office of the Government Management Board has begun rewriting the information technology policy statements to ensure that they are as clear and concise as possible. This rewriting will also take account of various other policy documents relating to information technology including those issued by the State Supply Board.

#### GOVERNMENT MANAGEMENT BOARD

87. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Premier: Has the Government Management Board considered a final report following its review of the internal

audit function of 17 public sector agencies and, if so, will a copy of the report be made available to the Opposition?

**The Hon. J.C. BANNON:** The Government Management Board has considered the final report following its review of the internal audit function in the public sector. The board has distributed the report to the Chief Executive Officers and commended its recommendations to them. A copy of the report will be provided to the Leader.

#### PUBLIC SECTOR INDEBTEDNESS

88. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Treasurer: What was the State public sector's indebtedness at 30 June 1990 and what were the net interest costs on this debt paid during 1989-90?

**The Hon. J.C. BANNON:** The State public sector's indebtedness at 30 June 1990 is included in the Financial Statement tabled on the introduction of the Appropriation Bill. Details of the net interest costs are provided in the Auditor-General's Report.

#### ADELAIDE CONVENTION CENTRE

90. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Industry, Trade and Technology:

1. How many events were booked for the Adelaide Convention Centre during 1989-90, how many days did these events cover and how many days were fully booked?

2. How many events have been booked so far for each of the years to 1992-93?

**The Hon. LYNN ARNOLD:** The replies are as follows:

1. 1989-90				
Number of events booked . . .	443			
Number of days covered . . . .	354			
Number of fully booked days	207			
2. As at 10.8.90		1990-91	1991-92	1992-93
Number of events booked . . .	209	81	46	

#### JUSTICE INFORMATION SYSTEM

92. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Education, representing the Attorney-General:

1. What were total payments recorded against the Justice Information System project during 1989-90 and how much was allocated to—

- salaries and related payments;
- consultancies;
- operating expenses; and
- capital expenditure?

2. What is the total cost of the project to 30 June 1990 and what is the estimated final cost?

3. When is the project scheduled for completion?

**The Hon. G.J. CRAFTY:** The replies are as follows:

- (a) \$1 740 223.16
- (b) \$ 142 375.00 (Consultants)\*  
\$ 471 581.10 (Contract Programmers)\*
- (c) \$2 011 162.09
- (d) \$2 787 916.88  
\$7 153 258.23

\* The consultant figure is divided between consultants: persons employed to provide advice and recommendations on the best way to achieve objectives; and contractors: persons employed to perform specific analysis and programming tasks.

2. Total cost to June 1990 \$28 million, estimated final cost \$49.6 million.
3. Completion is scheduled for 30 June 1992.

**DEPARTMENT FOR FAMILY AND COMMUNITY SERVICES**

93. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Family and Community Services: What was the cost in 1989-90 of the Department for Family and Community Services emergency financial assistance program for individuals in times of crisis or situations where families are at risk of breakdown and how much of this assistance was paid for—

- (a) food;
- (b) clothing;
- (c) medical expenses;
- (d) accommodation; and
- (e) overdue electricity and gas accounts?

**The Hon. D.J. HOPGOOD:** Expenditure on emergency financial assistance for 1989-90 was \$1 577 222. A breakdown on expenditure into the categories requested is not available at this stage. However, payments for food are expected to comprise approximately 68 per cent of the expenditure incurred. Further information on applications for emergency financial assistance will be published in the department's annual report.

**SUPPORTED ACCOMMODATION ASSISTANCE PROGRAM**

94. **Mr D.S. BAKER (Leader of the Opposition)**, on notice, asked the Minister of Family and Community Services: How much was paid in grants in 1989-90 under the Supported Accommodation Assistance Program to non-Government organisations providing emergency and short-term accommodation to the homeless, what was the amount and purpose of each grant and who was its recipient?

**The Hon. D.J. HOPGOOD:** The attached lists of 1989-90 allocations show the amount of grant, breakdown of salaries and operating costs.

The lists are printed in categories, i.e. Youth (YSAP), Women's (WESP) and General (GSAP)—which will provide the 'purpose' answer.

Descriptions of the various SAAP programs are as follows:

**Youth Supported Accommodation Assistance:** The youth program provides a range of supported accommodation services for young people aged 12-25. Services include emergency, intensive and medium term shelters, and outreach and counselling services.

**General Supported Accommodation Assistance:** The general program provides supported accommodation and related services for men, women and their dependants.

**Women's Emergency Support:** The women's program provides supported accommodation and related services to women and their dependants who have left domestic violence and other crisis situations.

Organisation	f.t.c.'s	1989-90 funding				total recurrent \$	
		salaries \$	on costs \$	total salaries \$	operating \$		
<b>Youth</b>							
Aboriginal Child Care Agency	<i>Nurrunga House</i>	3.00	68 904	12 129	81 033	20 374	101 407
Adelaide Central Mission	<i>Streetlink</i>	2.00	45 935	8 085	54 020	11 550	65 570
Adelaide Housing Outreach Centre	<i>Duplex</i>	3.00	71 768	12 634	84 402	19 643	104 045
Adelaide Housing Outreach Centre	<i>Minimal Support</i>	1.00	22 968	4 043	27 011	4 553	31 564
Australian Red Cross	<i>Dunant</i>	3.00	68 904	12 130	81 034	21 524	102 558
Australian Red Cross	<i>Craig St.</i>	0.00	0	0	0	12 755	12 755
Australian Red Cross	<i>Joyce Schultz</i>	6.50	149 294	26 278	175 572	36 988	212 560
Balyarta Youth Accommodation Project		3.50	83 252	14 655	97 907	30 521	128 428
Bellevue Heights Baptist		1.50	34 454	6 067	40 521	12 290	52 811
Coolock House		3.00	68 905	12 130	81 035	24 096	105 131
Edwardstown Youth Housing		3.00	68 905	12 129	81 034	16 407	97 441
Gawler Community Accommodation Program		3.50	82 372	14 499	96 871	21 889	118 760
Indo Chinese Refugee Association	<i>Mekong Youth Accommodation</i>	1.50	34 454	6 067	40 521	9 701	50 222
I.T.R.A.	<i>Norwood</i>	3.00	71 768	12 635	84 403	43 208	127 611
I.T.R.A.	<i>Kilkenny</i>	3.00	71 768	12 634	84 402	21 159	105 561
Malvern House Supporting Parents Accommodation Project		3.00	68 906	12 130	81 036	18 613	99 649
Noarlunga Youth Accommodation Service	<i>Medium Term</i>	1.50	35 289	6 213	41 502	17 304	58 806
Noarlunga Youth Accommodation Service	<i>Shelter</i>	3.50	82 678	14 571	97 249	24 985	122 234
Noarlunga Youth Accommodation Service	<i>Short Term</i>	2.00	47 613	8 381	55 994	39 871	95 865
Offenders Aid and Rehabilitation Services	<i>Homestead</i>	2.50	57 420	10 106	67 526	18 899	86 425
Offenders Aid and Rehabilitation Services	<i>Les Favell House</i>	2.50	57 420	10 106	67 526	20 635	88 161
Offenders Aid and Rehabilitation Services	<i>Banjora</i>	1.00	22 968	4 043	27 011	0	27 011
Para Districts Housing Service		3.00	71 768	12 634	84 402	21 136	105 538
Port Adelaide Central Mission		3.00	68 905	12 128	81 033	26 086	107 119
Port Augusta Ranges		4.00	94 735	16 676	111 411	24 130	135 541
Salvation Army Ingle Farm Corps	<i>Wandendi</i>	2.50	57 565	10 132	67 697	24 356	92 053
Salvation Army Ingle Farm Corps	<i>Minimal Support</i>	1.00	22 968	4 043	27 011	5 756	32 767
Salvation Army Ingle Farm Corps	<i>Burlendi</i>	4.00	91 872	16 171	108 043	21 153	129 196
South-East Regional Accommodation Forum	<i>Gemini House</i>	1.00	22 969	4 044	27 013	13 212	40 225
Southern Suburbs Young Womens Service		2.00	45 937	8 086	54 023	20 212	74 235
St. John's Shelter Inc.		6.00	140 671	24 762	165 433	30 711	196 144
St. Stephens Youth Accommodation Project		3.00	71 768	12 634	84 402	22 221	106 623
Tea Tree Gully Teenage Accommodation Project		3.50	83 252	14 655	97 907	24 158	122 065
The Ranch		1.50	34 454	6 067	40 521	5 346	45 867
Umbrella Youth Housing Association Inc.	<i>Wayford</i>	3.00	71 768	12 635	84 403	20 053	104 456

Organisation		f.t.c.'s	salaries \$	on costs \$	1989-90 funding total salaries \$	operating \$	total recurrent \$
Umbrella Youth Housing Association Inc.	<i>Paralowie</i>	1.50	34 454	6 067	40 521	24 400	64 921
Urrbrae Parish Youth Accommodation		1.00	22 968	4 043	27 011	10 157	37 168
Waikerie Youth Accommodation		1.50	34 454	6 067	40 521	13 899	54 420
West End Baptist Inc.	<i>Hawker St.</i>	1.50	34 454	6 064	40 518	12 970	53 488
West End Baptist Inc.	<i>Selby St.</i>	3.00	68 906	12 128	81 034	11 693	92 727
Whyalla Homeless Youth Project		2.00	45 936	8 085	54 021	11 314	65 335
Youth Haven		3.50	83 252	14 655	97 907	24 324	122 231
Youth Services of the Barossa		0.50	11 484	2 021	13 505	11 344	24 849
<b>Total Youth Sector</b>		<b>108.50</b>					<b>3 801 543</b>
General							
Aboriginal Sobriety Group		1.00	22 968	4 043	27 011	4 011	31 022
Adelaide Day Centre for Homeless Persons		2.50	55 222	9 719	64 941	22 299	87 240
Bowden/Brompton Community Group		1.00	22 968	4 043	27 011	10 258	37 269
Catherine McAuley Homeless Women's Accommodation Program		4.00	94 734	16 673	111 407	44 899	156 306
Community Housing & Emergency Accommodation Project		2.50	61 764	10 871	72 635	24 441	97 076
Congregation of the Sisters of St. Joseph of the Sacred Heart		2.50	57 420	10 106	67 526	20 986	88 512
Daughters of Charity		1.00	22 968	4 043	27 011	34 848	61 859
Far West Aboriginal Progress Association		0.00	0	0	0	5 831	5 831
Gawler Community Accommodation Program Inc.		1.00	24 441	4 302	28 743	21 385	50 128
Lutheran Emergency Family Shelter		3.15	80 016	14 083	94 099	22 552	116 651
New Service		3.00	71 766	12 631	84 397	19 000	103 397
Offenders Aid and Rehabilitation Services	<i>Halifax Street</i>	1.00	25 831	4 546	30 377	3 000	33 377
Offenders Aid and Rehabilitation Services	<i>Port Augusta</i>	1.50	34 112	6 004	40 116	16 221	56 337
Offenders Aid and Rehabilitation Services	<i>Bowden/ Brompton</i>	1.00	23 810	4 191	28 001	19 284	47 285
Offenders Aid and Rehabilitation Services	<i>Port Lincoln</i>	1.50	32 527	5 725	38 252	14 112	52 364
Offenders Aid and Rehabilitation Services	<i>Exeter</i>	1.00	23 810	4 191	28 001	13 250	41 251
Offenders Aid and Rehabilitation Services	<i>Christie Downs</i>	1.50	34 453	6 064	40 517	12 749	53 266
Offenders Aid and Rehabilitation Services	<i>Berri</i>	1.00	22 968	4 043	27 011	18 627	45 638
Para Districts Housing Service		1.00	22 968	4 043	27 011	13 513	40 524
Parks Self Help Group		1.00	22 968	4 043	27 011	23 022	50 033
Pika Wiya Health Service		3.00	72 138	12 696	84 834	35 597	120 431
Port Pirie Central Mission		3.50	83 252	14 652	97 904	41 418	139 322
Riverland Accommodation Forum		1.00	25 831	4 546	30 377	9 702	40 079
Salvation Army Ingle Farm Corps		3.00	71 767	12 631	84 398	22 070	106 468
Salvation Army Mount Gambier		0.50	11 484	2 021	13 505	4 406	17 911
Salvation Army Port Augusta		2.00	45 937	8 085	54 022	22 060	76 082
Salvation Army Renmark		1.50	34 452	6 064	40 516	12 557	53 073
Salvation Army William Booth	<i>Residential Services</i>	6.00	140 672	24 758	165 430	32 669	198 099
Salvation Army William Booth	<i>Hostel</i>	2.50	57 421	10 106	67 527	92 223	159 750
Society of St. Vincent de Paul	<i>VDP House</i>	0.00	0	0	0	3 254	3 254
Society of St. Vincent de Paul	<i>Night Shelter</i>	1.00	25 833	4 547	30 380	0	30 380
Society of St. Vincent de Paul	<i>Night Shelter</i>	3.00	68 904	12 127	81 031	95 866	176 897
Society of St. Vincent de Paul	<i>Bailey House</i>	1.00	22 968	4 043	27 011	0	27 011
Society of St. Vincent de Paul	<i>Bailey House</i>	0.00	0	0	0	6 182	6 182
Society of St. Vincent de Paul	<i>VDP House</i>	1.00	22 968	4 043	27 011	0	27 011
South East Regional Accommodation Forum	<i>Croydon House</i>	1.50	34 454	6 064	40 518	16 431	56 949
St. James Community Care Committee		1.40	32 155	5 659	37 814	8 490	46 304
Umoona Community Council		0.00	0	0	0	2 273	2 273
West End Baptist Mission	<i>Westcare</i>	0.00	0	0	0	13 169	13 169
<b>Total General Sector</b>		<b>64.05</b>					<b>2 556 011</b>
Women's							
Bramwell House		5.50	136 502	24 024	160 526	49 475	210 001
Domestic Violence Project		1.00	27 959	4 921	32 880	8 900	41 780
Elouera Emergency Accommodation for Women		5.25	130 389	22 948	153 337	48 369	201 706
Hope Haven		5.50	136 502	24 024	160 526	56 711	217 237
Irene Womens Shelter		5.50	136 502	24 024	160 526	62 405	222 931
Judith House		4.40	112 844	19 861	132 705	27 477	160 182
Lower Eyre Peninsula Women and Childrens Emergency Hostel		6.00	148 727	26 176	174 903	66 602	241 505
Migrant Womens Emergency Support Service		5.50	137 977	24 284	162 261	36 761	199 022
Nunga Mimimi Womens Shelter		5.00	124 200	21 859	146 059	52 550	198 609
Para Districts Womens Shelter		5.50	136 502	24 024	160 526	64 154	224 680
Riverland Womens Shelter		5.50	136 502	24 024	160 526	49 888	210 414
South East Womens Emergency Shelter		5.50	136 500	24 025	160 525	58 222	218 747
Southern Areas Womens Shelter		5.50	136 502	24 024	160 526	65 806	226 332
Western Areas Womens Shelter		5.50	136 502	24 024	160 526	61 831	222 357

Organisation		f.t.c.'s	salaries \$	on costs \$	1989-90 funding total salaries \$	operating \$	total recurrent \$
Whyalla Transition House		0.50	12 225	2 152	14 377	8 482	22 859
Womens and Childrens Hostel	<i>Port Augusta</i>	6.00	148 727	26 176	174 903	59 681	234 584
Womens Emergency Shelter	<i>North Adelaide</i>	6.00	148 727	26 176	174 903	64 418	239 321
<b>Total Womens Sector</b>		<b>83.65</b>					<b>3 292 267</b>

**ENGINEERING AND WATER SUPPLY DEPARTMENT**

102. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Minister of Water Resources:

1. What was the operating result of the Engineering and Water Supply Department for 1989-90?
2. How much did the department receive in revenue in 1989-90 from rates and charges?

The Hon. S. M. LENEHAN:

1. An operating profit of \$3.2 million.
2. \$299.3 million.

**GOVERNMENT REVENUE**

103. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Minister of Water Resources: What is the estimate of the 1990-91 revenue from fees payable under the Waterworks Act announced in the *Government Gazette* of 5 July (p. 214) and what were the actual amounts in 1989-90 and 1982-83?

The Hon. S.M. LENEHAN: The reply is as follows:

1990-91 Estimate	1989-90 Actual	1982-83 Actual
\$192	*	*

\* The actual revenue received is unavailable as it would not be economical to maintain separate accounts for these fees due to the limited number of transactions processed (less than 5 per annum).

It is also pointed out that these fees have not been increased in 1990-91.

104. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Minister of Water Resources: What is the estimate of the 1990-91 revenue from fees payable under the Sewerage Act announced in the *Government Gazette* of 5 July (pp. 215-217) and what were the actual amounts in 1989-90 and 1982-83?

The Hon. S. M. LENEHAN: The 1990-91 Estimate is \$188 000. Actual revenues from fees payable under the Sewerage Act (*Government Gazette*, 5 July pp. 215-217) for 1982-83 and 1989-90 are not available in the format requested. However the revenues for the total plumbing and gasfitting secretariat to which the attached fees refer, are available and are as follows:

1982-83 Actual	1989-90 Actual
\$60 400	\$180 500

The 1990-91 fee structure has not been increased above 1989-90 levels.

105. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Minister of Lands: What is the estimate of the 1990-91 revenue from fees payable under the Crown Lands Act announced in the *Government Gazette* of 5 July (p. 218) and what were the actual amounts in 1989-90 and 1982-83?

The Hon. S.M. LENEHAN: The estimate of the 1990-91 revenue from fees payable under the Crown Lands Act announced in the *Government Gazette* of 5 July (p. 218) is \$45 600. Actual amounts for the financial years 1989-90 and 1982-83 were \$25 514 and \$2 565 respectively.

107. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Minister of Marine: What is the estimate of the 1990-91 revenue from fees payable under the examination for certificate of competency and safety manning regulations announced in the *Government Gazette* of 5 July (p. 221) and what were the actual amounts in 1989-90 and 1982-83?

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

Revenue	Costs of Delivering Services	Subsidy
1982-83:		
\$21 615	\$56 182	\$34 567
1989-90:		
\$9 630	\$79 691	\$70 061
1990-91:		
\$21 800	\$83 738	\$61 938

The revenue for 1982-83 is high due to 651 Coxswain's permits being issued. This was a 'one off' occasion to enable people to obtain qualifications under new regulations that were not previously required to be qualified.

108. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Minister of Fisheries: What is the estimate of the 1990-91 revenue from fees payable under Schedule 5 of the Fisheries (General) Regulations announced in the *Government Gazette* of 5 July (p. 222) and what were the actual amounts in each of the years 1984-85 to 1989-90?

The Hon. LYNN ARNOLD: The estimate of the 1990-91 revenue from fees payable under Schedule 5 of the Fisheries (General) Regulations announced in the *Government Gazette* of 5 July (p. 222) is \$212 712. Corresponding figures for previous years are:

	\$
1989-90	203 648
1988-89	198 850
1987-88	169 792
1986-87	140 665
1985-86	130 151
1984-85	110 387

109. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Minister of Fisheries: What is the estimate of the 1990-91 revenue from fees payable under Regulation 23 of the Scheme of Management (Lakes and Coorong Fishery) Regulations announced in the *Government Gazette* of 5 July (p. 223) and what were the actual amounts in each of the years 1984-85 to 1989-90?

The Hon. LYNN ARNOLD: The estimate of the 1990-91 revenue from fees payable under Regulation 23 of the Scheme Management (Lakes and Coorong Fishery) Regulations announced in the *Government Gazette* of 5 July (p. 223) is \$12 378. Corresponding figures for previous years are:

	\$
1989-90	11 846
1988-89	11 262
1987-88	7 716
1986-87	7 800
1985-86	5 514
1984-85	5 010

**SURPLUS LAND**

113. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Minister of Lands: For each of the follow-

ing departments and agencies what were the proceeds from the disposal of surplus land and property in each of the past five financial years:

- (a) Education Department;
- (b) Department of Housing and Construction;
- (c) South Australian Health Commission;
- (d) Department of Environment and Planning;
- (e) Woods and Forests Department;
- (f) Department of Technical and Further Education;
- (g) Department of Lands;
- (h) Department of Family and Community Services;
- (i) Department of Agriculture;
- (j) Engineering and Water Supply Department;
- (k) Department of Marine and Harbors; and
- (l) Highways Department?

**The Hon. S.M. LENEHAN:** As the question asked by the honourable member will require at least two people approximately two weeks to collate, I suggest that the cost in time and salary would far outweigh the information derived from the answer. I therefore offer to provide Mr Baker access to specific land disposal details if he has a particular interest at any time.

#### WORKERS COMPENSATION

114. **Mr D.S. BAKER (Leader of the Opposition),** on notice, asked the Minister of Labour:

1. What was the amount of net claims paid from the Government Workers Rehabilitation and Compensation Fund in 1989-90?

2. For each of the following departments, what were the net payments in respect of workers compensation in 1989-90 and what was the number of claims paid:

- (a) Education;
- (b) Engineering and Water Supply;
- (c) Police;
- (d) Correctional Services;
- (e) Highways;
- (f) Housing and Construction;
- (g) Technical and Further Education;
- (h) Family and Community Services;
- (i) Woods and Forests; and
- (j) Marine and Harbors?

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

1. Net claims paid 1989-90—\$34 755 092.

2. Department	Net Payments	No. of Claims
(a) Education	\$10 057 892	1 780
(b) E&WS	\$ 3 984 685	902
(c) Police	\$ 2 087 122	695
(d) Correctional Services	\$ 3 513 723	388
(e) Road Transport	\$ 2 263 133	516
(f) SACON	\$ 1 540 889	435
(g) DETAFE	\$ 2 208 787	304
(h) Family and Community Services	\$ 1 214 008	176
(i) Woods and Forests	\$ 1 142 929	397
(j) Marine and Harbors	\$ 2 493 171	224

#### SOUTH AUSTRAL-ASIA PTY LTD

116. **Mr D.S. BAKER (Leader of the Opposition),** on notice, asked the Minister of Industry, Trade and Technology: What were the accumulated losses of South Austral-Asia Pty Ltd at 30 June 1990?

**The Hon. LYNN ARNOLD:** The financial accounts of South Austral-Asia Pty Ltd for the year ended 30 June 1990 are currently being audited by the Auditor-General. A full set of audited accounts for South Austral-Asia Pty Ltd as

at 30 June 1990, which detail the amount of accumulated losses, will be included in the Auditor-General's Report which will be tabled before the Parliament in the near future.

#### OPERATING RESULTS

118. **Mr D.S. BAKER (Leader of the Opposition),** on notice, asked the Minister of Industry, Trade and Technology, representing the Minister of State Services: What were the respective operating results of State Computing, State Print and SA Remote Sensing for 1989-90?

**The Hon. LYNN ARNOLD:** The replies are as follows:

1. The audited 1989-90 operating result of State Computing is a surplus of \$2 341 035.

2. The audited 1989-90 operating result of Stateprint is a surplus of \$43 883. This represents a turnaround of approximately \$1 815 000 from the 1988-89 loss (prior to abnormal items) of \$1 771 000.

3. The Minister of Lands has advised that the 1989-90 operating result of SA Remote Sensing is a deficit of \$343 269. (It should be noted that as at 30 June 1990 there were outstanding payments of \$49 162 due to the centre for work already invoiced. There were no outstanding payments due by the centre.)

#### GOVERNMENT VEHICLES

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

1. What Government business were the following cars being used for at the Victoria Hotel, O'Halloran Hill on Tuesday 17 July 1990, to which departments do they belong and what was the classification of each of the drivers:

- (a) UQT 021;
- (b) UQR 560;
- (c) UQW 863;
- (d) UQT 334; and
- (f) UQX 184?

2. Is it normal practice for drivers of these vehicles to congregate at midday at this location for a considerable length of time?

3. What specific instructions or guidelines are given to drivers of Government motor vehicles concerning the use of the cars, particularly around lunchtimes?

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

1. The vehicles mentioned are allocated to two architects and three architectural inspectors of the southern region of SACON. The drivers of these vehicles were attending a farewell lunch for the Acting Regional Architect.

It must be noted that the drivers arrived at the hotel at approximately 12.15 p.m. and they departed between 1.15 p.m. and 1.45 p.m., which is within the normal two-hour flexitime period for lunch. Three of the drivers had appointments in the southern area, one at 1.30 p.m. and two at 2.00 p.m. The other two drivers were on their way back to the regional office from morning appointments.

2. Since the southern region encompasses a large area it is unusual for the architectural staff to be in the office at the same time, so it would be rare for them to frequent the Victoria Hotel at the same time.

Nevertheless, the officers concerned have been counselled against the use of their allocated Government vehicles for such functions, which can be deemed as of a private nature.

3. Drivers of Government motor vehicles are bound by the Commissioner for Public Employment circular on the use of motor vehicles.

**MOTOR REGISTRATION COMPUTER**

129. Mr MATTHEW (Bright), on notice, asked the Minister of Transport:

1. What was the total cost, including temporary storage of software and data, of removal of the mainframe from the Motor Registration Computer Centre and its reinstallation, including loading of software and data, at the JIS computer centre?
2. What was the total cost, including temporary storage of software and data, of removal of the mainframe from the JIS computer centre and its reinstallation, including loading of software and data, at the Motor Registration Division computer centre?
3. Which department will be responsible for meeting the cost of the upgrade of the Motor Registration Division computer now at the JIS computer centre and what will be the total cost of the upgrade?
4. What will be the capacity of the upgraded mainframe?
5. When will the upgrade be installed and ready for use by JIS?

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

1. The cost of swapping the Motor Registration and JIS computers on 21 July 1990 was \$7 435.90.
2. The cost of returning the machines to their original location is estimated to be about the same figure mentioned in 1.
3. The Department of Road Transport will be responsible for meeting the costs. The cost of the upgrade is still being examined.
4. This matter is still under examination.
5. An interim upgrade to the Motor Registration computer was installed on 12 August 1990 while the machine was still at the JIS site. The final upgrade will be dependent on the outcome of the examination mentioned in 4.

**INTRAVENOUS DRUG USERS**

132. Mr MATTHEW (Bright), on notice, asked the Minister of Health:

1. How many needles were distributed free of charge to intravenous drug users during 1989-90?
2. How were the needles distributed?
3. What was the cost of the needles and what was the cost of advertising the distribution points?
4. What age or financial status limitations were applied to entitlement to free or subsidised needles?

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

1. 9 293 distributed free of charge  
7 745 returned  
exchange rate 83%
2. Mobile Health Risk Minimization Program\* 86.7%  
Licensed Needle Exchange Workers in community based health/welfare settings 13.3%
3. Syringe purchase costs: \$1 254.55  
Advertising costs: Nil
4. Free syringes were provided to any persons over the age of 15 years. No financial status limitations apply in these services.

\* This program consists of a small team of health workers visiting by van specific suburban sites each Friday and Saturday night to provide and exchange needles and syringes, cleansing bleach, condoms and safe injecting/sex education information. They may also perform a counselling and treatment referral service.

**TELECOM**

134. Mr MATTHEW (Bright), on notice, asked the Minister for Environment and Planning:

1. In which suburbs are the sites on which the Government has advised Telecom that it has no objection to the construction of towers to support the cellular mobile telephone network?
2. On what date did the Minister first receive correspondence from Telecom regarding construction of the towers and which potential sites were advised to the Minister in that correspondence?
3. Which tower sites were advised in later correspondence and on what date was such advice received?
4. Has the Minister corresponded or discussed with the Federal Minister of Environment the potential environmental impact of the towers and, if so, when did correspondence/discussion occur, and what decisions were made regarding such impact?
5. On what date was Telecom advised that the Minister has no objection to the construction of a tower on Hartley Road, Brighton, under whose signature was that advice sent and does the Minister now have any objection to the construction of a tower on Hartley Road, Brighton?

The Hon. S.M. LENEHAN: The replies are as follows:

1.

Beverley	Glynde	Brighton
Burnside	Pasadena	Prospect
Elizabeth	Salisbury	Marleston
West Lakes	Athol Park	Cavan
Gilles Plains	Mile End	Henley South
2. The Minister has received no correspondence from Telecom regarding the construction of these towers. The Department of Environment and Planning was first contacted on 1 February 1989 about the proposals for the Beverley and Glynde facilities and briefed on the long-term development.

3. Suburb	Address	Date	Constructed Yes/No
Beverley	Telecom Works Depot, Charles Road, Beverley	15.2.89	Yes
Glynde	Telecom Operations Centre, Davis Road, Glynde	15.2.89	Yes
Brighton	Telecom Exchange, Hartley Street, Brighton	30.3.89	No
Burnside	Burnside Council Depot, corner Glynburn/Greenhill Road, Burnside	26.7.89	Yes
Pasadena	Telecom Training School, 1 Cashel Street, Pasadena	26.7.89	Yes
Prospect	Telecom Line Depot, corner John Road/Dean, Prospect	3.11.89	No
Elizabeth	Elizabeth Telephone Exchange, 18 Philip Highway, Elizabeth	15.11.89	No
Salisbury	Salisbury Telephone Exchange, corner Yorke Terrace/Spains Road, Salisbury	15.11.89	Yes
Marleston	Marleston TAFE Grounds, 254 Richmond Road, Marleston	5.1.90	Yes
West Lakes	State Supply Complex, Frederick Road, West Lakes	5.1.90	Yes
Athol Park	Brambles Equipment Depot, 215 Hanson Road, Athol Park	23.1.90	Yes
Cavan	Holco Limited, 1163 Churchill Road, Cavan	23.1.90	Yes



Suburb	Address	Date	Constructed Yes/No
Gilles Plains	Hillcrest Hospital Grounds, Fosters Road, Gilles Plains	15.3.90	Yes
Mile End	Telecom Warehouse Depot, Mile End	18.5.90	No
Henley South	Catholic Church Endowment Inc. Property, Burnley Street, Henley South	6.6.90	No

4. The Minister has not corresponded with the Federal Minister of Environment on this matter.

5. The Manager, Major Projects and Assessments Branch responded to Telecom on the Brighton tower proposal on 10 April 1989. Provided Telecom follows its normal practice and responds to comments raised by the local council and the community to minimise adverse impacts, I have no objection to the construction of a tower in the vicinity of Hartley Road, Brighton or any alternative site in the area which may be preferred by the council.

**MOTOR REGISTRATION COMPUTER**

137. Mr MATTHEW (Bright), on notice, asked the Minister of Transport: What is the name of the consulting company which prepared the feasibility report for the Motor Registration Computer System and on what date was the report completed?

The Hon. FRANK BLEVINS: A feasibility study for a Motor Registration On-line Computer System was prepared by Touche Ross Services. It was completed in 1981.

**OLD TRAM BARN**

138. Dr ARMITAGE (Adelaide), on notice, asked the Minister for Environment and Planning: What are the starting dates for the mooted national design competition for redevelopment of the old tram barn in Victoria Square's south-east corner and for the redevelopment itself?

The Hon. S.M. LENEHAN: The suggestion that an architectural competition be conducted for the design of a landmark building on the south-eastern corner of Victoria Square is part of a proposed 10 year plan for the redevelopment of the square. The proposed plan is at the early conceptual stage and further development of the plan will occur as the planning review reports. Accordingly no timetable for the suggested architectural competition is currently available.

**GOVERNMENT REVENUE**

140. Mr D.S. BAKER (Leader of the Opposition), on notice, asked the Minister of Health: What is the estimate of the 1990-91 revenue from fees payable under the Medical Practitioners Act announced in the *Government Gazette* of 19 July (p. 362) and what were the actual amounts in 1989-90 and 1983-84?

The Hon. D.J. HOPGOOD: The reply is as follows:

Medical Practitioners Act Medical Board of S.A.—Fee Revenue		
1983-84	1989-90	1990-91
\$231 312	\$592 688	\$600 000 (estimated)

**ANNUAL BOARD FEES**

145. Mr BECKER (Hanson), on notice, asked the Premier:

1. What is the annual board fee paid to members and the Chairman and Deputy Chairman, respectively, of each of the following:

- (a) The Electricity Trust of South Australia;
- (b) The State Bank;
- (c) The Lotteries Commission;
- (d) The Totalizator Agency Board;
- (e) The Adelaide Festival Centre Trust;
- (f) Metropolitan Milk Board;
- (g) Pipelines Authority of South Australia;
- (h) South Australian Film Corporation;
- (i) South Australian Housing Trust;
- (j) SAMCOR;
- (k) State Government Insurance Commission; and
- (l) State Transport Authority?

2. Do these people contribute to a superannuation fund and, if so, on what basis?

3. What out of pocket expenses are paid to them?

4. When were the fees and allowances last established and who sets them?

The Hon. J. C. BANNON: The replies are as follows:

1. There are two structures for the setting of fees for Government approved part-time boards and committees. These structures and fee levels currently being paid are as follows:

MAJOR AUTHORITIES—LEVEL AND FEES		
LEVEL	POSITION	FEE
		\$
Level 1	Chairperson	14 201 p.a.
	Deputy Chairperson	13 178 p.a.
	Member	10 025 p.a.
Level 2	Chairperson	11 373 p.a.
	Deputy Chairperson	9 175 p.a.
	Member	7 221 p.a.
Level 3	Chairperson	9 175 p.a.
	Deputy Chairperson	7 221 p.a.
	Member	6 858 p.a.
Level 4	Chairperson	6 469 p.a.
	Member	4 964 p.a.
Level 5	Chairperson	3 220 p.a.
	Member	2 466 p.a.
BOARDS/COMMITTEES/TRIBUNALS ETC.		
LEVEL	POSITION	FEE
Level 1	Chairperson	\$144 per four hour session
	Deputy Chairperson	\$132 per four hour session
	Member	121 per four hour session
Level 2	Chairperson	\$121 per four hour session
	Member	101 per four hour session
Level 3	Chairperson	\$72 per four hour session
	Member	\$60 per four hour session
Level 4	Chairperson	\$66 per four hour session
	Member	\$54 per four hour session

- Sessional fees are converted to annual fees where appropriate
- In addition to these fees extra payments may be made in special circumstances and with Cabinet approval to cover extremely heavy workloads

Levels for the committees/boards covered in this question are listed below:

- (a) Level 1 Major Authority
- (b) Level 1 Major Authority
- (c) Level 3 Major Authority
- (d) Level 3 Major Authority
- (e) Level 4 Major Authority

- (f) The Metropolitan Milk Board has for many years had its fees set outside the current structure but is currently being reviewed to establish its correct level within the structure.

Current Fees for the Board are:

	Chairperson:	Full-Time Salary
	Members:	\$ 5 370 p.a.
(g)	Level 1 Major Authority	
(h)	Level 4 Major Authority	
(i)	Level 2 Major Authority	
(j)	Level 3 Major Authority	
(k)	Level 1 Major Authority	
(l)	Level 1 Major Authority	

2. No. Members of Government appointed to part-time boards and committees do not fall within the definition of employee under the Superannuation Act.

3. Reimbursement of expenses are covered by the following policy:

(1) Where members are resident in country areas but attend meetings in Adelaide (or vice versa):

1.1 costs necessarily incurred for meals and accommodation to the extent and on the conditions prescribed by the Commissioner for Public Employment Determination No. 9.

1.2 actual travel costs necessarily incurred except where private motor vehicles are used in which case a motor vehicles mileage allowance should be paid in accordance with the provisions of the Commissioner for Public Employment Determination No. 6.

(2) Where members attend meetings in the general locality of their own place of residence:

2.1 reimbursement of expenses necessarily incurred in connection with normal board/committee business providing that the expenses are not associated with normal travel to and from meetings, or are of a kind which are clearly the members' responsibility.

4. The Commissioner for Public Employment recommends to Ministers Executive Council fee levels for government appointed part-time boards and committee (see structure in Answer 1). Ministers approve fee levels where there is no requirement for the Governor in Executive Council to approve. Where statutes require the Governor's approval, fees are approved by the Governor in Executive Council.

Fees are reviewed annually and the date of operation for increases is 1 July of each year.

#### COMMISSIONER FOR PUBLIC EMPLOYMENT

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

1. What are the contents of the Commissioner for Public Employment's Circular No. 30?

2. What mechanisms are in place to monitor adherence to the provisions of the circular?

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

1. The purpose of Commissioner's Circular No. 30 is to advise all employees of the Government's policy on allocation and use of Government motor vehicles. The policies relate to:

- permanent allocation of vehicles for home/office travel;
- regular allocation of vehicles including home/office travel;
- occasional allocation of vehicles including home/office travel;
- the use of State Fleet for short-term and long-term hire.

2. Commissioner's Circular No. 30 was recently reissued on 1 June 1990 highlighting new arrangements for perma-

nent allocation of Government vehicles for home/office travel to executive officers classified at Level 1. The reissue was also designed to bring to the attention of chief executive officers the current Government policy relating to use of motor vehicles which is in general terms that Government number plated vehicles are not to be used for private purposes. Chief executive officers are responsible for the use of motor vehicles by their employees and for the regular review of motor vehicle allocations for home/office travel. The introduction of blue plates for Government vehicles makes them easily recognisable by the public and helps to ensure that they are only used for official duties.

#### HARTLEY DUMP

147. The Hon. D.C. WOTTON (Heysen), on notice, asked the Minister for Environment and Planning: Has a management plan as defined under section 15 of the Waste Management Act 1987 been prepared for the Hartley Dump; if not, is it intended that a plan be prepared and, if not, why not?

The Hon. S.M. LENEHAN: Section 15 of the Waste Management Act 1987 allows the Waste Management Commission to prepare waste management plans for a specified area of the State, setting out the measures the commission considers necessary or desirable for proper waste management in the area.

These plans may designate preferred sites for landfill or for transfer stations or other waste management activities as a guide for planning authorities.

After appropriate consultation with relevant councils in the area and the public, the Minister may approve the plan which then becomes a part of the State's Development Plan and has to be taken into account by planning authorities in responding to planning applications for waste related activities. The commission has developed no such plans of this nature to date.

In the case of the Monarto Quarries proposal, an application by the Adelaide Hills Regional Waste Management authority for a licence to operate the Hartley site as a solid waste landfill would have to include a management plan.

This management plan is not the type specified in section 15 of the Act, but is a plan which specifies the way the depot will be operated through its life, and is a requirement of every licenced depot throughout the State.

This type of plan becomes a condition of licence for the operator and is monitored for compliance by commission staff. The plan can be varied from time to time by the commission.

The Hartley site is currently subject to a planning appeal. In the event the project proceeds to the point where a licence is applied for by the authority the management plan would be prepared by the authority in conjunction with commission officers and would require approval of the commission.

#### GRAND PRIX

149. Dr ARMITAGE (Adelaide), on notice, asked the Premier: Does 'Event Tours and Travel' get any preferential treatment with respect to hotel bookings when responding to requests for in-bound Grand Prix related business?

The Hon. J.C. BANNON: The issue of preferential treatment was previously raised by the Australian Federation of Travel Agents and to show this was not the case the manager of both the travel agency and the accommodation unit,

allowed the President of the AFTA, SA and an AFTA State delegate to the national body to inspect the books of the accommodation unit. They were satisfied that no preferential treatment was being given and reported same to both the State chapter of AFTA and the national body.

### ASBESTOS

151. **Mr BECKER (Hanson)**, on notice, asked the Minister of Emergency Services:

1. What action is taken by the South Australian Fire Brigade to protect firefighters from asbestos when attending factory and house fires?

2. How many firefighters have been affected by asbestos when attending fires in the past year?

**The Hon. J.H.C. KLUNDER:** The replies are as follows:

1. All firefighters who attend fires are provided with breathing apparatus sets, which they are required to wear when in the vicinity of smoke or other products of combustion. When asbestos is being removed from buildings by contractors the SA Metropolitan Fire Service Operational Procedure 11/88 shall apply requiring a dangerous substance response to implement appropriate operational and decontamination procedures. Should firefighters be expected to enter an area contaminated with asbestos particles a fully encapsulating protective suit is required to be worn, together with breathing apparatus. Any exposure to asbestos particles requires the implementation of full decontamination procedures. Records of all firefighters exposed to dangerous substances (including asbestos) are maintained by the Fire Service.

2. SAMFS records indicate NIL.

### GRAND PRIX

158. **Mr BECKER (Hanson)**, on notice, asked the Premier:

1. What was the cost of the boardroom table for the Grand Prix Office?

2. What timber was used and who designed and made the table?

**The Hon. J.C. BANNON:** The cost of the boardroom table for the Grand Prix Office was \$6 139. The timber used is chipboard with a sycamore veneer. The table was designed and built by Bissland Pty Ltd.

### E&WS SURVEY

160. **Mrs KOTZ (Newland)**, on notice, asked the Minister of Water Resources: In relation to the Government tender gazetted 28 June 1990 for a consultant to conduct a market survey to determine customer attitudes with respect to a number of E&WS Department services—

- (a) what services will be surveyed;
- (b) how will the survey be conducted;
- (c) what is the overall expected cost;
- (d) when will the results be known; and
- (e) will the survey be made public?

**The Hon. S.M. LENEHAN:** The replies are as follows:

(a) Replies to customer inquiries on rating/revenue related matters by correspondence and telephone. Water meters (locations) and meter reading (reader access to properties). Payment options. Water Used Advisory Service. Sewerage operations—preventive and breakdown maintenance (sewer chokes). Water Operations—Water quality and burst mains.

- (b) Using qualitative and quantitative research methods.
- (c) \$35 200.
- (d) Within three months.
- (e) The results of the survey will be available upon request.

### DEPARTMENT FOR FAMILY AND COMMUNITY SERVICES

161. **Mrs KOTZ (Newland)**, on notice, asked the Minister of Family and Community Services: In relation to changing the name of the Department for Community Welfare to the Department for Family and Community Services—

- (a) what was the cost of designing the new department logo;
- (b) what was the cost of new stationery;
- (c) what amounts of printed stationery bearing the former title were discarded or was any attempt made to recycle this stationery and, if so, how was this done and, if not, why not; and
- (d) what other costs were involved in the change?

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

- (a) \$5 380.
- (b) No additional costs were incurred because existing stationery stocks were almost exhausted and normal re-ordering was about to occur.
- (c) No stationery was discarded. The small amount which remained was over stamped or used for other purposes.
- (d) \$1 333 has been spent on temporary signage and rubber stamps. Permanent signage will be progressively installed as part of programed building maintenance and upgrades.

### TRANSPORT SUBSIDY SCHEME

164. **The Hon. JENNIFER CASHMORE (Coles)**, on notice, asked the Minister of Transport:

- 1. When is the transport subsidy scheme to be reviewed?
- 2. Will such a review canvass the possibility of including intellectually and behaviourally impaired people and identify the additional cost of doing so?
- 3. Has the Government any estimate of the numbers of intellectually and behaviourally impaired people who might seek occasional or regular access to this scheme and, if so, what are the details?

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

1. The transport subsidy scheme was comprehensively reviewed by a Commonwealth officer seconded to the State in 1988 and 1989. A number of his recommendations have been acted upon, including extension of the scheme to country centres, increasing the level of subsidy, and free travel for tertiary education.

2. The eligibility criteria are kept under constant review by a user advisory panel which includes users and representatives from various organisations representing the disabled with some Government representation. The panel has recently been asked to consider the possible inclusion of intellectually and behaviourally impaired people. The costs associated with such a proposal are being investigated; however, no firm estimates have been identified.

3. At this stage the Government is not able to provide the number of people who fall into this category but this matter will be examined and discussed by the transport subsidy scheme user committee at its next meeting.

## TAXATION

166. Mr BECKER (Hanson), on notice, asked the Minister of Education representing the Attorney-General: Did the Minister recently hold a meeting with about ten leading taxation accountants and, if so, why; and were the accountants specifically asked to report to the Taxation Department clients who are suspected of avoiding tax and, if so, why?

The Hon. G.J. CRAFTER: No.

## PORT STANVAC

169. Mr MATTHEW (Bright), on notice, asked the Minister for Environment and Planning: Has the Department of Environment and Planning undertaken any air pollution measurements in the area south of Port Stanvac Oil Refinery in the past five years and, if so, what tests were conducted, when, where and by whom and, if not, why not?

The Hon. S.M. LENEHAN: The Air Quality Branch has operated automatic monitoring stations near Port Stanvac since 1986. Monitoring stations were established with the aim of assessing the impact of emissions from Port Stanvac Oil Refinery on air quality in nearby suburban areas as follows.

Lonsdale Heights Primary School, Christie Downs.

A sulphur dioxide monitoring station was established in March 1986 at Lonsdale Heights Primary School, Christie Downs, about two kilometres south-east of Port Stanvac Oil Refinery. The station was closed down in June 1987 because of persistent attacks by vandals. Sulphur dioxide concentrations during March 1986 to June 1987 were below the National Health and Medical Research Council (NHMRC) goal of 0.245 parts per million (ppm).

Telecom Exchange, Christie Downs.

A new sulphur dioxide station was installed in August 1987 at the Telecom Exchange in Christie Downs, about one kilometre west of the original site at Lonsdale Heights Primary School. The station was expanded in May 1988 with a hydrogen sulphide analyser, which would help to define the impact of refinery odours in the area. The hydrogen sulphide analyser was withdrawn in July 1988 for repairs under warranty in the United States. The instrument was reinstalled in June 1989. Monitoring continued at the Telecom site with levels of sulphur dioxide well below the NHMRC goal of 0.245 ppm. At present, there is no goal for atmospheric hydrogen sulphide. Hydrogen sulphide levels were lower than those for sulphur dioxide, being generally less than 0.01 ppm.

St. Martin de Porres Primary School, Sheidow Park.

A sulphur dioxide monitoring station was established in July 1990 at St. Martin de Porres Primary School, Sheidow Park, about four kilometres north-east of Port Stanvac Oil Refinery. The station was installed because of public complaints about asthma cases among students. It is too early to assess whether sulphur dioxide emissions from the refinery are the triggering agents for asthmatic attacks.

170. Mr MATTHEW (Bright), on notice, asked the Minister for Environment and Planning: Has the Department of Environment and Planning undertaken any hazard risk analysis for the area south of Port Stanvac Oil Refinery and, if so, what studies have been done; when and by whom; and, if not, why not?

The Hon. S.M. LENEHAN: The Department of Environment and Planning has not conducted a quantitative risk assessment of Port Stanvac Oil Refinery; however, such an assessment of petroleum refineries of Australia was conducted by Kinhill Engineers Ltd in June 1989. This study was jointly funded by the Department of Environment and Planning and Noarlunga and Marion councils.

## FREE STUDENT TRAVEL

172. Mr MATTHEW (Bright), on notice, asked the Minister of Transport: What was the total cost in lost fares of free transport for students during the period 1 January to 30 June 1990?

The Hon. FRANK BELVINS: The estimated fare revenue loss in the period 1 January to 30 June 1990 is \$2.8 million, which is consistent with the overall revised annual estimate of the cost of free student travel of \$6.8 million.

## COOBER PEDY LAND

173. Mr GUNN (Eyre), on notice, asked the Minister of Lands: Does the Government still own land at Coober Pedy known as 'the Triangle' and, if so, does it intend selling, leasing or making the land available for development?

The Hon. S.M. LENEHAN: The land known as 'the Triangle' is unallocated Crown land which is held by the Minister of Lands. The land is unoccupied except for the northern portion which houses a courts complex, Mines Department office and radio towers for the Civil Aviation Department. The Minister of Lands has received applications to make the site available for development which would include provision for service stations. To assist the Minister in determining allocation and long-term use of this land, a planning study is currently being conducted by the Departments of Lands and Environment and Planning. It is anticipated that this study will be completed in December 1990 and no decisions on tenure will be made prior to that date.